

Staff & Pensions Committee

Date: Thursday, 12 March 2020
Time: 2.00 pm
Venue: Committee Room 1 - Shire Hall

Membership

Councillor Kam Kaur (Chair)
Councillor Neil Dirveiks
Councillor Bill Gifford
Councillor John Horner
Councillor Bhagwant Singh Pandher
Councillor Bob Stevens

Items on the agenda: -

1. General

(1) Apologies

Councillor Neil Dirveiks

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election of appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with.
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must still be declared in accordance with the Code of Conduct. These should be declared at the commencement of the meeting.

(3) Minutes of previous meeting

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The next meeting of the Committee will be held at 2pm 8 June 2020

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Staff & Pensions Committee

Monday, 9 December 2019

Minutes

Attendance

Committee Members

Councillor Neil Dirveiks
Councillor Bill Gifford
Councillor John Horner
Councillor Kam Kaur
Councillor Bhagwant Singh Pandher
Councillor Bob Stevens

Officers

Others Present

1. General

(1) Apologies

None

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

None

(3) Minutes of Previous Meetings

The minutes of the meeting held on 9 September and 15 October 2019 were considered and agreed as a true and accurate record for signing by the Chair.

Councillor Neil Dirveiks, replacing Councillor Richard Chattaway, was welcomed to the Committee.

2. Proposal for Additional Paid Employee Leave Provision

Having introduced Caroline Fraser (Strategy and Commissioning Manager (HROD)) to the committee Sarah McCluskey (HR Business Partner) introduced the published report summarising its key points. The committee considered the proposals for military personnel. With reference to paragraph 1.6 in the report it was noted that the council has achieved bronze status on the MOD's

Defence Employer Recognition Scheme. There is, however, an aspiration to achieve gold status. There are currently 14 staff members who would benefit from the proposals as set out in the report.

Members expressed their support for the proposal. Councillor Bob Stevens emphasised the need to provide as much support as possible to serving and ex-military personnel adding that people who have served in the military often bring a wide range of skills and experiences to their work at the council. This view was echoed by Councillor Bill Gifford who observed that his father had experienced difficulties in securing employment when he left the armed forces.

In response to a question from Councillor Gifford, Phil Deakin (Armed Forces Covenant Community Projects Worker) confirmed that all three armed forces are treated equally. Members agreed that it will be important to ensure that the additional leave does not undermine the capacity of the council to deliver services. To this end a policy guidance document is to be produced. The situation will also be assisted by the MOD arranging training well in advance. The committee agreed its support for the proposals as they relate to existing and prospective foster carers.

Resolved

That the Staff and Pensions Committee:

1) Approves the proposal for up to 10 days paid leave per annum (pro rata for part time staff) for employees serving in the Reserve Armed Forces or those volunteering their time as Adult Cadet Instructors for undertaking their annual training camp or other training specific to their Reserve or Adult Cadet Instructor role.

2) Approves the proposal for up to 10 days additional unpaid leave in total (pro rata for part time staff) within a 3 year period, and each successive 3 year period thereafter, for those serving in the Reserve Armed Forces or volunteering their time as Adult Cadet Instructors, for undertaking additional specialist training to enhance their role or for progression within the Reserve or Cadet Forces.

3) Approves the proposal to introduce a Guaranteed Interview Scheme where the essential criteria for a post are met by external candidates:

- who are serving Armed Forces personnel during the 12 weeks prior to their discharge date from the Armed Forces;
- who are ex-Armed Forces personnel within 3 years of their discharge date or;
- where the Armed Forces were their last long-term substantive employer

4) Approves Warwickshire County Council becoming a Fostering Friendly Employer, through subscribing to the Fostering Network's Fostering Friendly Employer Scheme.

5) Approves the proposal for up to 5 days paid leave (pro rata for part time staff) for employees who intend to become foster carers, in the first year of fostering for the purposes of undertaking training and/or activity in relation to their assessment as foster carers.

6) Approves the proposal for up to 3 days additional paid leave per annum (pro rata for part time staff) for employees who are approved foster carers in the years following approval for the purposes of undertaking learning, development or preparation for the placement of a child or young person.

7) Approval of leave in recommendations 1,2, 5 and 6 will be at the discretion of the line manager subject to business need, with ultimate discretion by the Assistant Director if the employee is not satisfied with their decision.

3. Pension Administration Update

Chris Norton (Strategy and Commissioning Manager (Treasury, Pension, Audit & Risk)) in introducing the remaining agenda items explained that with changes in governance and the growth in the number of employers in the Warwickshire Pension Fund it is probable that more pensions-related business will be presented to the committee in the future. Liz Firmstone (Service Manager – Transformation) explained that agenda item 3 served to set the scene for future business and reports.

Councillor Bob Stevens suggested that with a number of pensions-related developments it will be necessary to review the way in which the pensions service is run. There is, he suggested, a need to return to basics and reflect on the relationship between the Local Pension Board, the Pension Fund Investment SubCommittee and the Staff and Pensions Committee. Councillor Bill Gifford emphasised that it is important to ensure that the Pension Fund Investment SubCommittee does not make decisions that must then be overturned by the Staff and Pensions Committee. Councillor John Horner reminded members that the Staff and Pensions Committee should focus solely on Council element of the Pension Fund.

In addition, he reminded members that the job of the Local Pension Board is to ensure that the Pensions Service is being run properly. In response to these points it was agreed that officers prepare a briefing note setting out the relative responsibilities of the committees.

Resolved

That the Staff and Pensions Committee approves the proposals for future reports to the Committee in relation to the Pensions Administration Service.

4. Pension Fund Admissions - Academies

Neil Buxton (Pension Services Manager) introduced the report. In response to a question from Councillor John Horner the committee was informed that pension administration costs are paid by constituent employers.

There is always a set up fee with actuaries developing an opening statement for new employers.

Resolved

That the Staff and Pensions Committee delegates authority to the Strategic Director for Resources to approve applications from the listed schools converting to academy status, subject to the applications meeting the criteria:

- Meon Vale (Tudor Grange Academy Trust; 1 September 2019)
- Henley High School (Arden Multiple Academy Trust; 1 September 2019).
- Lower Farm Academy (REAch2 Academy Trust; 1 September 2019)

5. LGPS Development Update

Neil Buxton summarised the published report.

Resolved

That the Committee notes the report.

6. Pensions Fund Breaches Policy

Neil Buxton explained that the review of the Breaches Policy is one of a number of such exercises being proposed or undertaken. The committee was informed that it is important that staff are aware of their responsibilities when a breach occurs.

Of equal importance is an awareness of the consequences of any breach for employers. The Pensions Team is working with employers to ensure that they have the knowledge and understanding they require. Regarding a breach that was reviewed by the Local Pension Board it was confirmed that as it was graded amber it was not reported to the Pensions Regulator. Rather, it was reported internally.

Members of the committee agreed that they would welcome training on breaches so that they would know what to look for and how to address them. The key would be an understanding of the relevant protocols. In response to this Chris Norton agreed to ensure that whenever pensions-related training is planned an invitation be extended to members of the Staff and Pensions Committee.

Sarah Duxbury (Assistant Director, Governance and Policy) added that a further safeguard is provided by the Council's Audit function which works to ensure that all relevant checks are being made.

Resolved

That the Staff and Pensions Committee approves the Breaches Policy.

7. Cubbington Parish Council

The committee considered and agreed its support for this proposal. **Resolved**
That the Staff and Pensions Committee approve the application from Cubbington Parish Council for admission to the Warwickshire Pension Fund.

8. Urgent Business

Councillor John Horner questioned whether employees are aware of the value of their pensions to them adding that an indication of the employer's contribution could be added to pay slips. This may have the effect of dissuading staff from leaving the County Council in search of higher salaries.

In response it was observed that additional information on payslips may prove confusing. It should also be borne in mind that people with young families and sizable mortgages may not be persuaded to stay in the employ of the County Council by the knowledge of their pension benefits. Neil Buxton suggested that there may be scope to offer more publicity regarding the value of pensions to staff.

He added that it is important to stop people from opting out from the scheme.

9. Next Meeting

The Committee noted that the next meeting would be held on 9 March 2020 The meeting rose at 2.58p.m.

Actions Resulting from this Meeting Action

Responsible Officer(s)

1. Briefing note on roles and responsibilities of pensions committees Chris Norton
2. Members to be invited to training on pensions related matters Chris Norton

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Staff & Pensions Committee

Equality, Diversity and Inclusion Developments

12 March 2020

1. Recommendation(s)

- 1.1 That the Committee notes and comments on the developments in Equality, Diversity and Inclusion (EDI) across the Council.
- 1.2 That the Committee supports the Council signing up to the West Midlands Combined Authority Inclusive Leadership Pledge.
- 1.3 That the Committee approves the Council's formal adoption of the International Holocaust Remembrance Alliance (IHRA) definition of antisemitism (**Appendix A**) and applies it on all appropriate occasions.

2. Executive Summary

- 2.1 The Staff and Pensions committee considers the Council's Equality and Diversity Annual Workforce and Gender Pay Gap Report, as required since 2012 under the Equality Act 2010, to demonstrate its compliance with the general equality duty.
- 2.2 This report updates the committee on developments in EDI across the Council, which aims to have a positive impact on the Council's workforce data and gender pay gap. It also recommends that we adopt the West Midlands Combined Authority Inclusive Leadership Pledge as part of our approach to EDI.
- 2.3 Linked to our approach we have considered the issue of discrimination and the request from Government for Councils to formally adopt the International Holocaust Remembrance Alliance (IHRA) definition of antisemitism, supported by the agreed working examples (**Appendix A**).
- 2.4 The definition is not legally binding but is considered an invaluable tool for public bodies to understand how antisemitism manifests itself in the 21st century.
- 2.5 It is recommended that the Council formally adopts the IHRA definition of antisemitism supported by the working examples and applies the definition on all appropriate occasions, such as in education, awareness-raising and for monitoring and responding to manifestations of antisemitism. Information on the Council's adoption of the IHRA definition will be held on the Council's external website under the Equality, Diversity and Inclusion page.

3. Developments in EDI

- 3.1 Over the past several years there has been solid evidence to support the narrative that EDI is good for business. An example, as recent as 2017 from McKinsey analysis, found that more gender diverse companies are more likely to outperform others by 17% and more ethnically diverse companies are 33% more likely to outperform others.
- 3.2 Other examples of benefits to the business include:
 - Increased pool of talent to recruit from
 - Reduced staff absence / turnover
 - Increased productivity, creativity, innovation and problem solving
 - Improved customer relations and public reputation
 - Increased commercial income by being better at meeting need
 - Improved performance and engagement through increased employee satisfaction
 - Avoids legal proceedings
- 3.3 Warwickshire County Council (WCC) not only recognises that EDI is the right thing to do but understands that it is good for business. The Council also has legal duties under the Equality Act 2010 and Public Sector Equality Duty.
- 3.4 EDI plays an important role in delivering the Our People Values and Vision of Warwickshire County Council; “a great place to work, with outstanding leadership, and a talented, agile workforce”, as well as outcomes of the Our People Strategy such as a “Workforce that displays our values and behaviours” and “We have a diverse and highly engaged workforce”. EDI also plays an important role in the delivery of Our Council Plan for 2020-25.
- 3.5 The effective delivery of EDI within WCC is everybody’s business, but specific responsibility rests with Elected Members, Senior Leaders and Line Managers. For WCC to reap the full benefits of EDI, the Council needs to take a strategic approach by providing clear leadership in our approach and vision and building this into the way we work and our culture. The strategic EDI agenda is guided by Corporate Board and the Corporate EDI group will ensure this agenda is translated into practice.
- 3.6 Our Senior Leaders will drive this agenda linking to Our Behaviours and Our People Strategy. In support of this we plan to include a specific diversity and inclusion project within the Change Programme. Current diagnostic work taking place and employee insight will inform the scope and plan.
- 3.7 Existing support for staff includes the following staff networks; Lesbian, Gay, Bisexual and Trans (LGBT+), Carers and Religion or Belief, as well as the Councils’ new initiative Listening Mates (launched January 2020), who are trained staff volunteers who provide support to colleagues who feel that something is wrong at work.

