

pensions@hackney



**Local Government Pension Scheme
Employer Forum 9 March 2018
Pensions Administration**



Local Government Pension Scheme Pension Administration

Agenda

- The In-House Pension Team
- Your Responsibilities as the Employer
- The Pensions Regulator (tPR)
- We are here to help
- Contacts
- Questions



Local Government Pension Scheme Pension Administration

The In-House Pension Team

pensions@hackney

Julie Stacey Head of Pensions Administration

Karen Chenery Liaison Officer, Pensions

Nicola Speer Pension Officer

Lucy Patchell Pension Officer

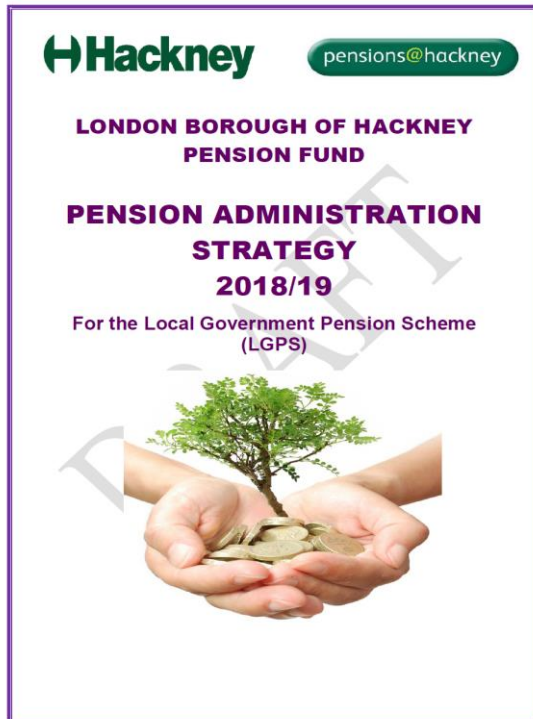
Sharmin Haque Pensions Assistant



Local Government Pension Scheme Pension Administration

Your Responsibilities as the Employer

Pensions Administration Strategy



Draft issued for consultation – closed 9 Feb

Report to Pension Committee – 21 March

Issue to employers & schools – 1 April 2018

Local Government Pension Scheme Pension Administration

Scheme Employer Responsibilities

The Pensions Administration Strategy (PAS) details in full the responsibilities that you, as an Employer, are required to do.

1. Monthly responsibilities:

Full list in the PAS - 2 important ones:

- ✓ Pay across the correct Employer and Employee contributions to the Fund and provide a schedule of payments in the format stipulated by the Fund – to be received **by** 19th calendar day of month after deduction.
- ✓ Auto-enrolment – monthly monitoring: age & wage test.

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2. Year-End Responsibilities:

- ✓ Provide correct year-end information as per instructions issued by the Fund in February each year.
- ✓ To provide any additional information requested by the Fund within the timescale indicated; pensionable pay, hours, FTE, forms, etc
- ✓ Responded to any requests for information within the timescale given

Failure to provide correct information on time, will delay the annual benefits statements being sent!

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Annual Benefit Statements

Without correct year-end data, the administrators cannot produce members Annual Benefit Statements – legal requirement to send out within 5 months of the year-end i.e. by end of August each year

For the past 3 years the Annual Benefit Statements have been issued to active members **outside** of the regulatory timescale:

- Data quality issues
- Late or non receipt of the required information
- Queries not responded to by Employers



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Does it matter if the data is wrong or late..?



YES IT DOES....!!

YOU & YOUR members can get **incorrect** pension information – incorrect pension!!

- If it's not provided, late or wrong **YOU** can & will be issued with an invoice for non-compliance from the Fund – details in the PAS
- The Fund must report to tPR – **YOU** may be issued with a Penalty Notice

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Does it matter if the Annual Benefit Statements are late..?

YES IT DOES....!!

- The Fund has a responsibility to notify the Pensions Regulator (tPR).
- If there are regular breaches, the tPR can & will issue Penalty Notices to Funds who are non-compliant.
- Any Penalty Notices received from tPR to the Hackney Fund **will be passed on to the relevant Employer.**



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2017/18 Year-End Process



- You will soon be receiving your year-end data request from Equiniti – blank template to populate – return by **13 April 2018**
- If you have any queries, problems meeting the deadline - please get in touch with Equiniti ASAP – **absolute last day to return data - 20 April 2018**
- Employers **must respond** to any queries raised by Equiniti – failure to respond will delay the ABSs.

