

Suffolk Pension Fund Administration Strategy November 2021



Suffolk Pension Fund Administration Strategy

The aim of this Administration Strategy is to set out the quality and performance standards expected of scheme employers in the fund as well as the Suffolk Pension Fund. It seeks to promote good working relationships, improve efficiency and enforce quality amongst these parties.

The Suffolk Pension Fund has prepared this administration strategy in line with regulation 59 of the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended)

This strategy is subject to review at least every three years or at such time there is a change in legislation or policies that affect this document.

The Pension Fund Committee will consult with Employers in the Fund on any material changes to the Administration Strategy.

Strategy

Vision

The quality of service to members of the scheme relies on the supply of accurate and timely information from both their Employer and the Suffolk Pension Fund. This is best achieved when each party is clear about their roles and responsibilities and work in partnership. The purpose of the strategy is:

- To provide a high quality and low-cost pension service to members of the scheme
- To ensure pension benefits are paid accurately and on time
- To ensure performance and service delivery comply with LGPS regulations and The Pensions Regulator Code of Practice.

Principles

This strategy is an agreement between Suffolk Pension Fund and all participating Employers. All parties commit to the following principles:

- Continually develop efficient working arrangements
- Meet the service standards set out
- Take responsibility to provide accurate and timely information

Suffolk Pension Fund Responsibilities

The Suffolk Pension Fund has the overriding responsibility to maintain and administer the Suffolk Pension Fund in accordance with the regulations.

Set out in **Appendix 1** are the target timeframes the Fund aims to work within and which the Fund believes achieves an optimal balance between customer expectation, achievability and cost.

Employer Responsibilities

The below details the key requirements each Employer in the Fund must adhere to. Where issues are identified by the Employer or Administering Authority, both parties must work together to resolve them at the first available opportunity.

Firstly, the scheme Employer must nominate a person who will act as the Administering Authorities primary contact. This should be completed within one month of becoming an Employer in the Fund and future changes must be notified to the Fund immediately.

In addition, each scheme Employer must have a person nominated to oversee Stage 1 complaints for the Pensions Dispute Resolution Process. Employers should always ensure the Administering Authority has up to date details for this person.

Each Employer must also ensure they have appointed an independent Medical Practitioner qualified in Occupational health medicine, to advise on all ill health retirement application. This appointment needs to be agreed with the Administering Authority.

Each employer must ensure that the annual year-end return is sent to the Administering Authority by 21st April, or the next working day where this falls on a non-working day. This return will be completed in the requested format of the Administering Authority and contain accurate information in the relevant fields for each employment.

All other Employer administration requirements are detailed in **Appendix 2**.

Unsatisfactory performance

Failure by any party to adhere to the service standards set out in this strategy can have a number of implications. These include unsatisfactory service to members of the scheme, providing inaccurate information, inefficiency and incorrect calculations of payments.

The Suffolk Pension Fund is committed to working with all Employers to achieve the performance standards set out in this strategy but when an Employer materially fails to operate in accordance with these standards and this leads to extra costs being incurred by the Pension Fund, then a written notice will be issued to recover these extra costs in accordance with regulation 70 of the LGPS 2013 regulations.

Any penalties, fines or compensation payments imposed on the Fund by the Pensions Regulator, the Pensions Ombudsman or any other party as a consequence of Employer error or inaction will be charged to the Employer.

Any Employer who regularly pays the pension contributions later than the requirement set out in this administration strategy will be issued with a notice of improvement. Any late payment within 12 months of a notice of improvement being issued can be subject to a late payment charge at a daily rate equal to the Bank of England's base rate plus 1%.

The Suffolk Pension Fund is required to report its performance to the Pensions Board and published in the Pension Fund Annual Report and Accounts.

Any material breaches of administration will be reported to the Pensions Regulator.

Legislation

This Administration Strategy has been made under regulation 59 of the LGPS 2013 regulations. Other related legislation is set out in **Appendix 3**.

Suffolk Pension Fund Administration Responsibilities

Work Function	SLA
Issue latest Employer Manual to Employers in Fund	Within one month of Employer admission or changes being made
Provide the link to the current scheme guide for employees	Within one month of Employer admission or changes being made
Formulate and publish policies in respect of where the administering authority has discretion in the scheme	Within one month of the policy being agreed by Pensions Committee
Host Employers Meeting	Annually
Notify Employers and Scheme Members of changes to Scheme rules	Within three months of changes taking place
Issue Annual Benefit Statements to Active and Deferred Members	By 31 st August each year
Issue formal valuation results which include individual employer details	Within one month of receipt of results from the fund actuary, but in any event no later than 31 st March following the valuation date
Set up new admitted bodies including admission agreements and notification to Secretary of State	Within three months of agreement to be an admitted body in fund
Publish and keep under review the Pension Funds Funding Strategy statement	To be reviewed at each triennial valuation, following consultation with the scheme employers and the funds actuary. Revised Statement issued with the final valuation report
Publish the Pension Fund annual report	By 30 th November following the year end
Provide responses, or updates, to scheme members/representatives or employers	10 working days from the receipt of the enquiry
Process New starter information	With one month of receipt from Scheme employer
Process Change in Details	Within one month of receipt from Scheme Employer
Issue Annual Allowance Statements	By 6 th October following end of year
All estimate requests	Within 10 working days of receipt of all information*
Provide details of estimated transfers out	Within one month of receipt of all necessary information
Payment of transfers out	Processed within 10 working days of receipt of all the necessary information
Provide Transfer-in quote to scheme member	Within 10 working days of receipt of the estimated transfer value