- 3.8 A wide range of training and guidance is also available for staff, with the EDI team running a range of diversity and inclusion campaigns and conferences in response to data and trends throughout the year.
- 3.9 WCC is also a Level 2 Disability Confident Employer and a member of Inclusive Employers. In October 2019 the Council participated in the National Inclusion Standard in which we received Bronze, alongside 70% of other organisations who also took part. This is a positive base on which to grow and we have evidence of how we can progress to the next level and beyond.

4. Inclusive Leadership Pledge

- 4.1 The West Midlands Combined Authority Inclusive Leadership Pledge was launched by businesses in response to the Leadership Commission's call to realise a leadership that better represents the diversity of the West Midlands.
- 4.2 Designed for employees, the Pledge asks organisations and senior leaders to commit to promoting diversity and embedding inclusion. It is deliberately flexible so that signatories can tailor their pledges to the specific strengths and challenges of their organisation.
- 4.3 The aim is to build a movement for inclusive leadership: spreading the message of why diversity and inclusion matters, sharing success stories and supporting change.
- 4.4 Organisations that have already made their pledge include; University of Birmingham, West Midlands Fire Service, Coventry & Warwickshire Local Enterprise Partnership, The Royal Wolverhampton NHS Trust, KPMG and many more.
- 4.5 To increase commitment through the organisation as an important practical step, starting at the top, the Council and Senior Leaders will sign up to the Inclusive Leadership Pledge as a launch pad for a 2020 focus on diversity and inclusion; "We/I pledge to embed inclusivity in our organisation's ethos and culture, so that every employee has a fair opportunity in recruitment, promotion and progression. We/I pledge that under-represented groups will be actively supported so that we can collectively make a difference to the leadership of the West Midlands."

5. The IHRA definition of Anti-Semitism

- 5.1 WCC has legal duties under the Equality Act 2010 and Public Sector Equality Duty to, in the exercise of all its functions, have due regard to the need to:

- a) Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- b) Advance equality of opportunity, and;
- c) Foster good relations between people who share a protected characteristic and those who do not.

5.2 As part of our approach EDI we have considered the IHRA definition of antisemitism; “Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non- Jewish individuals and/or their property, toward Jewish community institutions and religious facilities”, including the agreed working examples (**Appendix A**).

5.3 The IHRA brings together governments and experts to strengthen, advance and promote Holocaust education, research and remembrance and adopted the definition of antisemitism on 26 May 2016. The United Kingdom has been member of the IHRA since it was founded in 1998. The Government has approached all Councils seeking their commitment to formally adopt the IRHA definition.

5.4 WCC has a valuable role to play in tackling all forms of hate crime, harassment and discrimination. Home Office official statistics from October 2019 show that 18% of religiously motivated hatred is targeted at Jewish people – up from 12% in 2018 – and that, per capita, Jewish people were most likely to report experiencing hatred.

5.5 Adoption of the IRHA definition, which is recommended, would support our commitment to challenging discrimination, advancing equality of opportunity and promoting good relations within our communities. The IHRA has also published examples to guide organisations on the implementation of the definition, these are set out in **Appendix A** and are considered to be essential supporting elements of the working definition.

6. Financial Implications

None.

7. Environmental Implications

There are no specific environmental implications from this report. However, this will be kept under review as the change project on EDI is developed and evolves.

8. Timescales associated with the decision and next steps

The decision will have effect immediately and our approach to EDI will be communicated at the Senior Leadership Forum on 31st March 2020 to further shape how we deliver EDI moving forward.

Appendices

Appendix A - IHRA definition of antisemitism and working examples

Background Papers

None.

	Name	Contact Information
Report Author	Keira Rounsley	keirarounsley@warwickshire.gov.uk
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Lead Member	Leader of the Council	

The report was circulated to the following members prior to publication:

Local Member(s): Councillor Kam Kaur

Other members:

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Appendix A

IHRA working definition of antisemitism:

“Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities.”

Agreed working examples:

Contemporary examples of antisemitism in public life, the media, schools, the workplace, and in the religious sphere could, taking into account the overall context, include, but are not limited to:

- Calling for, aiding, or justifying the killing or harming of Jews in the name of a radical ideology or an extremist view of religion.
- Making mendacious, dehumanizing, demonizing, or stereotypical allegations about Jews as such or the power of Jews as collective — such as, especially but not exclusively, the myth about a world Jewish conspiracy or of Jews controlling the media, economy, government or other societal institutions.
- Accusing Jews as a people of being responsible for real or imagined wrongdoing committed by a single Jewish person or group, or even for acts committed by non-Jews.
- Denying the fact, scope, mechanisms (e.g. gas chambers) or intentionality of the genocide of the Jewish people at the hands of National Socialist Germany and its supporters and accomplices during World War II (the Holocaust).
- Accusing the Jews as a people, or Israel as a state, of inventing or exaggerating the Holocaust.
- Accusing Jewish citizens of being more loyal to Israel, or to the alleged priorities of Jews worldwide, than to the interests of their own nations.
- Denying the Jewish people their right to self-determination, e.g., by claiming that the existence of a State of Israel is a racist endeavour.
- Applying double standards by requiring of it a behaviour not expected or demanded of any other democratic nation.
- Using the symbols and images associated with classic antisemitism (e.g., claims of Jews killing Jesus or blood libel) to characterize Israel or Israelis.
- Drawing comparisons of contemporary Israeli policy to that of the Nazis.
- Holding Jews collectively responsible for actions of the state of Israel.

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Staff & Pensions Committee

Staff Benefits

12 March 2020

1. Recommendations

That the Staff and Pensions Committee:

- 1.1 Continues to endorse the existing staff benefits provision of childcare vouchers, cycle to work scheme and the on-line discounts/offers portal, subject to each salary sacrifice scheme being cost effective for the Council by delivering financial benefits.
- 1.2 Endorses extending the number of staff benefits schemes on offer to employees as summarised at 2.3 and Appendix 1, to achieve the outcomes set out in the report.
- 1.3 Authorises the Strategic Director for Resources to determine the scope and parameters of the staff benefits scheme and its implementation following appointment of the new provider, and to extend the scheme should new benefits be offered which are considered by him to support Our People Strategy.
- 1.4 That the Strategic Director for Resources is authorised to amend the Council's Discretionary Pension Policy statement to enable delivery of the shared cost LGPS pension AVC's, if required.

2. Executive Summary

- 2.1 The Council's current staff benefits contract, which has been in place since September 2015, is due for renewal from 1 June 2020 and the procurement process for this is being carried out.
- 2.2 The purpose of this report is to propose the way forward for staff benefits as part of the delivery of the Council's Our People Vision and Strategy.
- 2.3 As well as continuing to deliver the existing staff benefits which are childcare vouchers, cycle to work and the on-line discounts/offers portal, it is proposed that the number of schemes is extended. Schemes under consideration include:

Salary Sacrifice Schemes

- Annual leave purchase
- Green car scheme
- Shared cost LGPS pension AVC's (Additional Voluntary Contributions)

Other schemes – not salary sacrifice

- Health cash plan
- Financial wellbeing scheme
- Travel season ticket purchase scheme

- 2.4 Extending the range of staff benefits is an important element in delivering the Council's Our People Vision and Strategy.
- 2.5 Extending the number of staff benefits on offer will also deliver financial benefits for the Council and for employees.
- 2.6 Each of the proposed schemes operates differently and the arrangements can be quite complex. Alongside the procurement process external specialist and internal legal advice is being taken to ensure compliance with HMRC and pension regulations and other statutory requirements and avoid potential liabilities. The external advice will be used to carry out a detailed internal assessment by the Finance team of the potential financial benefits from each of the schemes.
- 2.7 A decision on which schemes to implement and when will then need to be made, informed by the external advice and financial information, as well as by the detail of how the specific schemes are operated by the new staff benefits provider once the contract has been awarded.

3. Financial Implications

- 3.1 Salary sacrifice schemes deliver financial benefits to both employer and employee.

Employee savings

- 3.2 For salary sacrifice schemes the employee benefit is gained by not paying PAYE tax, National Insurance (NI), or pension contributions on the sacrificed portion of salary which is used to pay for the non-cash "Benefit in Kind". The detail of where the benefits are for employees differs by scheme.
- 3.3 Since the current staff benefits scheme was introduced in September 2015 employees on the childcare voucher scheme have saved in the region of £2,200,000 in total. Employees using the cycle to work scheme have saved in the region of £43,000 in total.

- 3.4 The on-line discounts and offers portal delivers in the region of £36,500 total direct savings to employees per year.

Employer financial benefits

- 3.5 For salary sacrifice schemes the employer does not pay National Insurance and/or pension contributions on the sacrificed portion of salary.
- 3.6 For the proposed annual leave buy back scheme the employer also saves direct salary costs of the salary sacrificed to purchase annual leave.
- 3.7 Since the current staff benefits scheme was introduced in September 2015 the Council has realised a reduction in employer National Insurance/pension contributions of around £520,000 from the childcare scheme and £18,600 from the cycle to work scheme.
- 3.8 There is the potential for further reduction in employer National Insurance and pension contributions by implementing the salary sacrifice schemes recommended in this report – see Appendix 1.

Costs

- 3.9 The staff benefits contract is structured so that the contractor charges a % of the employer National Insurance savings, rather than a fixed charge per employee, which means that there is no direct ongoing cost to the Council.

4. Environmental Implications

- 4.1 There are positive environmental implications to the proposals in this report. The existing cycle to work scheme, and the proposed green car scheme and travel season ticket scheme all lead to a reduction in carbon emissions, in support of the Council's green agenda following the declaration of a climate emergency in 2019.
- 4.2 The cycle to work scheme and the travel season ticket scheme both encourage employees to use alternatives to driving to work.
- 4.3 The green car scheme gives employees access to a brand new, fuel efficient, low emission lease car. Although it could be argued that introducing a car scheme promotes driving to work over more environmentally friendly travel, given the relatively rural nature of Warwickshire and the location of many of its offices, in reality it is highly likely that many employees will continue to drive to work. The green car scheme is designed to include only lower emission cars, and so provides an incentive for employees to switch to driving more affordable environmentally friendly cars than they otherwise would.

