

CYNGOR SIR POWYS COUNTY COUNCIL

Pension Board
14th February 2022

REPORT BY: Board Secretary

SUBJECT: Administration Update

REPORT FOR: Information

1. Introduction

- 1.1 Further to the information provided at the December 2021 Pension Board meeting, this report contains the membership and Pensions Administration financial statistics for the period 1st October 2021 to 31st December 2021.
- 1.2 During this period, the Pensions Section have recruited 3 Pensions Assistants and the Member Services Manager, with one internal team member moving into the Employer, Data and Systems post from 1st January 2022. There are some potential other staff movements within the next quarter which will require addressing accordingly.

2. Pensions Administration Financial Statistics - Income & Expenditure

2.1

<u>Payments</u>	<u>B/f</u>	<u>October</u>	<u>November</u>	<u>December</u>
Pensions		2,070,186	2,101,662	2,080,385
Lump Sum		392,292	488,905	144,105
Transfers Out		53,900	423,054	129,903
Death Grants		24,648	144,163	2,147
Total Payments		2,541,027	3,157,784	2,356,540
<u>Income</u>				
Employee Contributions		(462,870)	(491,663)	(501,390)
Employer Contributions		(1,609,832)	(1,703,982)	(1,683,399)
Transfers In		-	(16,627)	(326,719)
Total Income		(2,075,787)	(2,224,035)	(2,516,594)

3. Pensions Administration membership statistics

- 3.1 The table below contains the detail of the movements of the scheme membership between the different statuses (Active member to a pensioner or deferred status for example) in the reporting quarter.

The column on the left shows the totals per status at the start of the period. The middle section shows the movements, which leaves the totals per status at the end of the period in the right-hand column.

Key:

Status

- 1 Active Member**
- 2 Undecided leaver (Deferred not yet processed)**
- 3 Exit (Refund, Transfer Out)**
- 4 Deferred member**
- 5 Pensioner member**
- 6 Dependant Member**
- 7 Death**
- 8 Awaiting Entry (Starter not fully processed)**
- 9 Frozen Refund**
- 10 Optant Out**
- T Third Tier Cessation**
- Z Aggregations**

Status	Description	Recalculation Date 1	01/10/2021	Recalculation Date 2	31/12/2021
			Total 1		Total 2
1	Active		5704		5730
2	Undecided Leaver		900		1000
3	Leaver - No Liability		13834		13919
4	Deferred Pensioner		6369		6304
5	Pensioner		4462		4501
6	Widow/Dependant		646		642
7	Death/Cess Liability		3819		3841
9	Frozen Refund		579		582
O	Opt-Out		1312		1330
Z	Aggregation		2217		2432
			-----		-----
			39842		40281
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3.2 50/50 Scheme Membership

Active	18
Deferred	6
Frozen Refund	1

4 The Pensions Regulator (TPR)

4.1 Within a report presented at the Pension Board meeting of the 13th of September 2021, it was reported that TPR had published the [results from the Public Service Pension Scheme Governance and Administration Survey 2020-21](#).

The survey found little change since 2019 for the key processes that TPR monitors as key indicators of performance. Two-thirds of LGPS administering authorities who responded to the survey had all six processes in place. The six key processes are:

- have a documented policy to manage board members’ conflicts of interest
- have access to the knowledge, understanding and skills needed to properly run the scheme
- have documented procedures for assessing and managing risk
- have processes to monitor records for accuracy and completeness

- have a process for resolving contribution payment issues
- have procedures to identify, assess and report breaches of the law

In the December 2021 meeting, when reviewing the minutes for the September meeting, Board requested how the Powys Pension Fund measured against the 6 bullet points above and I list below the current position:

- **have a documented policy to manage board members' conflicts of interest**

Declaration of Interest form in place. Revised procedure and policy currently being developed.

- **have access to the knowledge, understanding and skills needed to properly run the scheme**

Regular training offered and provided to Committee, Board and Officers. Training attended is logged accordingly

- **have documented procedures for assessing and managing risk**

Fund Risk register regularly reviewed. Deep dive planned with the Council's Corporate Risk team mid-February 2022.

- **have processes to monitor records for accuracy and completeness**

Annual Data Quality Testing exercise conducted, with a view to increasing the frequency to half-yearly or as required.

- **have a process for resolving contribution payment issues**

The Finance Section currently monitor the receipt of contributions and report to the Fund should an issue occur. Clear communication channels available to participating employers for resolving issues promptly.

- **have procedures to identify, assess and report breaches of the law**

The Fund has produced a [Reporting Breaches policy](#) and breaches are discussed and considered at every Pension Board meeting.

5. Pensions Section Training

- 5.1 At the meeting of the 15th of December, Board asked for assurances into the levels of training and professional qualifications with regards to the LGPS, attained by the Pensions Team.

In addition to the significant experience of the Pensions Team due to historic low staff turnover, there are 8 staff that have attained the Chartered Institute of Payroll Professionals (CIPP) Certificate in Pensions Administration (or equivalent).

5 staff have attained (or working towards) the CIPP Diploma in Pensions Management (or equivalent), with a number of staff holding both CIPP qualifications.

It is anticipated that the newly recruited staff will also take up the opportunity to obtain the appropriate professional qualifications, as soon as it is practical to do so.

In addition, the team complete the mandatory corporate training and regularly attend national training provided by various professional bodies.

- 5.2 The Pensions Section also have access to an online training portal provided by the Pensions Administration System provider, which provides online training on many LGPS specific matters.