

**DRAFT**

**PENSIONS  
ADMINISTRATION  
STRATEGY  
STATEMENT**

**WARWICKSHIRE**

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**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.

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### 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).**

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### 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.

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### 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.

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### 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](http://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.

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## **5. Service Standards to Scheme Members**

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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](http://www.lgpsregs.org.uk)

An online employers guide is available on the Fund's website [www.warwickshirepensionfund.org.uk](http://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**

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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

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#### 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](http://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](http://www.warwickshirepensionfund.org.uk).

#### Secure Data Transfer

The Fund will follow Warwickshire County Council 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.

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## **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.

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## **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](http://www.lgpsregs.org).

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## **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](mailto:pensions@warwickshire.gov.uk)

**Website:** [www.warwickshirepensionfund.org.uk](http://www.warwickshirepensionfund.org.uk)

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## **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

<b>1a - NEW STARTERS</b>	
<b>EMPLOYER'S RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>
<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 <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a>.</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. <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></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**

<b>EMPLOYERS' RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>
<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: <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></p> <p>Changes may include:</p> <p><b>Personal information:</b></p> <ul style="list-style-type: none"> <li>• Change of name</li> <li>• Marital status</li> <li>• National insurance number</li> <li>• Change of address</li> </ul> <p><b>Conditions of employment affecting pension such as:</b></p> <ul style="list-style-type: none"> <li>• Contractual hours (mandatory for members who meet the underpin requirements only)</li> <li>• Any remuneration changes due to promotion and down grading</li> <li>• Full-time equivalent pensionable pay according to the pre 2014 definition</li> <li>• Actual pensionable pay (including overtime/additional hours) in 100/100 and 50/50 schemes according to the post 2014 definition (CARE).</li> <li>• Employees contribution rate</li> <li>• Employee number and/or post number</li> <li>• Date joined scheme (if adjusted)</li> <li>• Confirmation of 50/50 or 100/100 scheme entry</li> </ul> <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"> <li>• Significant pay awards/pay increases</li> </ul>	<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](http://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](http://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"> <li>Any other material/authorised period of absence</li> </ul> <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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<b>1e - DIVORCE AND OUTSOURCINGS ESTIMATES</b>	
<b>EMPLOYERS' RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>
<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><b>Staff transfers e.g. outsourcings</b> 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 <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></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 29<sup>th</sup> 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 <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></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"> <li>Name &amp; last known address</li> </ul>	<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"> <li>• National Insurance number</li> <li>• Payroll number</li> <li>• Date of birth</li> <li>• Last job information including job description</li> <li>• Salary details</li> <li>• Date and reason for leaving</li> </ul> <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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<b>1j - DEATH IN SERVICE &amp; TERMINAL ILLNESS</b>	
<b>EMPLOYERS' RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>
<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  <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></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>

<b>1k - FINANCIAL AND DATA OBLIGATIONS (INCLUDING CT117 – MONTHLY RETURNS)</b>	
<b>EMPLOYERS' RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>

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 19<sup>th</sup> day of the month following the period of deductions unless alternative arrangements have been agreed in writing with the administering authority. Further information can be found in the Employer Guide via [www.warwickshirepensionfund.org.uk](http://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

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"> <li>• Cumulative employee APC's</li> <li>• Employee's 50/50 section contributions</li> <li>• Cumulative employees 50/50 section contributions</li> <li>• Pay period Shared Cost APC's</li> <li>• Pay period employee APC's</li> </ul> <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"> <li>• If employee / employer contributions are not received by the 19<sup>th</sup> of the month following deduction from the members pay for cheque payments or 23<sup>rd</sup> of the month for BACS payments.</li> <li>• If invoices are not paid within the terms of the invoice issued in respect of: <ul style="list-style-type: none"> <li>○ Rechargeable pension payments</li> <li>○ FRS102 charges</li> <li>○ Actuarial strain charges in respect of early retirement</li> <li>○ Rechargeable fees e.g. academy conversion fees</li> <li>○ Deficit payments due</li> </ul> </li> </ul> <p>'base rate' means the base rate for the time being quoted by the Bank of England.</p>	
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<b>11 - ADDITIONAL PENSION CONTRIBUTIONS (APCs) and SHARED COST APC's (SCAPCs)</b>	
<b>EMPLOYERS' RESPONSIBILITY</b>	<b>FUND'S RESPONSIBILITY</b>

<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 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 19<sup>th</sup> of the month following the deduction. More information can be found in the employer area on <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></p>	<p>To provide information on APCs to members/employers through <a href="http://www.warwickshirepensionfund.org.uk">www.warwickshirepensionfund.org.uk</a></p>
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## Appendix 2 - Listed Timescales

Employer		Pension Fund	
<b>New Starters</b>			
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
<b>Changes in circumstances for active members</b>			
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
<b>Annual return, valuation and annual benefit statement</b>			
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 <sup>th</sup> April each year.	Produce ABS for all active members.	By 31 <sup>st</sup> August each year.
		Issue a Pension Savings Statement for members exceeding AA.	BT 5 <sup>th</sup> October each year.
<b>Retirement and transfer in/out estimates</b>			
		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.

<b>Divorce and Outsourcing</b>			
		Request for divorce information.	To be issued 3 months from receipt of paperwork unless shorter timescales requested by paying a charge.
<b>Actual Retirement</b>			
		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.
<b>Ill health Retirement</b>			
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
<b>Members leaving employment before retirement</b>			
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.
<b>Former members with deferred benefits</b>			
		Provide estimates of benefits payable.	Within 10 working days.
<b>Death in Service and terminal illness</b>			
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.

<b>Financial and data obligations</b>			
To accurately pay the Fund all contributions and deficit (if applicable) along with accompanying electronic spreadsheet.	By the 19 <sup>th</sup> 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 <sup>th</sup> .		
<b>Additional Pension Contributions (APC's) and Shared Cost APC's(SCAPC's)</b>			
Calculate and collect APC /SCAPC contributions and pay them to the FUND.	By the 19 <sup>th</sup> 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 <sup>th</sup> .		