5. Timescales associated with the decision and next steps

- 5.1 Extending the range of staff benefits will support the Our People Vision of making “Warwickshire County Council a great place to work”, as well as being a key element in the following Our People Strategy building blocks:

Reward and Recognition

“We have fair and transparent pay and rewards”

“We attract and retain a talented workforce”

Talent Development and Career Opportunities

“We have a diverse and highly engaged workforce”

- 5.2 Extending the number of staff benefits will increase the potential levels of financial benefits for the Council and for employees.
- 5.3 Following the procurement process the staff benefits contract will be awarded in late March with the renewed contract formally taking effect from 1 June 2020.
- 5.4 Subject to approval of the recommendations by Staff and Pensions committee it is suggested that the Strategic Director for Resources is authorised to determine the scope and parameters of the staff benefits scheme and its implementation following the appointment of the new provider, including extending the scheme should new benefits be offered which are considered by him to support Our People Strategy.

Appendices

1. Summary of Additional Staff Benefits Schemes

Background Papers

1. None

	Name	Contact Information
Report Author	Sarah McCluskey	sarahmccluskey@warwickshire.gov.uk
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Lead Director	Strategic Director for Resources	robpowell@warwickshire.gov.uk
Lead Member	Portfolio Holder for Customer & Transformation	cllrkaur@warwickshire.gov.uk

Appendix 1. Summary of Additional Staff Benefits Schemes

Annual leave purchase scheme – salary sacrifice

- Employees request to purchase extra days annual leave e.g. up to one extra working week, not exceeding five days
- Annual window for application in advance of the leave year
- Supports a culture of wellbeing and flexible working
- Estimated financial benefits to the employer, based on 227 employees take up (approximately 5% of non-schools employees) £124,964 per annum, plus pension contribution saving

Green car scheme – salary sacrifice

- Employees lease a new, fully maintained and insured car as part of a fully inclusive motoring package for a fixed monthly cost
- Proposed scheme tailored to Council's green agenda in view of declaration of climate emergency in 2019 by including only low emission cars with a maximum CO2 emissions limit
- Allows employees access to over 3,000 vehicle makes and models
- Current provider's scheme is carbon neutral from a tailpipe emissions perspective
- Provides an attractive benefit whilst encouraging employees to drive fuel efficient, low emission cars
- Estimated financial benefit £314,496 over an initial 3-year term, assuming 156 employees join the scheme over a 3-year period

Shared cost LGPS pension AVC's – salary sacrifice

- Salary sacrificed by the employee is paid by the employer into the AVC scheme (employee pays at least a nominal amount of e.g. £1/month)
- Employee saving on tax and NIC's, employer saving on NIC's
- Current AVC arrangement (51 members) can continue alongside scheme
- A new discretion would need to be added to the Council's Discretionary Pension Policy statement
- Does not affect LGPS members main pension benefits on retirement
- Estimated financial benefits £86,873 per annum, assuming 5% take up and average monthly contribution of £225 per employee

Health cash plan – not salary sacrifice

- Insurance for health costs e.g. dental, optical to help towards costs

Financial wellbeing

- Helps employees to manage finances better e.g. education, savings, debt consolidation often with lower interest rates relative to high street
- Furthers Council's wellbeing agenda

Travel season ticket purchase scheme

- Spreads employee travel costs over monthly payments
- Flexibility to cancel or change at any time
- Complements green car scheme

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Staff & Pensions Committee

Conflicts of Interest Policy

12 March 2020

1. Recommendation(s)

- 1.1 The Staff and Pensions Committee are asked to review and approve the attached Conflicts of Interest Policy.

2. Executive Summary

- 2.1 It is important for the fund to have a clear policy on conflicts of interest. This report presents policy for conflicts of interest in respect of the Local Pension Board for approval.

3. Financial Implications

- 3.1 None

4. Environmental Implications

- 4.1 None

5. Supporting Information

- 5.1 The Pension Fund is required to have a policy regarding Conflicts of Interest relating to all Members and Advisors.
- 5.2 This policy is in respect of the Local Pension Board. The intention is that once approved by the Committee a review of conflicts of interest policies more widely across the fund's activities will be undertaken.

6. Timescales associated with the decision and next steps

- 6.1 The Conflicts of Interest Policy was presented for comment to the Local Pension Board at its meeting of 14 November 2019. With the approval of the Staff and Pensions Committee it will come into effect.

Appendices

1. Conflicts of Interest Policy

Background Papers

1. None

	Name	Contact Information
Report Author	Neil Buxton	neilbuxton@warwickshire.gov.uk
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Lead Director	Rob Powell	robpowell@warwickshire.gov.uk
Lead Member	Kam Kaur	cllrkaur@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Member(s):

Other members:

Terms of Reference for the Local Pension Board for the Warwickshire Pension Fund

Conflicts of Interest Policy

Introduction

The Public Sector Pensions Act 2013 requires that members of the Local Pension Board (the Board) do not have conflicts of interests. As such all Board Members (Members) will be required to declare any interests and any potential conflicts of interests in line with legal requirements in the Act and the Pension Regulator's code. These declarations are required as part of the appointment process, as well as regular intervals throughout a Member's tenure to the Scheme Manager's satisfaction.

Conflict of Interests – General Principles

A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. The basic principle in relation to conflicts of interest can be found in the High Court case of *Re Thompson's Settlement* [1986] where the Court held that:

'...a man must not put himself in a position where duty and [personal] interest conflict or where his duty to one conflicts with his duty to another unless expressly authorised'

Conflicts of interest may arise for Members and their advisers. This simply reflects the fact that individual Members and their advisers will have a variety of other roles and responsibilities outside the Board.

Members and their advisers must be able to identify potential conflicts of interest and have procedures in place to manage them. This document outlines the procedure the Members have adopted to do this.

Procedure

For this procedure to work the Members have agreed that they must:

- declare any actual or potential conflict of interest they may have;
- be open with each other on any conflicts of interest they may have;
- provide information reasonably requested to assess whether there is any actual or potential conflict of interest;
- adopt practical solutions; and
- plan ahead and agree on how they will manage any conflicts of interest which arise.

With these objectives in mind the Members have adopted the following procedure:

1. Maintaining a register of Members' interests which could give rise to a conflict.
2. Maintaining a register of interests which could give rise to a conflict covering the Members' advisers.
3. Each Member and adviser will sign an annual return confirming that their information contained in the register of interests is correct. The updated register will then be circulated to all Members and the Scheme Manager. These two events will be added to the Members' calendar of events distributed with each set of Member meeting papers.
4. The Board's Administration Manager is to identify any potential or actual conflicts of interest and to advise the Chair. The Chair in conjunction with the Scheme Manager is to decide on the action required and to advise the Members of any actions taken.

5. Any Member who feels that they, another Member or adviser has a conflict of interest must seek early advice from the Administration Manager.
6. Any member or advisor must withdraw from a Board meeting if they have a conflict of interest. The conflict of interest and the action taken must be recorded in the minutes.
7. If a conflict is identified outside of a Board meeting the Chair shall consult with the other Members prior to making a decision. The conflict of interest and the action taken must be recorded.

Management of confidential information

With regard to Members sharing confidential information received by them in their capacity as a Board Member with other parties, it is important to remember that each Member has a fundamental responsibility to act on behalf of the Board and this duty should not be compromised by acting on behalf of other groups. Confidential information is shared only for the purpose of the member carrying out the functions of the local pension board and should not be disclosed to any third parties or used for other purposes.

Advisors

There may be circumstances where advisors are asked to give advice to the Board but this can only happen where there is no conflict of interest. All of the Board's advisors have a professional responsibility to advise the Members if any circumstances arise in which they feel they are conflicted. These responsibilities and guidelines for dealing with actual or potential conflicts of interest are covered by rules of their respective professional bodies.

Staff & Pensions Committee

Pensions Administration Activity and Performance Update

12 March 2020

1. Recommendation(s)

- 1.1 Note and comment on the latest developments in pensions administration and note the progress made since the last meeting.

2. Executive Summary

- 2.1 This report updates the Committee on key developments affecting pension fund administration and the performance of the Pensions Administration service.

3. Annual Benefit Statements

- 3.1 As at 31st January, 89% of annual benefit statements had been issued. Of the remaining 11% (3,719), 77% (2,846) could not be issued because the Pensions Administration service does not hold a current address for the member. It has been necessary to report this to The Pensions Regulator (TPR), and the Pensions Administration team is in regular correspondence with TPR to report plans and progress.
- 3.2 By the date of the Committee meeting the service expects to have appointed a tracing service to try to identify the whereabouts of deferred members whose addresses are out of date, in order to issue their annual benefit statements.

4. Governance Review Action Plan

- 4.1 In order to ensure that the service is complying with TPR's Code of Practice, it recently commissioned an independent expert to undertake a governance review. An action plan has been prepared to respond to the review's recommendations, and to recent audit recommendations and other ongoing improvement activity.
- 4.2 The consolidated Action Plan includes 54 individual actions, of which 23 have been completed. It has been RAG rated by senior managers within the service

with activities deemed highest priority or time-critical rated Red, in order that resources can, in the first instance, be directed to those activities which are needed to ensure sound governance through compliance with TPR's Code of Practice and/or are time critical. The Action Plan has been organised according to the categories of the Code.

- 4.3 Appendix B shows how work to implement the Action Plan has been prioritised and summarises progress.

5. Performance

- 5.1 The Pensions Administration service monitors a number of KPIs in line with TPR's recommended practice. The table below shows current performance against these indicators in 2019/20 to date.

Table 2: KPI Performance 2019/20 To Date

Performance Indicator	Target	Actual To Date	Comments and Actions
Retirements Lump Sums paid within 30 days of retirement	100%	60%	Employers who notify Pensions after retirement has taken place and provide final salary details when monthly payroll has been completed create a logistical challenge for this KPI target.
Retirements Lump Sums paid within 10 days of receiving all relevant paperwork	100%	85%	SLAs are being rolled out to all Employers which will specify the requirement and deadlines for providing notification of retirements. This should help to improve the timeliness of employer data submissions, and consequently performance against these KPIs.
Death grants paid 10 days of receiving paperwork	100%	84%	Note Death Grant performance is easily skewed due to lower volumes.
Refunds processed within 10 days of receiving paperwork	100%	95%	
Transfers paid within 10 days of receiving paperwork	100%	51%	
Deferred benefits calculated and notified within 10 days of receiving paperwork	100%	90%	
Scheme employer contributions received by 19 th of the month following deduction	100%	96%	Plans for an improved process for employers to submit monthly data and the strategic implementation of the "IConnect" project for employer self-service are intended to improve and maintain this KPI.
Scheme employer monthly returns received by 19 th of the month following deduction	100%	84%	

6. Breaches

- 6.1 As referred to in section 3.1, the service was unable to issue 100% of Annual Benefit Statements by the required deadline, and this had to be reported to TPR as a breach. Regular updates on delivery of the action plan to respond to

breach are being provided to TPR, and a 3rd party provider has been engaged to trace members where the Fund does not hold up-to-date contact information for members.