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Data Format

- Must be in the format specified by the Fund – use the template provided by Equiniti
- Other formats will not be compatible with the administration system - manipulation of the data can cause corruption
- Any manual intervention that has to be by Equiniti will mean additional administration charges to **YOU**

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We are here to help

We appreciate that the timescales are tight but the time to produce the ABSs is governed by the LGPS Regulations and we are under scrutiny by tPR.

- Queries about the data requested, please feel free to contact Equiniti direct

Or

- the Pensions Team at Hackney - happy to assist & can arrange a visit to your offices



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tPR - COP14

Objectives of the Code

- ✓ Governing the Scheme – knowledge & understanding of Pension Board, conflicts of interest, publishing information
- ✓ Managing Risks – internal controls
- ✓ Administration – record keeping, contributions, information to members
- ✓ Resolving issues – IDRP, reporting breaches

Code of practice no. 14

**Governance and
administration
of public service
pension schemes**

April 2015

The Pensions
Regulator

Local Government Pension Scheme Pension Administration

Compliance with COP14

The Hackney Fund complete a Compliance Checklist for reporting to Pensions Committee & Pensions Board:

Extract from report of September 2017

F - Maintaining accurate member data

Legal Requirements

Scheme managers must keep records of information relating to:

- member information
- transactions, and
- pension board meetings and decisions.

The legal requirements are set out in the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014 ('the Record Keeping Regulations').

The Data Protection Act 1998 and the data protection principles set out additional requirements for using, holding and handling personal information. Other requirements are set out in the:

- Pensions Act 1995 and 2004
- Pensions Act 2008 and the Employers' Duties (Registration and Compliance) Regulations 2010
- Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715)
- Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 (SR 1997 No 94)
- Registered Pension Schemes (Provision of Information) Regulations 2006 (SI 2006/567)

No.	TPR Requirement	London Borough of Hackney Approach / Evidence	Frequency of Review	Last Review Date	Review Completed	Compliant	Notes	Action
F1	Do member records record the information required as defined in the Record Keeping Regulations and is it accurate?	<p>Scheme member records are maintained by Equiniti our third party administrators. Therefore much of the information here and in later questions relates to the records they hold on Hackney's behalf. However, as the scheme manager, Hackney is required to be satisfied the regulations are being adhered to.</p> <p>Checks were carried out in relation to each of the requirements in the Record Keeping Regulations and all were considered compliant except for in relation to clause 4(3) which relates to information for members who pay AVCs. This is held and maintained by Prudential with an annual update provided to Hackney Council/Equiniti. Hackney are currently investigating gaining access to view these AVC records.</p> <p>Data accuracy and completeness reports are also received via the triennial valuation, which cover some of these elements. In the autumn of 2015, Aon Hewitt carried out a audit of employer provided data. It highlighted a number of issues with the quality of data being provided by employers.</p> <p>Going forward Equiniti will providing an annual statement confirming they are adhering to this requirement on the accuracy and completeness of the data.</p>	<p>Annually (Jul/Aug)</p> <p>Part of actuarial valuation (triennial)</p>	31/07/2017	Fully completed	Partially compliant	<p>Equiniti were unable to provide complete and accurate annual benefit statements for all scheme members in 2015-2016 because they had not received year-end files from the scheme's largest employer (Hackney Council). For the 2016-17 benefit statements Equiniti are relying on the monthly data submissions in order to run Hackney Council & HLT ABSs as a year end file could not be provided.</p> <p>The Triennial valuation 2016-17 is complete</p> <p>Access to AVC information has been partially gained as the Pru now provides monthly listings of new AVC contracts and any amendments to existing contracts.</p>	<p>Ongoing data improvement work in relation to quality of employer data. A formal data improvement plan is being put into place between the Administering Authority and Equiniti</p> <p>Hackney Council are implementing a new payroll system with a monthly interface which should improve the quality of the data being sent to Equiniti.</p> <p>Ongoing work with the Pru is continuing to secure full access to view all AVCs records and accurately reflect this on members records</p>

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tPR - SCHEME RETURN

- It's the legal responsibility of the trustees, or managers of the scheme, to complete a scheme return (unless the number of scheme members falls below 2 or the scheme has been wound up)
- Failure to complete the scheme return by the date specified return notice, is a breach of the Pensions Act 2004 and could lead to a fine
- Question 8.3 – record keeping

These questions relate to the quality of your scheme data, as assessed within the last three years

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tPR - SCHEME RETURN

Question 8.3 – record keeping

Common data

Basic data items which are used to identify scheme members. All schemes should hold these for all members – there are 11 fields required

