

pensions@hackney



**Local Government Pension Scheme
Employer Forum 22 February 2017
Pensions Administration**



Local Government Pension Scheme Pension Administration

Agenda

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



Local Government Pension Scheme Pension Administration

The In-House Pension Team

Julie Stacey Head of Pensions Administration

Karen Chenery Liaison Officer, Pensions

Nicola Speer Pension Officer

Lucy Patchell Pension Officer

Sharmin Haque Pensions Assistant





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Your Responsibilities as the Employer.

Pensions Administration Strategy.



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LONDON BOROUGH OF HACKNEY

PENSION FUND

PENSION
ADMINISTRATION
STRATEGY
(LGPS)
2016/17



April 2015



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Scheme Employer Responsibilities

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

Monthly responsibilities:

Full list in the PAS - 2 important ones:

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



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Year-End Responsibilities:

- You (via your payroll supplier) must provide correct year-end information required by the Fund in the format stipulated in the instructions issued by the administrators in March each year.
- To provide any additional information requested by the Fund within the timescale indicated.
- To ensure that all errors that have been advised to you by the administrators are responded to within the timescale indicated and any corrective action is taken promptly.

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Annual Benefit Statements

Without correct year-end data, the administrators cannot produce members Annual Benefit Statements, that are a legal requirement, within 5 months of the year-end i.e. by end of August each year

For the past 2 years the Annual Benefit Statements have been issued to active members **outside** of the regulatory timescale:

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



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

YES IT DOES....!!

- PAS details year-end processes & timescales – if not provided, **YOU** can & will be issued with an invoice for non-compliance
- If contributions are late or wrong – the PAS details invoicing for non-compliance & the Fund must report to tPR – **YOU** may be issued with a Penalty Notice
- **Your** members get incorrect pension information



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

YES IT DOES....!!

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





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The Pension Regulator (tPR)

Code of Practice 14 – COP14

The legal stuff.....

- The Public Service Pensions Act 2013 (the 2013 Act) introduces the **framework for the governance and administration** of public service pension schemes and provides an extended **regulatory oversight by the regulator**.
- **Scheme managers must comply** with various legal requirements relating to the governance, management and administration of public service pension schemes. **Pension boards must also comply with certain legal requirements**, including assisting scheme managers in relation to securing compliance with scheme regulations and other legislation relating to the governance and administration of the scheme, any requirements of the regulator and with any other matters specified in scheme regulations
- In addition, the **legal requirement to report breaches** of the law under section 70 of the Pensions Act 2004 applies to other persons involved in public service pension schemes, so this code is also directed at them.
- The **role and actions of employers can be critical** in enabling scheme managers to meet certain legal requirements¹



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tPR - COP14

Objectives of the Code

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



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Compliance with COP14

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

Extract from report of September 2016

H - Providing information to members and others

Legal requirements

The law requires schemes to disclose information about benefits and scheme administration to scheme members and others. This includes requirements relating to benefit statements and certain other information which must be provided under the requirements of the 2013 Act, HM Treasury directions and the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 ('the Disclosure Regulations 2013'). In addition to these duties, there are other legal requirements relating to the provision of information to members and others under other legislation.

No.	TPR Requirement	London Borough of Hackney Approach / Evidence	Frequency of Review	Last Review Date	Completed	Compliant	Notes	Action
H1	Has an annual benefit statement been provided to all active members within the required timescales?	Sent annually. 4,008 (out of 7,286) statements as at 31st March 2016 were issued by end of August 2016. The remaining statements are due to be issued by end of October 2016. All cases were sent out unless there is no address to send to. During 2016, there are no such cases.	Annual	01/09/2016	Fully completed	Employers - Non-compliant	Delay in issuing is due to Hackney Council payroll information not being accurate. Breach reported to the Pensions Regulator	- Ongoing work with Hackney Council to improve data. - Will monitor that final batch of statements are issued by end of October 2016.
H2	Do these meet the legal requirements in relation to format?	Treasury Direction was issued in March 2014 but is only effective from 1 April 2015.	Annual	03/01/2016	In progress	Partially compliant	Standard statements do not fully comply with if receive a member request for information	Further work to be carried out on template for statements sent on request



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2017 Year-End Process

- You will shortly be receiving your year-end data request from Equiniti
- If you have any queries, please get in touch with Equiniti by 17 March 2017 for further guidance.
- Initial report to be run by Equiniti on 21 April 2017 at the latest
- Employers will have until 31 May 2017 to respond to any validation queries



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We are here to help

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

- If you have any queries about the data requested, please feel free to contact Equiniti direct

Or

- Contact the Pensions Team at Hackney who will be happy to assist. We can arrange a visit to your offices to provide further assistance.

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

Pension Administration Strategy:

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

The Pensions Regulator – COP14

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

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Contacts

The Scheme is administered by Equiniti Pension Solutions

**Equiniti Pension Solutions
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Russell Way
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West Sussex
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Website: <http://hackney.xpmemberservices.com>

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In-house Pensions Team-

**London Borough of Hackney:-
Financial Services (Pensions),
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4th floor, 1 Hillman Street,
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Any questions.....??