- 6.2 In accordance with TPR's Code of Practice, breaches have to be categorised as Red, Amber or Green. Only red breaches are reportable to TPR.
- 6.3 Most Green breaches are due to late submission by employers of monthly data or monthly contributions. These types of breaches will be escalated to Amber if data or contributions are submitted:
 - More than 1 week late on more than 3 occasions in 1 year
 - More than 5 weeks late on one occasion
- 6.4 Where such a breach has been escalated to Amber, direct contact will be made with the employer to remind them of their obligations under the Code of Practice and to work with them to resolve outstanding issues. Performance will be kept under close review to ensure improvements are made and sustained, and interest charges will be levied on late payment, in accordance with the new Pensions Administration Strategy. Continued poor performance will be escalated to a red breach and reported to TPR if they are deemed to meet the relevant criteria.

7. Other Employer Issues

- 7.1 There are currently two employers where the Fund has been experiencing issues due to delayed payments. There are, however, distinct differences in how the arrears have arisen.

Employer 1

- 7.2 The Fund had a number of small community employers who were struggling to service their deficit payments. The Fund approached the County Council to see if an exit agreement could be reached with these employers. The County Council had either counter-signed an admission agreement for these employers or had agreed to their admission by way of the Social Services Committee previously.
- 7.3 An agreement was reached and all but one of the employers exited on an ongoing basis rather than on a gilts assessment.
- 7.4 The remaining employer had previously struggled to fund deficit payments whilst in the Fund. The sum outstanding to exit the fund and clear remaining invoices is £993k but the employer has significant financial challenges. The Fund is liaising with the County Council to attempt to resolve the issue and is awaiting a response. The employer stopped accruing further liabilities when they withdrew access to the LGPS for their remaining members

Employer 2

- 7.5 This employer has not been paying deficit payments recently. When approached by the Fund, the Director of Finance for the employer agreed to make payments but subsequently failed to do so. The sum due is £79k. Further payments will be due for the final three months of the year totalling another £47k.
- 7.6 Officers have taken steps to assist the employer and at the request of the employer, changed to invoicing monthly rather than quarterly. However, this has not resolved the issue.
- 7.7 The Fund is exploring Legal and Regulatory options as to how to address this issue.

8. Financial Implications

- 8.1 As set out in the body of this report.

9. Environmental Implications

- 9.1 None

10. Timescales associated with the decision and next steps

- 10.1 None

Appendices

1. Appendix 1 – Summary of Governance Action Plan

Background Papers

1. Pensions Administration Update report to Staff and Pensions Committee, 9th December 2019

	Name	Contact Information
Report Author	Liz Firmstone	lizfirmstone@warwickshire.gov.uk
Assistant Director	Andrew Felton	andrewfelton@warwickshire.gov.uk
Lead Director	Strategic Director for Resources	robpowell@warwickshire.gov.uk

Lead Member	Councillor Kam Kaur	cllrkaur@warwickshire.gov.uk
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The report was circulated to the following members prior to publication:

Local Member(s):

Other members:

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Appendix A: Consolidated Action Plan - Update

Consolidated Pensions Administration Action Plan <i>(Number of actions in brackets)</i>	Completed / Resolved	Red	Amber	Green
Knowledge & Understanding Page 33	(4) A training day was delivered to LPB members in Oct-19. A training log is being maintained, and a schedule of external conferences has been shared with LPB. LPB meetings are now scheduled quarterly.	(2) Two training days to be scheduled and Training Needs Analysis undertaken to agree content.	(1) Training for new LPB member to be arranged, once appointed.	(0)
Conflicts of Interest	(0)	(1) Policy to be updated. Draft is on this LPB agenda for comments, prior to seeking approval from Staff and Pensions Committee.	(0)	(0)
Publishing Information	(0)	(2) LPB ToRs have been reviewed and revised draft is on this LPB agenda.	(0)	(0)

Consolidated Pensions Administration Action Plan <i>(Number of actions in brackets)</i>	Completed / Resolved	Red	Amber	Green
		Draft ESG policy is also on this LPB agenda for comments prior to approval by Pension Fund Investment Sub-Committee.		
Managing Risks Page 34	(2) Instead of ICT presenting cyber security policy to LPB, this will be done by Pensions staff having liaised fully with ICT colleagues. This is a TPR developing area but not currently a requirement. Proposal is to report to LPB during summer 2020. Risk Register now a standing item on Forward Plan.	(1) Finance restructure will increase capacity and create new Technical Specialist role. Recruitment is underway for vacancies; Technical Specialist and interim Pensions Admin Delivery Lead are in post.	(0)	(4) Outcome of audits to be reported to LPB (not due until Staff & Pensions Committee have considered). Interim Delivery Lead is leading continuous improvement of procedures for managing risk. Service is liaising with WCC to understand its cyber security policy and will present proposed Pensions cyber security policy later this year.
Record Keeping	(2) Breach regarding Annual Benefit Statements was reported to TPR and actions required to remedy	(5) Project proposal for i-Connect has been approved and Full	(7) Draft Data Quality Improvement Plan has been produced. Backdated Data	(2) Data quality checks are planned in run up to Annual

Consolidated Pensions Administration Action Plan <i>(Number of actions in brackets)</i>	Completed / Resolved	Red	Amber	Green
Page 35	<p>have been documented and implemented.</p>	<p>Business Case is in development.</p> <p>Pensions Admin Strategy is on this LPB agenda for comments prior to approval by Staff & Pensions Committee.</p> <p>Use of KPIs for performance management is being embedded into service and independent expert is advising on other potential measures, based on best practice.</p>	<p>Changes report to be run to ensure all historic changes have been captured.</p> <p>Queries are being captured and updated continuously and used to undertake Root Cause Analysis to reduce issues at source.</p> <p>SLA between Pensions Admin & Employer Payroll services has been drafted in line with TPR Code and will be rolled out to all employers.</p>	<p>Benefit Statement and Annual Returns deadlines.</p>
Maintaining Contributions	<p>(7)</p> <p>Plan to resolve outstanding WCC Payroll issues was produced, including actions from internal audit, responsibilities and process for escalation.</p> <p>Timetable for information requirements from WCC Payroll is</p>	<p>(1)</p> <p>Introduction of charges to employers who fail to make contributions on time is being introduced as part of Pensions Admin Strategy (see separate report on this agenda).</p>	<p>(2)</p> <p>SLA is being finalised and will be rolled out to all employers to ensure they understand their roles and responsibilities in progress.</p>	<p>(1)</p> <p>Measures will be introduced to assess employer covenants once new staffing structure and capacity is in place.</p>

Consolidated Pensions Administration Action Plan <i>(Number of actions in brackets)</i>	Completed / Resolved	Red	Amber	Green
	<p>agreed and being met, with monitoring arrangements in place.</p> <p>Pensions / WCC Payroll Working Group ToRs now include Fire Pensions.</p>		Use of Root Cause Analysis to resolve issues at source is underway.	
Providing Information to Members	(0)	(0)	(0)	(0)
Internal Dispute Resolution	(0)	(0)	(0)	(0)
Reporting Breaches of the Law	<p>(6)</p> <p>Breaches Policy has been approved by Staff & Pensions Committee. Breaches log is updated continuously and reviewed regularly to identify and consider potentially reportable breaches.</p> <p>Annual Allowance training sessions have been run both for staff and for members at risk of</p>	(1)	(0)	(1)

Consolidated Pensions Administration Action Plan <i>(Number of actions in brackets)</i>	Completed / Resolved	Red	Amber	Green
	exceeding annual or lifetime allowance thresholds.			
TPR Developing Areas Page 37		(2) Draft Climate Change Strategy is included elsewhere on this agenda for comments, prior to approval by Pension Fund Investment Sub-Committee. Voting activity is now being reported to LPB elsewhere on this agenda.	(0)	(0)
Total Actions	21	15	10	8

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Staff & Pensions Committee Regulatory Update

12 March 2020

1. Recommendation(s)

1.1 That the Committee note and comment on the report.

2. Executive Summary

2.1 This report seeks to update the Committee on current and future developments in the LGPS and Firefighter Pension Schemes.

3. Financial Implications

3.1 No direct costs identifiable at present.

4. Environmental Implications

4.1 None

5. Supporting Information

5.1 McCloud update:

5.2 Earlier this year the government lost its right to appeal the McCloud age discrimination court case at the Supreme Court.

5.3 There is still no further update on the resolution for LGPS members but Members of the Committee should be aware that the Actuary has made an allowance in the assumptions for the recent triennial valuation to allow for potential costs.

5.4 The Fund is also contacting Scheme Employers to ensure they retain pay and HR records in case of future queries regarding the potential resolution for members who may be impacted.

5.5 **Firefighters Pension Scheme (FPS)**; shortly before Christmas a complaint by a firefighter was upheld by the Employment Tribunal which ruled that changes made to the FPS in 2015 discriminated against members because of their age.

- 5.6 Fire Authorities are currently waiting for guidance to be issued by the Home Office as to how the cases of those firefighters who have been discriminated against are to be dealt with. But it is likely that firefighters falling within scope of the ruling will be put back in the old pension scheme and have their previous rights restored.
- 5.7 The guidance is also likely to cover how Fire Authorities deal with those former firefighters who have retired under the provisions of the new scheme and whose benefits should be recalculated under the previous scheme provisions.
- 5.8 Committee members should note however, that for the LGPS it is not possible to restore previous pension rights as the old LGPS Scheme is closed. It is likely therefore, that any form of restitution for LGPS members will involve a further underpin process to determine if the member is better off in the new or old scheme.
- 5.9 Such a process mentioned in 5.8 above will create further complications in the calculation of the entitlement for a member and confusion for the member about their entitlement. There is also likely to be a requirement for additional administrative resource to deal with resolving cases for current and past members.
- 5.10 **LGPS Consultation on valuation cycles / managing employers;** no further update to make since the last meeting.
- 5.11 **Exit payment cap;** no further update to make since the last meeting.

6. Timescales associated with the decision and next steps

- 6.1 Officers will keep the Committee updated on future developments.

Appendices

- 1. None

Background Papers

- 1. None

	Name	Contact Information
Report Author	Neil Buxton	neilbuxton@warwickshire.gov.uk
Assistant Director	Andrew Felton	andrewfelton@warwickshire.gov.uk
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Lead Member	Kam Kaur	kamkaur@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Member(s):

Other members:

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Staff & Pensions Committee Administration Strategy

12 March 2020

1. Recommendation(s)

- 1.1 That the Committee approve the Administration Strategy at Appendix A.

2. Executive Summary

- 2.1 To further enhance the governance and administration of the LGPS, the Fund has produced an Administration Strategy to be made available to all current and future scheme employers in the Warwickshire Pension Fund.
- 2.2 It is also the intention that the Strategy will improve the monitoring of employers by the Fund.

3. Financial Implications

- 3.1 None

4. Environmental Implications

- 4.1 None

5. Supporting Information

5.1 Key Highlights of the Administration Strategy:

Compliance; seeks to provide good working relationships, improve efficiency and ensure agreed standards of quality and delivery in pensions administration.