Confirm Transfer-in payment and membership change to scheme member	Within 10 working days of receipt of payment and transfer of value
Arrange for the transfer of additional voluntary contributions (AVC) into in-house arrangement	Within 10 working days of receipt of all information
Notify Scheme employer of members election to pay additional pension contributions and/or additional voluntary contributions	Within 10 working days of receipt of election form and all required information
Notify retiring scheme members of options	Within 5 working days of receipt of all the necessary information
Payment of Retirement Lump sum and pension	Processed within 10 working days of receipt of all necessary information**. Pension to be paid in the next available pay run and thereafter paid on the last banking day of each month
Issue correspondence in relation to death notifications	Within 5 working days following notification of death and all required information
Notification of survivor benefits	Within 10 working days of receipt of all necessary information
Pay balance of deceased pensions and any death grant due	Processed within 10 working days of receipt of all necessary information
Changes to pensioner bank details	Will be made by payroll cut-off date
Appoint nominated person for the purposes of the stage 2 pension dispute process and notify scheme employers of the appointment	Within one month following the resignation of the current appointed person
Process all stage 2 pension dispute applications	Within two months of receipt of the application, or longer if further information or clarification is required (ensuring member is updated)

*Please note for bulk estimate requests a longer timescale may be required and will be agreed on an ad hoc basis with the employer

** Or processed in sufficient time for payments to be made when due if the member is not retiring immediately

Suffolk Pension Fund Employer's Administration Responsibilities

Employer Function	Employer SLA
Employer Discretion Policies:- Employers are required to formulate, publish and keep under review a policy statement in relation to a number of discretions in the LGPS. Suffolk Pension fund must hold an up to date copy of this. Any revisions to the policies must be published and a copy provided to the Suffolk Pension Fund	Copy of revised policies need to be with Suffolk Pension fund within one month of a change
All employee and employer contributions will be deducted at the correct rate, including contributions due on leave of absence with reduced or nil pay and paid to the Suffolk Pension fund. This does not include additional voluntary contributions.	Remit and provide details of all contributions by 5 th working day of month after deduction
Arrange for the deduction and payment of Additional voluntary contributions (AVC) to the AVC provider	By 19 th of month following deduction
Cease deduction of employee contributions where a scheme member opts to leave the scheme	Month following election or future specified date from member
Refund any contributions when employees opt out of the pension scheme before 3 months	Month following receipt of opt out
Employers must provide all new employees eligible to join the LGPS with a copy of the members guide to the pension scheme	At the time of appointment provide a link to the guide on the Suffolk Pension fund website or download the latest version and provide directly to the member
Notify Suffolk Pension fund of all new members in the scheme	Within 6 weeks of starting to ensure automatic enrolment obligations are met
Notify Suffolk Pension fund with details of all material changes in employee circumstances, including marital or civil partnership status, or hour changes through agreed electronic interface	Within one month of change happening
Admitted body employers must review the level of bond or indemnity required to protect the other employers in the Suffolk Pension Fund	Annually, or as agreed individually with the fund
Pay additional fund payments in relation to early payments of ill health, flexible retirement, redundancy or business efficiency retirement	Within one month of invoice date or as notified on individual case
Respond to enquiries from the administering authority	Within 10 working days of receipt of enquiry
Respond to any end of year queries	Within 10 working days or agreed timescale with the fund. Annual allowance queries must be resolved by 6 th July at latest as per HMRC requirement

Provide written advance notification of leavers who are immediate payment cases including general retirements, ill-health, redundancy, efficiency and flexible* retirements	One month prior to effective date
Provide all information linked to death in service of members	Within 5 days of having all information
For all leavers reason for leaving and confirmation of final pay information must be provided in correct format	Within one month of member leaving

* Notification must be received by one month after date of change as per LGPS 2013 regulations (32) and the Disclosure regulations 2013.

For employers who will be joining the Suffolk Pension fund under admitted body status, please refer to the new employer information that will be provided to you separately.

Legislation

This Administration Strategy has been made under regulation 59 of the LGPS 2013 regulations. Other related legislation includes:

- The LGPS Regulations 1997
- The LGPS (Benefits, Membership & Contributions) Regulations 2007
- The LGPS (Administration) Regulations 2008
- The LGPS (Transitional Provisions, Savings & Amendments) Regulations 2014
- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000
- The Local Government Pension Scheme (Amendment) Regulations 2018
- The Local Government Pension Scheme (Amendment) Regulations 2019
- The Local Government Pension Scheme (Amendment) Regulations 2020
- The Pensions Act 1995
- The Pensions Act 2004
- The Pensions Act 2008
- The Pensions Scheme Act 2021
- The Data Protection Act 1998
- The Finance Act 2004
- The Occupational Pension Schemes (Preservation of Benefits) Regulations 1991
- The Occupational Pension Scheme (Scheme Administration) Regulations 1996
- The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013
- The Automatic Enrolment (Miscellaneous Amendment) Regulations 2013
- The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014
- General Data Protection Regulation (GDPR) 2018