

CLWYD PENSION FUND COMMITTEE

Date of Meeting	Tuesday, 22 March 2016
Report Subject	Administration and Communications Strategy Statements
Report Author	Chief Executive

EXECUTIVE SUMMARY

As part of the 2015/16 business plan, it was agreed to develop administration and communication strategies for the Fund with the aim of implementing them from 1 April 2016. These were developed and then consulted on in a number of ways with various stakeholders including the Pension Board, Pension Committee, scheme members and employers. The final proposed strategy statements are enclosed in Appendices 1 and 2.

The Pensions Administration Team have been fundamentally redesigning their management and monitoring of work in advance of the strategies going live. Monitoring information will be available in relation to administration tasks at each Pension Fund Committee meeting. The remaining performance monitoring (for example, the results of satisfaction surveys) will be reported to the Pension Fund Committee on at least an annual basis.

The proposed strategies are aspirational. They incorporate a range of improvements and efficiencies compared with the services provided in recent years, and also include the introduction of some new systems. The Pensions Administration Team believe that, in due course, they will be able to meet the targets set out in the strategies.

RECOMMENDATIONS

1	That Committee Members discuss the attached draft Administration and Communication Strategy Statements, including the proposed aims and objectives and how they will be monitored.
2	That Committee Members agree any amendments resulting from the discussions.
3	That Committee Members approve the Administration and Communication Strategy Statements (with amendments, if necessary).

REPORT DETAILS

1.00	ADMINISTRATION AND COMMUNICATION STRATEGY STATEMENTS
1.01	<p>The Fund currently has a communications strategy that is updated annually and a service level agreement with employers. However, to date it has not had an administration strategy. An administration strategy is key to ongoing engagement and partnership working with employers. Further, the communication strategy has not had a fundamental review for a number of years. As part of the 2015/16 business plan, it was therefore agreed to develop these strategies with the aim of implementing them from 1 April 2016.</p>
1.02	<p>Draft administration and communications strategies were developed and then consulted on in a number of ways:</p> <ul style="list-style-type: none">• They were shared with the Pension Board in October 2015. Following discussions, a number of amendments were made to the drafts based on the Pension Board's feedback.• A communications focus group met in December 2015 with the main conclusion being that different stakeholders have different requirements, and it is therefore not appropriate to move to one single method of communication (e.g. electronic) for all stakeholders.• They were consulted on with the Fund's employers. Only one response was received, which resulted in some minor changes. This response also highlighted that the performance targets are ambitious.• Finally, they were then discussed with Pension Fund Committee and Pension Board members at the business planning workshop in February, and circulated to all members immediately thereafter. Following this, one member highlighted that we should ensure that satisfaction surveys are positioned appropriately. <p>The final proposed strategy statements are enclosed in Appendices 1 and 2.</p>
1.03	<p>The Pensions Administration Team have been fundamentally redesigning their management and monitoring of work in advance of the administration strategy going live, as well as considering how the remaining monitoring (e.g. communications) will be dealt with. This includes some discussions with the software provider (Aquila Heywood) to try to ensure that all administering authorities using the Altair software are measuring legal requirements consistently. This meeting's quarterly administration update includes some of the new data that will be provided, focussing on the number of tasks that are being received and being completed.</p> <p>At the next meeting, the quarterly update will be expanded to include the first analysis of work completed against the administration strategy key performance indicators i.e. for the period from April 2016. The remaining performance monitoring (for example, the results of satisfaction surveys) will be reported to the Pension Fund Committee on at least an annual basis.</p>
1.04	<p>It is worth highlighting that the proposed strategies are aspirational. They incorporate a range of improvements and efficiencies compared with the services provided in recent years, such as some quite radical changes in communication through the implementation of the member's self-service</p>

	<p>functionality and greater efficiencies for employers and the Pensions Administration team through the implementation of the i-connect software.</p> <p>The key changes were incorporated in the 2015/16 business plan and continue through to the 2016/17 business plan (and in some places, into future years). Many of these, such as the review of the administration structure and how work is managed, have already been implemented. Given the major changes to the LGPS in 2014, which resulted in a further backlog of work, it is also worth highlighting that the initial reporting (to be provided at the next meeting) against the key performance indicators is expected to highlight a number of areas where the targets are not being met. However, the Pensions Administration Team believe that, in due course, they will be able to meet these targets.</p>
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2.00	RESOURCE IMPLICATIONS
2.01	There are no resource implications as a result of this report at this time. However, the implementation of these strategies and the monitoring against their objectives will assist in highlighting any under or over resourcing.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As outlined in paragraph 1.02.

4.00	RISK MANAGEMENT
4.01	The key administration and communications risks are highlighted within the strategy statements. These will be monitored on an ongoing basis as part of the Fund's risk management procedures. The administration and communications risk register is currently being reviewed and will be brought to the next Pension Fund Committee meeting.

5.00	APPENDICES
5.01	Appendix 1 – draft Administration Strategy Statement Appendix 2 – draft Communications Strategy Statement

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None
	<p>Contact Officer: Philip Latham, Clwyd Pension Fund Manager Telephone: 01352 702264 E-mail: philip.latham@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>(a) CPF – Clwyd Pension Fund – The Pension Fund managed by Flintshire County Council for local authority employees in the region and employees of other employers with links to local government in the region</p> <p>(b) Administering authority or scheme manager – Flintshire County Council is the administering authority and scheme manager for the Clwyd Pension Fund, which means it is responsible for the management and stewardship of the Fund.</p> <p>(c) PFC – Clwyd Pension Fund Committee - the Flintshire County Council committee responsible for the majority of decisions relating to the management of the Clwyd Pension Fund</p> <p>(d) LPB or PB – Local Pension Board or Pension Board – each LGPS Fund has an LPB. Their purpose is to assist the administering authority in ensuring compliance with the scheme regulations, TPR requirements and efficient and effective governance and administration of the Fund.</p> <p>(e) LGPS – Local Government Pension Scheme – the national scheme, which Clwyd Pension Fund is part of</p> <p>(f) SIP – Statement of Investment Principles – the main document that outlines our strategy in relation to the investment of assets in the Clwyd Pension Fund</p> <p>(g) FSS – Funding Strategy Statement – the main document that outlines how we will manage employers contributions to the Fund</p> <p>(h) TPR – The Pensions Regulator – a government organisation with legal responsibility for oversight of some matters relating to the delivery of public service pensions including the LGPS and CPF.</p> <p>(i) SAB – The national Scheme Advisory Board – the national body responsible for providing direction and advice to LGPS administering authorities and to DCLG.</p> <p>(j) DCLG – Department of Communities and Local Government – the government department responsible for the LGPS legislation.</p> <p>(k) Administration Cases – an area of work that needs to be completed (the overall process), for example, a retirement of a scheme member.</p> <p>(l) Administration Tasks – the stages within a case, for example, a retirement may have a number of stages including calculating the benefit, checking the calculation, and then sending it out to the scheme member.</p>