Regulatory framework; provides the regulatory framework for the strategy and allows the administering authority to recover costs incurred because of poor performance by an employer.

Scheme Employer duties and responsibilities; provides guidance on the responsibilities required of an employer to improve the governance of the Fund

Service standards; provides clear guidance on the service standards expected from all parties.

Interest charges; the introduction of interest charges for the late payment of contributions and invoices in respect of rechargeable amounts due to the Fund.

Charges for poor performance; the Fund will continue to work with employers who fail to meet service standards but as a last resort and particularly where the Fund has to employ additional resource to resolve a problem, a charge will be made.

6. Timescales associated with the decision and next steps

- 6.1 The Administration Strategy has been reported to the Local Pension Board for comment and following approval of the draft by the Committee the Strategy will be forwarded to employers for their comments. The Strategy will then be updated as appropriate and brought back to the Committee for approval and will then come into effect.

Appendices

- Administration Strategy

Background Papers

- None.

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Report Author	Neil Buxton	neilbuxton@warwickshire.gov.uk
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The report was circulated to the following members prior to publication:

Local Member(s):

Other members:

PENSIONS ADMINISTRATION STRATEGY STATEMENT

WARWICKSHIRE

pension fund



Introduction

Warwickshire Pension Fund (“the Fund”) is responsible for the administration of the Local Government Pension Scheme (“the Scheme”) within the geographical area of Warwickshire. The Fund also administers the Scheme on behalf of a number of qualifying employers who are not situated within the Warwickshire area. The service is carried out by Warwickshire County Council (“the administering authority”) on behalf of qualifying employers and ultimately Scheme members.

This document is the Pensions Administration Strategy Statement which outlines the policies and performance standards towards providing a cost-effective, inclusive and high-quality pensions administration service.

Delivery of such an administration service is not the responsibility of one person or one organisation, but rather the joint working of a number of different stakeholders, who between them are responsible for delivering the pensions administration service to meet the diverse needs of the membership and the regulatory requirements.

1. Compliance

Developed in consultation with employers within the Fund, this statement seeks to promote good working relationships, improve efficiency and ensure agreed standards of quality in delivery of the pension administration service amongst Scheme employers and the Fund. A copy of this strategy is provided to all employers.

In no circumstances does this strategy override any provision or requirement of the regulations, nor is it intended to replace the more extensive commentary provided by the employer information on the Warwickshire Pension Fund website and administration guides provided by the Local Government Association (LGA).

2. Review

The undertakings set out within this Pensions Administration Strategy Statement will be reviewed annually by the Fund. Additionally, the Fund will review this policy statement and make revisions as appropriate, following a material change to the Fund policies in relation to any of the matters contained in the strategy. Employers will be consulted and informed of any changes.

3. Regulatory Framework

Regulation 59-(1) of the LGPS Regulations 2013 enables an LGPS administering authority to prepare a document (“the pension administration strategy”) detailing administrative standards, performance measures, data flows and communication with employers.

In addition, Regulation 70. -(1) of the LGPS Regulations 2013 allows an administering authority to recover costs from an employing authority where costs have been incurred because of that

employing authority's level of performance in carrying out its functions under these Regulations. See section on Poor Performance.

This document has been presented, considered and ratified by the Staff and Pensions Committee on [dd/mm/yyyy] and, as such, the contents of which apply to all existing and future employers of Warwickshire Pension Fund from this date.

4. Scheme Employer Duties and Responsibilities

The delivery of a high quality, cost effective administration service is not the responsibility of just the administering authority, but depends on the joint working of the administering authority with a number of individuals employed in different organisations to ensure Scheme members and other interested parties receive the appropriate level of service, and that statutory requirements are met.

Monthly/annual data transfer

The Fund currently relies on data transfer by way of the completion and submission of a monthly spreadsheet, but the intention is to move to a portal system.

Response to queries

There are times when the Pensions Team may need to contact employers with queries on the data provided, or to request additional information in order to provide Scheme members with details of their pension entitlement. From time to time, employers may also require information from the Pensions Team regarding the Scheme. Timescales for dealing with specific requests are listed in this document and where a timeframe is not provided, either party should be responded to within 10 working days of receipt of the request.

Appointing a main contact

Each employing authority must designate a named individual to act as the main point of contact with regard to any aspect of administering the LGPS, and to be responsible for ensuring the requirements set out in this strategy are met. Employers are required to keep their designated contact information up to date.

Their key responsibilities are:

- to act as a conduit for communications to appropriate staff within the employer - for example, Human Resources, Payroll teams, Directors of Finance;
- to ensure that standards and levels of service are maintained, and regulatory responsibilities are complied with.
- to ensure that details of all nominated representatives and authorised signatures are correct and to notify the Fund of any changes immediately;
- to arrange distribution of communications literature as and when required;
- to inform the Fund of any alternative service arrangements required;
- to assure data quality and ensure the timely submission of data to the Fund; and
- to assist and liaise with the Fund on promotional activities.

Authorised signatories

Each employer must nominate individuals to act as authorised signatories, whose names and specimen signatures will be held by the Fund, and who must sign all employer documents or instructions. In signing a document, an authorised officer is not merely certifying that the form comes from the employer stated, but also that the information being provided is correct.

Consequently, if an authorised signatory is certifying information that someone else has compiled, for example leaving information including a final salary pay, career average pay, assumed pay they are authorising to confirm that the information is correct.

It is the employer's responsibility to ensure that details of the authorised signatures are up-to-date, and to notify the Fund of any changes.

Employer Training

The Fund holds annual training for employers where officers of the Fund provide information on finances, investment performance, regulatory changes and also administration performance. Attendance by each employer's nominated contacts is actively encouraged. It is ultimately the responsibility of the employer to ensure that any staff with responsibilities related to the pension fund have the appropriate knowledge and skills.

Discretions Policy

Each employer is required by statute to prepare and publish a written statement as to how they wish to exercise the discretionary powers available to them as a Scheme employer under the LGPS regulations. The policy statement must be kept under review and, where revisions are made, the revised policy statement must be sent to the Fund and made readily available to all employees within the employing authority within one month of the effective date. The LGA has produced a list of all the discretions participating employers have in relation to the LGPS. This document can be found on the website: www.lgpsregs.org. Each employer must provide a copy of their discretions policy to the pension fund and provide updates when it is changed.

Notification of employee's rights

Internal Disputes Resolution Procedure (IDRP)

Under Regulation 72 of the LGPS 2013 regulations, any decisions made by an employing authority affecting an employee's rights to membership, or entitlement to benefits must be made

as soon as is reasonably practicable and notified to the employee in writing including a reference to their right of appeal in line with Regulation 73 of the LGPS regulations. Every notification must;

- Specify the rights under stage 1 and stage 2 of the appeals procedure quoting the appropriate regulations;
- Specify the time limits within an appeal, under either stage, which apply and;
- Specify to whom an application for appeal must be made to.
 - For first stage appeals this must be the nominated person of the employer who made the decision. For 2nd stage appeals this will be the appointed person at the administering authority

The Fund has guidance for employers to provide to individuals who raise an issue under the IDR procedure.

Nominated person

Each employing authority is required to nominate and name the person to whom applications under Stage 1 of the IDR should be made. Employers must notify the Fund of any first stage appeals they receive.

Employers should inform the Fund of appointed medical practitioners.

5. Service Standards to Scheme Members

Overriding legislation dictates the standards that pension schemes and employers should meet in providing certain pieces of information to various associated parties – not least of which includes the scheme member. The LGPS Regulations also identifies a number of requirements for the Fund and employers, which may not have all been covered in this document. It is important that employers make themselves familiar of the HR and Payroll guides available on www.lgpsregs.org.uk

An online employers guide is available on the Fund's website www.warwickshirepensionfund.org.uk which includes template forms and guidance for all Scheme employers.

The levels of performance and procedures which the Fund and employers are expected to achieve to ensure compliance with the overriding legislation are outlined in the below tables:

Each employer will be asked to provide a list of contacts.

6. Recovering Costs / Sanctions / Fines

Where a serious or persistent and on-going failure to deliver employer responsibilities to the Fund occurs (for example late contributions, late data submissions, or poor data quality), and no improvement is demonstrated by an Employer (and or unwillingness is shown to resolve the issues identified) the Fund may under Regulation 70 (1) of the LGPS Regulations 2014 recover costs from an Employer, where costs have been incurred because of that Employer's level of performance in carrying out its functions under these Regulations.

Any costs, charged by the Fund will be recovered from the Employer and not the third-party company appointed by the Employer to provide pensions services e.g. a third-party payroll provider.

Circumstances where additional costs may be recovered

The circumstances where additional costs may be recovered from the Employer include but are not restricted to:

- persistent failure to provide relevant information to the administering authority, Scheme Member, or any other interested party in accordance with specified performance targets (either relating to the timeliness of delivery or the quality of information);
- instances where performance by the Employer results in a loss to the Pension Fund, e.g. any overpayment resulting from inaccurate information supplied by the Employer, costs associated with the assessment of benefits, interest on late payment of benefits, scheme tax charges, etc;
- failure to deduct and pay over correct Employee and Employer contributions within the standard timescales;
- failure to pay or pay on time any other amounts due to the Pension Fund, e.g., actuarial strain payments;
- instances where the performance of the Employer results in fines being levied against the administering authority by the courts, the Pensions Regulator, the Pensions Ombudsman or any other regulatory body.
- instances where the performance of an Employer results in the Fund having to incur out of the ordinary additional expenditure in order to manage around the performance issue, for example having to employ additional staff to manage with lower quality data.

Approach to seeking additional administration costs

The administering authority may take any of the following steps:

- write to the Employer, setting out the issues;
- meet with the Employer to discuss the issues and how these can be addressed;
- issue a formal written improvement notice, where no improvement is demonstrated by the Employer, setting out the issues that have been identified, the steps taken to resolve the them, and that the additional costs will now be reclaimed;
- clearly set out the calculations of any loss resulting to the Pension Fund or administering authority, or additional costs, considering the time spent and resources used in resolving the issue.
- Issue reminders and final notices in respect of due debts.
- Instigate legal debt recovery action including the recovery of collection costs.

Penalties for Failure by Employers to Meet their Statutory Obligations

Administration costs shown below will be charged if an Employer has consistently failed to meet its obligations and an **Improvement Notice** has been issued and not complied with

Employer to the Fund (where the case has to be returned for incorrect information on more than two occasions)	
*fine from the Pensions Regulator	Amount requested by the Pensions Regulator
*fine from the Pensions Ombudsman	Amount requested by the Pensions Ombudsman
*delay causing unauthorised payments	Cost of tax from HMRC and or reimbursement of charges imposed by HMRC on the Warwickshire Pension Fund.
Fines from other statutory body incurred as a result of employers actions	As levied

Regulatory Task	Administration Fee / charge
Late payment of Employer and / or scheme member contributions. Plus, any statutory charges	£150 per occurrence plus interest as defined in this strategy.
Late provision of year end contributions returns in prescribed format	£1,000 per occurrence plus £100 for each week plus part week of continued non-provision
Late provision of starter information, per case	£50 initial charge plus £50 per month of continued non-provision
Late provision of leaver information, per case	£50 initial charge plus £50 per month or part month of continued non-provision
Charges for persistent incorrect and incomplete information provided by the employer	£50 per case

*Fines or charges imposed by the Pensions Ombudsman, Pension Regulator and the HMRC for non-compliance will be recharged in full to the Employer.