- ▶ National insurance number
- ▶ Surname
- ▶ Sex
- ▶ Expected retirement/maturity date (target retirement age)
- ▶ Last status event – the date at which the membership status last changed eg from active to deferred. Where appropriate, you should also capture the reason for the change in status (eg retired or opted out)
- ▶ Postcode
- ▶ Date of birth
- ▶ First name or initials
- ▶ Date pensionable service started, membership/policy start date or first contribution date
- ▶ Membership status eg active, deferred, pensioner. This can be mixed where part (but not all) of the benefits are being taken.
- ▶ Address

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tPR - SCHEME RETURN

- When did you last measure your common data?
- What percentage of this data have you assessed to be present and accurate?
- **Data score** - measure our data we look at whether the data is present and accurate:
 - ❖ all data fields are complete
 - ❖ consistency checks (start date against date of birth)
 - ❖ validation checks (NI numbers confirm to HMRC format)
 - ❖ other specific processes (existence checks, birth certificates)

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tPR - SCHEME RETURN

Data score is the % of members in the scheme to have fully present & accurate data

Case example: How to calculate a data score

A scheme has 100 members. It has 11 common data items per member, so a total of 1,100 common data items held. A data review shows 40 addresses as missing, but the rest of the data is assessed as present and accurate.

The common data score for this scheme is therefore 60%, as the administrator has assessed that 60% of members have fully present and accurate common data.

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tPR - SCHEME RETURN

Scheme-specific data (conditional)

- Along side Common Data - other data held by the administrators required for the running of the scheme.
- Eg - employer name, salary records, service history, contribution history, GMP entitlement, HMRC protections
- Different schemes will require different scheme-specific data & data formats

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New Developments

Employer Portal

- Format – will effectively be an interface file
- Will replace the need for starter, leaver, change forms – eventually!!
- Auto-validation at point of entry – will be rejected if outside of acceptable tolerance levels/missing data
- **YOU** must engage with payroll providers to ensure provision of correct format for the Portal
- Can discuss alternative method if impossible to use the Portal

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Member self-service - TSS

- New member self service – TSS (Touch Self-Service)
- Check your personal details, pensionable service, calculate retirement estimates (with caveats!)
- Currently testing – will release later in the year to all members – active, deferred & pensioners

The screenshot shows the Hackney Pension Fund member self-service portal. At the top is a dark navigation bar with the Hackney logo and links for Home, Contacts, and FAQs. The main content area has a green header with the London Borough of Hackney Pension Fund logo. Below this, there is a login/register section with fields for Username and Password, a Remember Me checkbox, and buttons for Login and Register. A 'Forgot Password' link is also present. Below the login section, there is a 'Contacts' section with a 'View Contacts' button. Further down is an 'FAQs' section with a list of links: 'My Password is incorrect', 'How can I edit my personal details?', 'How do I change my password?', 'What should I do if my account is disabled?', and 'How do I register on the website?'. A 'Read all FAQs' button is at the bottom of the FAQs section. The footer contains the EQUINITY logo, copyright information for Equiniti, and links for Privacy & Cookies, Accessibility, Terms & Conditions.

Hackney

Home | Contacts | FAQs

London Borough of
Hackney Pension Fund

This site is designed to help you understand your pension benefits. It also provides you with the ability to maintain and monitor your pension benefits.

If you've already registered, please log in using your chosen Username and Password.

If you have not used this website before, you will need to select 'Register' and from here you will be able to create a secure account.

Login Register

Username

Password

☐ Remember Me

Forgot Password Login

Contacts

A selection of useful contact details can be found here. Please click 'View Contacts' to display contact information.

View Contacts

FAQs

- [My Password is incorrect](#)
- [How can I edit my personal details?](#)
- [How do I change my password?](#)
- [What should I do if my account is disabled?](#)
- [How do I register on the website?](#)

Read all FAQs

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Local Government Pension Scheme

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Details of the documents referred to can be found using the following links:

Pension Administration Strategy:

<http://hackney.xpmemberservices.com/Employer/Pension-Administration-Strategy>

The Pensions Regulator – COP14

<http://www.thepensionsregulator.gov.uk/codes/code-governance-administration-public-service-pension-schemes.aspx>

Local Government Pension Scheme Pension Administration

Contacts

The Scheme is administered by Equiniti Pension Solutions

Equiniti Pension Solutions

London Borough of Hackney Pensions

Sunderland House

Russell Way

Crawley

West Sussex

RH10 1UH

The logo for Equiniti, featuring the word "EQUINITY" in a bold, sans-serif font. The "EQU" part is red, and the "INITY" part is dark grey.

Email: hackney.pensions@equiniti.com

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Local Government Pension Scheme Pension Administration

In-house Pensions Team-

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Any questions.....??