The Pension Fund will do everything possible to support Employers to avoid costs but will levy them where necessary.

The Fund will report Employer performance to the Local Pension Board and Pension Fund committees as appropriate, including reporting of the charging of costs and interest to Employers.

7. Standards of Data

Overriding Legislation in performing the role of administering the LGPS

The Fund and employers will comply with the overriding legislation, including:

- the Occupational Pensions Schemes
- (Disclosure of Information) Regulations 2015;
- The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015;
- the Pensions Act 1995, 2004 and 2014;
- any Transitional Regulations currently in place;
- the Discretionary and Compensation Regulations 2006;
- the Data Protection Act 1998;
- the Freedom of Information Act 2000;
- the Disability Discrimination Act 1995;
- the Age Discrimination Act 2006;
- the Finance Act 2004;
- Health and Safety legislation;
- Employment Rights Act 2010;
- HMRC Legislation and Current GAD Guidance;
- Public Service Pensions Act 2013;

and any future amendments to the above legislation.

Data Protection Act 2018

The Warwickshire Pension Fund is a Data Controller as part of the Data Protection Act 2018 which incorporates the General Data Protection Regulation (GDPR). This means we store, hold and manage personal data in line with statutory requirements to enable us to provide pension administration services. To enable us to carry out our statutory duty, we are required to share information with certain bodies, but will only do so in limited circumstances. More information about how we hold data and who we share it can be found in the Fund's Privacy Notice on www.warwickshirepensionfund.org.uk

The Fund has introduced a Memorandum of Understanding (MOU). The aim of the MOU is to set out that participating employers in the Local Government Pension Scheme (LGPS) can share data with the LG administering authority without a data sharing agreement being in place. (There is no legal requirement for employers to have a data sharing agreement with LGPS administering authorities as they are both data controllers.) A copy of the MOU can be found on the employers' area of the website www.warwickshirepensionfund.org.uk.

Secure Data Transfer

The Fund will follow Warwickshire Pension as Administering Authority data security guidelines when sending any personal data, including its published data sharing policy. This means that members' personal data will only be transferred from one party to the other via an acceptable method specified by the Administering Authority which may include any of the following:

- (a) Secure email
- (b) Paper forms signed by an authorising officer from the employer
- (c) Password protected excel spreadsheet

All these measures start from the date of receipt of all relevant information. The annual performance of the Fund is reported each year in the Annual Report.

Audit

The Fund is subject from time to time to audits of its processes and internal controls. Employers are expected to fully comply with any requests for information from both internal and approved external auditors. Any subsequent recommendations will be considered and where appropriate implemented with employing authority cooperation.

Benchmarking

The Fund will regularly monitor its costs and service performance by benchmarking with other administering authorities. Details of the costs of administration, quality measures and standards of performance will be published in the Annual Report.

8. Employer Performance Reporting

As part of this Pensions Administration Strategy the Fund will develop arrangements for reporting on key performance measures.

This approach to reporting will facilitate engagement with employers and provide a mechanism for service level review and recognition of best practice.

Reporting breaches

The Fund has a procedure to be followed by certain persons in relation to reporting breaches of the law to the Pensions Regulator. The breaches procedure applies, in the main to;

- all members of the Warwickshire Pension Board and Committee;
- all officers involved in the management of the Pension Fund including members of the Treasury Team, Pensions Administration Team, and the Head of Finance, Governance and Assurance (Section 151 Officer);
- any professional advisers including auditors, actuaries, legal advisers and fund managers; and
- officers of employers participating in the Warwickshire County Pension Fund who are responsible for LGPS matters.

Breaches can occur in relation to a wide variety of the tasks normally associated with the administrative function of a scheme such as keeping records, internal controls, calculating benefits and making investment or investment-related decisions.

If a breach occurs the breaches policy must be followed.

9. Associated Policy Statements and Documents

Participating employers are advised to familiarise themselves with the other policies issued by the Fund.

Communications Strategy Statement

The statement outlines the Fund's policy on:

- information to members, representatives and employers;
- the format, frequency and method of distributing such information;

- the promotion of the Scheme to prospective members and their employing authorities

Employer Discretions Policy

Since 1997, the LGPS regulations have required every employing authority to:

- issue a written policy statement on how it will exercise the various discretions provided by the Scheme;
- keep it under review;
- revise as necessary.

A full list of employer discretions can be found on www.lgpsregs.org.

10. Fund Contact Information

Write/visit: Warwickshire Pension Fund, The Post Room, Shire Hall, Warwick, Warwickshire, CV34 4RL

Call: 01926412186

Email: pensions@warwickshire.gov.uk

Website: www.warwickshirepensionfund.org.uk

11. Timescales

There are a number of prescribed timescales for delivering activities for both Employers and the Fund. These are summarised in Appendix 2.

Appendix 1 – Service Standards

1a - NEW STARTERS	
EMPLOYER'S RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To ensure that pensions information is included as part of any new employment induction process, including in contracts of employment and appointment letters.</p> <p>To ensure that all employees subject to contractual admission are brought into the Scheme from their relevant start date, and provide the Pensions Team with accurate member data, using the monthly data submission within four weeks of the members start date.</p> <p>To provide each new employee with a Brief Scheme Guide and New Member Form with their contract of employment. This may be in the form of issuing a paper copy or by directing all new members to the Fund's website where the information can be viewed or downloaded. The most up to date versions of forms and guides can always be found on the Fund's website www.warwickshirepensionfund.org.uk.</p> <p>To determine the appropriate contribution rate (whether individually or by an automated process on payroll) and (as soon as is reasonably practicable), notify the employee of this contribution rate which is to be deducted from the employee's pensionable pay and the date from which the rate will become payable. It is for the employer to determine the method by which the notification is given to the employee, but the notification must contain a statement giving the address from which further information about the decision may be obtained. The notification must also notify the employee of the right to appeal, including the processes and timescales involved. Furthermore, the correct employee contribution rate according to the scheme the member is in – either the 50/50 or 100/100 scheme should be applied and (if appropriate) adjusted throughout the year according to the employer's discretionary policy on rebanding.</p> <p>To send the Fund notification of any eligible employees subject to automatic enrolment, who opt out of the scheme within six weeks of joining.</p>	<p>To accurately create member records on the pensions administration system following notification from an employer of a new entrant to the Scheme.</p> <p>To support employer requests to attend inductions.</p> <p>To update pension information in accordance with regulatory changes, and to keep PDF versions of forms and guides up to date on the Fund website. www.warwickshirepensionfund.org.uk</p> <p>To accurately record and update member records on the pension administration system within following the receipt of a completed New Member Form.</p>

<p>Where there is more than one contract of employment with the same employer, each membership shall be maintained separately and the Fund notified as above.</p>	
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1b - CHANGES IN CIRCUMSTANCES FOR ACTIVE MEMBERS

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To ensure that the Fund is informed of any changes in the circumstances of employees through forms and spreadsheets within four weeks of the change.</p> <p>Forms and guidance can be found in the employers' area of the Fund website at: www.warwickshirepensionfund.org.uk</p> <p>Changes may include:</p> <p>Personal information:</p> <ul style="list-style-type: none"> • Change of name • Marital status • National insurance number • Change of address <p>Conditions of employment affecting pension such as:</p> <ul style="list-style-type: none"> • Contractual hours (mandatory for members who meet the underpin requirements only) • Any remuneration changes due to promotion and down grading • Full-time equivalent pensionable pay according to the pre 2014 definition • Actual pensionable pay (including overtime/additional hours) in 100/100 and 50/50 schemes according to the post 2014 definition (CARE). • Employees contribution rate • Employee number and/or post number • Date joined scheme (if adjusted) • Confirmation of 50/50 or 100/100 scheme entry <p>NB. An Employee can easily exceed HMRC annual allowance if their pay increases. You therefore are asked to inform the Fund of:</p> <ul style="list-style-type: none"> • Significant pay awards/pay increases 	<p>To provide forms and spreadsheets for recording key changes in circumstances and to provide guidance on the secure submission of data.</p> <p>To accurately record and update member records on the pensions administration systems within four weeks of notification, or any shorter period as requested by the employer with regards to specific requirements.</p>

- Honorariums
- Additional Voluntary Contributions (AVC) contributions
- Shared Cost AVC contributions (if applicable)
- Shared Cost Additional Pension Contributions

For a full list of data items required, see the section FINANCIAL AND DATA OBLIGATIONS, or further information is available from the Fund directly. Employers can also visit the webpage on 'monthly data reports and end of year procedure' on the Fund website

www.warwickshirepensionfund.org.uk

Absence

During periods of reduced or nil pay as a result of sickness, injury or relevant child related leave (i.e. ordinary maternity, paternity or adoption leave or paid shared parental leave and any paid additional maternity or adoption leave) assumed pensionable pay (APP) should be applied for pension purposes.

Employer contributions should be deducted from pay and any APP. If the employee receives no pay the employer contributions should still be deducted from APP.

Should an employee wish to purchase Additional Pension Contributions (APC) or a Shared Cost Additional Pension Contributions (SCAPC) contract to buy back the pension 'lost' during the absence, the APP amount will need to be calculated and provided to the member's employer. Employers must bring to the attention of the member, before a period of absence, that they can buy back the 'lost' pension. Employers should also direct members to the website www.lgpsmember.org where they can calculate the cost to buy back this 'lost' pension. As employees have a thirty day timeframe with which to buy back the lost pension, employers should be sure to mention this to the employee early on in the 30 day period.

Types of absences include:

- Maternity, paternity and adoption
- Paid & unpaid leave of absence
- Industrial action (SCAPC not available)

<ul style="list-style-type: none"> Any other material/authorised period of absence <p>See section 'ADDITIONAL PENSION CONTRIBUTIONS (APCs) and SHARED COST APC's' for further information.</p>	
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1c - ANNUAL RETURN, VALUATION & ANNUAL BENEFIT STATEMENTS

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>The information should be accompanied by a final statement (lgs121a); balancing the amounts paid during the year with the total amounts submitted for the year and to include leavers. A compliance statement (lgs121b) must also be submitted and both duly signed by an appropriate officer. Should there be any under/over payment discovered whilst reconciling, accompanying paperwork detailing this must be submitted together with payment or a formal request for a refund. Year end reconciliation must be completed and forms sent by 30 April each year.</p> <p>To provide any additional information that may be requested to produce annual benefit statements for service up until the 31 March in each particular year by the 30 April each year.</p> <p>To provide the Fund with up to date and correct information as and when requested in accordance with agreed timescales and the regulations.</p> <p>To ensure that all errors highlighted from the annual contribution and pensionable pay posting exercise are responded to and corrective action taken promptly.</p>	<p>To process employer year end contribution returns within three months of receipt i.e. 30 April, or within three months of receipt of the information if later.</p> <p>To produce annual benefit statements for all active members by 31 August.</p> <p>To highlight annually if an individual has exceeded their annual allowance and issue a pensions saving statement by 5 October.</p> <p>Annual benefit statements will also be produced for deferred members, but no information from employers will be required.</p> <p>To provide data to the Fund Actuary and Government Actuary's Department to enable employer contribution rates to be accurately determined.</p> <p>To provide an electronic copy of the actuarial valuation report and contributions certificate to each employer.</p>

1d - RETIREMENT AND TRANSFER IN/OUT ESTIMATES

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
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<p>To submit a request using a PEN4 form by post, or attaching it to an email. Each form must be signed by an authorising officer.</p> <p>For larger bulk estimates, requests should be made via the spreadsheet template provided by the Pensions Team, and notice should be given in advance when any redundancy exercises are planned.</p> <p>To provide pay and other relevant information requested by the Pensions Team either on an individual basis or within ten working days of the request, or for bulk/group requests by an agreed timescale with the Pensions Team.</p>	<p>To issue the individual quotations/information within ten working days after all information required to process a quotation has been received.</p> <p>To provide information to the scheme member on any potential transfer in of benefits once all information required to process the quotation has been received (transfer estimate from other pension provider, contracting out, salary details etc) within ten working days. However, legally we do have up to two months to provide the transfer information following receipt of all information required to process the quotation.</p> <p>Separate agreed timescales and any additional cost will be put in place for bulk requests.</p>
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1e - DIVORCE AND OUTSOURCINGS ESTIMATES	
EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To provide pay and other relevant information requested by the Pensions Team either on an individual basis within ten working days of the request, or for bulk/group requests by an agreed timescale with the Pensions Team.</p> <p>Staff transfers e.g. outsourcings To ensure early notification/liaison with the Pensions Team when considering an outsourcing exercise which affects members/eligible members of the LGPS. See guidance on 'Becoming an employer or existing employer letting a contract' on the Fund's website.</p>	<p>Where a request for divorce information including a CETV is received from the member, or the Court, this will be issued three months from the date of receipt of the signed form request from the member, or receipt of the Court order. When a shorter timescale is requested/imposed the Pensions Team will provide the member with the schedule of charges.</p> <p>To provide guidance to current employers participating in the Fund who are considering outsourcing.</p>

1f - ACTUAL RETIREMENTS	
EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To submit the appropriate PEN4 leavers form to the Fund as soon as the information is available. The PEN4 form must be completed fully, and signed by an authorised signatory, as it confirms the information required to enable the benefits to be calculated and the employer's decision as to the type of benefit that is to be paid to the member. Evidence of the calculation of final pensionable pay may be requested so the Pensions Team can check the accuracy of the pay provided. The PEN4 form will be returned if it appears to be incorrect.</p> <p>Further information can be found in the Employers area of the Fund website via www.warwickshirepensionfund.org.uk</p>	<p>To issue the member with a letter and benefits information within five working days of correctly completed employer's notification via the PEN4 leavers form. However, from receipt of all information required to process, the regulations state that we do have up to one month following the date benefits become payable or two months if retirement is early.</p> <p>To issue the member with a letter notifying them of actual retirement benefits within five days following receipt of all documentation from the member</p> <p>To make payment of any lump sum within five working days of receipt of all relevant fully completed forms and certificates from the member, or retirement date if later.</p> <p>To pay any pension payment on the 29th of each month following retirement, unless this falls on a weekend or bank holiday when the payment will be made on the last working day before. Payment will also be made earlier in the month of December to take account of the Christmas period.</p>

1g - ILL HEALTH RETIREMENTS	
EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To determine whether an ill health benefit award is to be made, based on medical evidence and the criteria set in the current LGPS regulations, and after obtaining an opinion from a Fund approved Independent Registered Medical Practitioner (IMRP) on the appropriate certificate. If an award is made, to then determine which tier 1, 2 or 3 is to be awarded.</p> <p>Arrange for completion of the PEN4 form and then submit to the Fund with all related paperwork including IMRP certificate and a copy of the notice letter issued to the member confirming the level of ill health benefits awarded and the appeal information under IDPR</p>	<p>To calculate and pay the required benefits in line with actual retirement timescales.</p> <p>To assist the employer in performing their legislative responsibility to review Tier 3 ill health cases at eighteen months.</p>

<p>To keep a record of all Tier 3 ill health retirements, particularly in regards to arranging the eighteen-month review. Arranging if necessary with an (IMRP) approved by the administration authority for a further medical certificate. To recover any overpayment of pension benefits following a discovery of gainful employment and notify the Fund, where appropriate.</p> <p>To review all Tier 3 ill health retirement cases at eighteen months. Further information on ill health retirements can be found on the employers' pages on our website www.warwickshirepensionfund.org.uk</p>	
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1h - MEMBERS LEAVING EMPLOYMENT BEFORE RETIREMENT

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To notify the Fund using a termination form, ensuring all relevant information is included on the form, within four weeks of the members leave date.</p>	<p>To accurately record and update member records on the pension administration system.</p> <p>The regulatory target to inform members the options available to them upon leaving the Scheme within two months following receipt of all the correct information from the employer via the termination form.</p> <p>The Fund's best practice target to calculate notify a member of their deferred benefit entitlement is ten days following receipt of correct information from the employer via the termination form.</p> <p>To process and pay a refund within five days to an eligible member following receipt of all relevant documentation from the member/employer.</p>

1i - FORMER MEMBERS WITH DEFERRED BENEFITS

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To keep adequate records of the following for members who leave the Scheme with deferred benefits, as early payment of benefits may be required:</p> <ul style="list-style-type: none"> Name & last known address 	<p>To record and update member records on the pensions administration system.</p> <p>To provide former members with an annual benefit statement of their deferred</p>

<ul style="list-style-type: none"> • National Insurance number • Payroll number • Date of birth • Last job information including job description • Salary details • Date and reason for leaving <p>To determine, following an application from the former employee to have their deferred benefits paid early, as to whether or not they are eligible for early payment on ill health grounds in line with the criteria set in the relevant regulations and after seeking a suitable medical opinion from an (IRMP) approved by the administering authority, or to determine whether benefits should to be released early and in some cases any actuarial reduction waived on compassionate grounds.</p>	<p>benefits, updated by the annual pensions increase award when applicable.</p> <p>To provide estimates of benefits that may be payable and any resulting employer costs within ten working days of request upon request.</p>
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1j - DEATH IN SERVICE & TERMINAL ILLNESS

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To inform the Fund immediately on the death of an employee via the PEN4 leavers form, or when a member is suffering from a potentially terminal illness and to provide details of the next of kin.</p> <p>Further information can be found on the employer pages of our website www.warwickshirepensionfund.org.uk</p>	<p>To provide an initial letter of acknowledgement to the next of kin/informant within 5 working days following a notification of death.</p> <p>To provide a letter notifying dependents of benefits within five days following receipt of identification/certificates and relevant documentation.</p> <p>To assist employer's, employees and their next of kin in ensuring the pension options are made available and that payment of benefits are expedited in an appropriate and caring manner.</p> <p>The Fund's policy regarding payment of benefits in such situations, can be viewed in the Governance Compliance Statement.</p>

1k - FINANCIAL AND DATA OBLIGATIONS (INCLUDING CT117 – MONTHLY RETURNS)

EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
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To pay the Fund all contributions deducted from payroll (not including AVCs) of its employees and employer contributions and any deficit lump sum payments due on a monthly basis, no later than the 19th day of the month following the period of deductions. Further information can be found in the Employer Guide via www.warwickshirepensionfund.org.uk

Each payment must be accompanied by a CT117 form providing the following data for each member;

- National Insurance number
- Payroll reference 1
- Member address and postcode
- Date of leaving
- Payroll period end date
- Additional contributions 1
- Additional contributions 2
- Surname
- Forenames
- Gender
- Date of birth
- Marital status
- Title
- Taxable earnings
- Annual pensionable salary (only required at month 12)
- Pensionable pay
- Date joined LGPS
- Job title
- Part-time hours effective date
- Part-time hours
- Part-time indicator
- Whole-time equivalent hours
- Employee's main section contributions
- Employer's contributions
- Scheme contribution rate
- Opt out date
- Opt in date
- Main section cumulative pensionable pay
- 50/50 section cumulative pensionable pay
- Full-time equivalent final pay
- Cumulative employee's main section contributions
- Cumulative employer's contributions
- Reason for leaving
- Cumulative employer Shared Cost APC's
- Cumulative employee APC's
- Employee's 50/50 section contributions

To allocate correctly the contributions received to each employee record and to keep a log of contributions received from each employer.

To charge interest for late payment in the following circumstances;

- Employer contributions (including deficit payment) are overdue if they are received a month later than the due date specified.
- All other payments are overdue if they are not received by the due date specified.

Inform each employer of any new contribution bandings tables in place from each April.

Inform employers of any rechargeable items as they become due.

To keep the Fund's Privacy Notice up to date on the website for all members. To keep a Memorandum of Understanding which explains the relationship between the administering authority and participating employers when sharing personal data.

<ul style="list-style-type: none"> • Cumulative employees 50/50 section contributions • Pay period Shared Cost APC's • Pay period employee APC's <p>To pay all rechargeable items to the Fund on receipt of the invoice.</p> <p>The Fund may charge interest of 3% above 'base rate' on a day to day basis on the due date of payment, if payments of the following are not received by the specified date:</p> <ul style="list-style-type: none"> • If employee / employer contributions are not received by the 19th of the month following deduction from the members pay for cheque payments or 23rd of the month for BACS payments. • If invoices are not paid within the terms of the invoice issued in respect of: <ul style="list-style-type: none"> ○ Rechargeable pension payments ○ FRS102 charges ○ Actuarial strain charges in respect of early retirement ○ Rechargeable fees e.g. academy conversion fees ○ Deficit payments due <p>'base rate' means the base rate for the time being quoted by the Bank of England.</p>	
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11 - ADDITIONAL PENSION CONTRIBUTIONS (APCs) and SHARED COST APC's (SCAPCs)	
EMPLOYERS' RESPONSIBILITY	FUND'S RESPONSIBILITY
<p>To communicate to employees regarding the option of SCAPC's to cover periods of 'lost pension' and the timeframe they must elect to purchase a SCAPC. Members must elect within thirty days of returning to work following the absence, but employers have the discretion to extend this period. This should be laid out in the employer's Discretions Policy.</p>	<p>To provide information on APCs to members/employers through www.warwickshirepensionfund.org.uk</p>

<p>To calculate and collect from the employee, payroll contributions and to arrange the prompt payment to the Fund, according to the published schedule and to be no later than the 19th of the month following the deduction. More information can be found in the employer area on www.warwickshirepensionfund.org.uk</p>	
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Appendix 2 - Listed Timescales

Employer		Pension Fund	
New Starters			
Where employers subject to contractual admission are brought into the Scheme, accurate member data must be supplied via electronic spreadsheet	Within 4 weeks of the members start date	Create new starter on Altair	Within 4 weeks of notification
Where employees are brought into the scheme via auto enrolment, accurate member data must be supplied via electronic spreadsheet.	Within 6 weeks of becoming a member under auto-enrolment	Send new member form and activation key letter to new starters	Within 8 weeks of notification
		Record and update member records following receipt of New Member Form/ notification.	Within 2 weeks of receiving the completed form
Changes in circumstances for active members			
Inform the Fund of employee changes of circumstances through electronic spreadsheet CT117	Within 4 weeks of change	Accurately record and update member records on Altair	Within 4 weeks of notification
Annual return, valuation and annual benefit statement			
Provide accurate year to date information.	Through 12 months annual returns	Process year end contributions returns	Within 3 months of receipt
Provide Final Statement(lgs121a) and (lgs121b)	Signed and submitted by 30 th April each year.	Produce ABS for all active members.	By 31 st August each year.
		Issue a Pension Savings Statement for members exceeding AA.	BT 5 th October each year.
Retirement and transfer in/out estimates			
		Issue individual quotations.	10 working days after all information required is provided.
		To apply for a Transfer Value	2 weeks after all information required is provided.
		Provide information on transfer in benefits	10 working days after all information required is received.
		Payment of transfer values	Within 7 working days after all information required is received.

Divorce and Outsourcing			
		Request for divorce information.	To be issued 3 months from receipt of paperwork unless shorter timescales requested by paying a charge.
Actual Retirement			
		Issue letter and benefits information.	5 working days after receiving PEN4 form.
		Issue letter notifying actual retirement benefits.	Within 5 working days of receiving all documents from the member.
		To make payment of retirement lump sum.	Within 5 working days of receiving all forms and certificate, or retirement date if later.
		Make monthly Pension Payments.	Last banking day of the month.
Ill health Retirement			
Arrange 18 month review for Tier 3 ill health members.	18 months after retiring on ill health tier 3.	Issue letter and benefits information.	5 working days after receiving PEN4 leavers form.
		Issue letter notifying actual retirement benefits.	Within 5 working days of receiving all documents from the member.
		To make payment of retirement lump sum.	Within 5 working days receiving all forms and certificate, or retirement date if later.
		Make monthly Pension Payments	Last banking day of each month
Members leaving employment before retirement			
Notify Fund via a termination form	4 weeks of the members leave date.	Inform member of their options ,and if applicable deferred benefit entitlement.	Within 1 month of receiving the termination form.
		Process and pay refund.	Within 5 days of receiving all relevant documentation from the member.
Former members with deferred benefits			
		Provide estimates of benefits payable.	Within 10 working days.
Death in Service and terminal illness			
Inform Fund on death of an employee via PEN4 form and provide details of next of kin.	Immediately	Provide an initial letter of acknowledgement to next of kin.	Within 5 working days.
		Provide letter notifying dependents of benefits.	5 days after receiving certificates and relevant documentation.

Financial and data obligations			
To accurately pay the Fund all contributions and deficit (if applicable) along with accompanying electronic spreadsheet.	By the 19 th of each month following the deductions, unless this falls on a weekend or Bank Holiday, when they should be paid by the last working day before the 19 th .		
Additional Pension Contributions (APC's) and Shared Cost APC's(SCAPC's)			
Calculate and collect APC /SCAPC contributions and pay them to the FUND.	By the 19 th of the month following the deductions, unless this falls on a weekend or Bank Holiday, when they should be paid by the last working day before the 19 th .		

Staff & Pensions Committee

Pension Fund Admissions - Academies

12 March 2020

1. Recommendation(s)

- 1.1 That the Staff and Pensions Committee delegates authority to the Strategic Director for Resources to approve applications from schools converting to academy status, subject to the applications meeting the criteria:

Kingsway Primary School (Community Academy Trust; 1 April 2020)
Lillington Primary School (Finham Park MAT; 1 April 2020)
Wootton Wawen Primary School (Arden Forest MAT; 1 April 2020)
Henley Primary Academy (Arden Forest MAT; 1 April 2020)

2. Executive Summary

- 2.1 An updated Admissions and Termination policy was approved by the Staff and Pensions Committee in June 2017, this includes a requirement for admissions and terminations to be approved by the Committee
- 2.2 A number of pending applications to join the scheme have been recently identified driven by planned academy conversions. This report summarises the schools intending to convert to academy status in the near future or have recently converted.
- 2.3 An academy is automatically a Scheme Employer on the basis that it meets the criteria of paragraph 20 of Part 1 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 i.e. it is a 'scheduled body'.
- 2.4 When submitting an application for membership each academy will be required to confirm:

That it has internal authority to be admitted to the Pension Fund
The number of members to join the Pension Fund
That the academy will comply with the LGPS Regulations.

3. Financial Implications

- 3.1 New entrants to the scheme will be required to cover their own costs and the actuarial process will ensure that employer contributions are appropriate to ensure this is the case.

4. Environmental Implications

- 4.1 None

5. Supporting Information

- 5.1 The Pension Fund has contacted the following schools regarding conversion to academy status

Kingsway Primary School (Community Academy Trust; 1 April 2020)
Lillington Primary School (Finham Park MAT; 1 April 2020)
Wootton Wawen Primary School (Arden Forest MAT; 1 April 2020)
Henley Primary Academy (Arden Forest MAT; 1 April 2020)

- 5.2 The Pension Fund has received notification that Henley Primary Academy is joining the Arden Forest MAT. The transfer will take place on 1 April 2020.
- 5.3 The Pension Fund has received that the academies in the Heartwood CofE MAT (Woodside, Newton Regis, Austrey, and Warton Nethersole academies) are transferring to the Birmingham Diocese MAT. The transfer took place on 1 September 2019.
- 5.4 Although the Birmingham Diocese MAT, Arden Forest MAT and Finham Park MAT are based in the West Midlands, the academies will continue to be members of the Warwickshire Pension Fund due to their geographical location within Warwickshire.

6. Timescales associated with the decision and next steps

- 6.1 The Pension Fund must accept applications from Scheduled Bodies where the requirements of the regulations are met.
- 6.2 The Committee is asked to delegate responsibility for dealing with the applications from the academies listed above
- 6.3 The actual date of conversion of the academy is outside of the control of the Pension Fund. If the conversion does not happen within a reasonable timeframe – by the end of June 2020, then a revised application will be brought to Committee.

Appendices

- 1. None

Background Papers

- 1. None

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The report was circulated to the following members prior to publication:

Local Member(s):

Other members:

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Staff & Pensions Committee Community Academy Trust Administration Centre

12 March 2020

1. Recommendation(s)

- 1.1 That the Staff and Pensions Committee note the Direction issued by the Secretary of State for Housing, Communities and Local Government (HCLG) for the Community Academy Trust's Administration Centre to remain part of the Warwickshire Pension Fund although it has relocated to Staffordshire.

2. Executive Summary

- 2.1 The Community Academy Trust (CAT) is an existing Scheme Employer consisting of nine academies in the Warwickshire Pension Fund (WPF) and several academies in the neighbouring Staffordshire and Shropshire Pension Funds
- 2.2 The Administration Centre for CAT is also a Scheme Employer in the WPF.
- 2.3 CAT has informed WPF that it's administration centre is to relocate a short distance from its' current location in Warwickshire over the border to Staffordshire.
- 2.4 There are currently 15 employees / LGPS members working at the administration centre.

3. Financial Implications

- 3.1 None

4. Environmental Implications

- 4.1 None

5. Supporting Information

- 5.1 Part 2, Schedule 3 of the LGPS Regulations, 2013 (LGPSR), require that the administering authority for a member of the Scheme is the local government area of the administering authority (the appropriate administering authority) where the members workplace is situated. Therefore, if the place of work is within Warwickshire the member will be entitled to be a member of the LGPS administered by WPF.
- 5.2 However, if the workplace of a member(s) relocated to a neighbouring authority, the Scheme Employer can apply to the Secretary of State for HCLG to issue a Directive under paragraph 3 of Part 2 of Schedule 3 of the LGPSR to substitute a different administering authority as the appropriate administering authority.
- 5.3 A Direction issued as described in 5.2 above will enable the employees employed at the Administration Centre, and any new recruits, to remain in the WPF and thereby avoid the need to transfer their records, assets and liabilities to Staffordshire and avoid incurring the associated costs.
- 5.4 The Secretary of State is required under paragraph 4(a) of Part 2 of Schedule 3 of the LGPSR to consult any bodies appearing to be affected by a proposed Direction under the LGPSR.

6. Timescales associated with the decision and next steps

- 6.1 The formal consultation commenced on 20 December 2019 and was completed on 10 January 2020 and the Direction issued shortly after.

Appendices

1. None

Background Papers

1. None

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The report was circulated to the following members prior to publication:

Local Member(s):
Other members:

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Staff & Pensions Committee Barnardo's Childrens and Family Centres

12 March 2020

1. Recommendation(s)

- 1.1 That the Staff and Pensions Committee notes the cessation of Barnardo's as a Scheme Employer in respect of the Children Centres contracts and approves the admission of Barnardo's as a Scheme Employer (the Applicant Body) in respect of the Family Centre contract.

2. Executive Summary

- 2.1 An updated Admissions and Termination policy was approved by the Staff and Pensions Committee in June 2017, this includes a requirement for admissions and terminations to be approved by the Committee.
- 2.2 In August 2014, Barnardo's became a Scheme Employer in respect of several children centres providing the service on behalf of the County Council. These contracts ended on 31 August 2019 and following a repackaging of the service the County Council has issued a single contract in respect of the Family and Children Centres.
- 2.3 Barnardo's has been appointed as the provider of this service and is applying to be a Scheme Employer in respect of this contract.

3. Financial Implications

- 3.1 New entrants to the scheme will be required to cover their own costs

4. Environmental Implications

- 4.1 None

5. Supporting Information

- 5.1 The Applicant Body has made an application on the basis that it meets the criteria of paragraph 1(d) of Part 3 of Schedule 2 of the Local Government

Pension Scheme Regulations 2013 (i.e. it is a 'transferee body' within the meaning of the Pension Fund's Admissions and Termination Policy).

- 5.2 The Applicant Body will be carrying out a function or service on behalf of a scheme employer under contract. The contract is initially for three years and renewed on a triennial basis.
- 5.3 The Applicant Body has confirmed there are 11 members of the LGPS transferring all of which worked on the original contracts.
- 5.4 The Applicant Body has confirmed that the Scheme Employer will be party to the Admission Agreement.
- 5.5 The Applicant Body has confirmed that the Scheme Employer will guarantee any unfunded liabilities arising out of its admission. Effectively the Applicant Body will be pooled with the Scheme Employer paying the same primary rate of pension contribution for the duration of the contract.

6. Timescales associated with the decision and next steps

- 6.1 The Pension Fund must accept an application from an applicant body made under paragraph 1(d) of Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 where that body has undertaken to comply with the regulations
- 6.2 Provide the Committee is satisfied that the requirements of the regulations are met, the application should be granted.
- 6.3 In the event that the application is accepted, arrangements will be made for made for the Applicant Body to enter into an admission agreement with the Pension Fund. Should admission commence prior to any admission agreement being completed the Applicant Body has agreed to be bound by the terms of the standard form admission agreement appended to the Pension Fund's Admissions and Termination policy.

Appendices

1. None

Background Papers

1. None

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