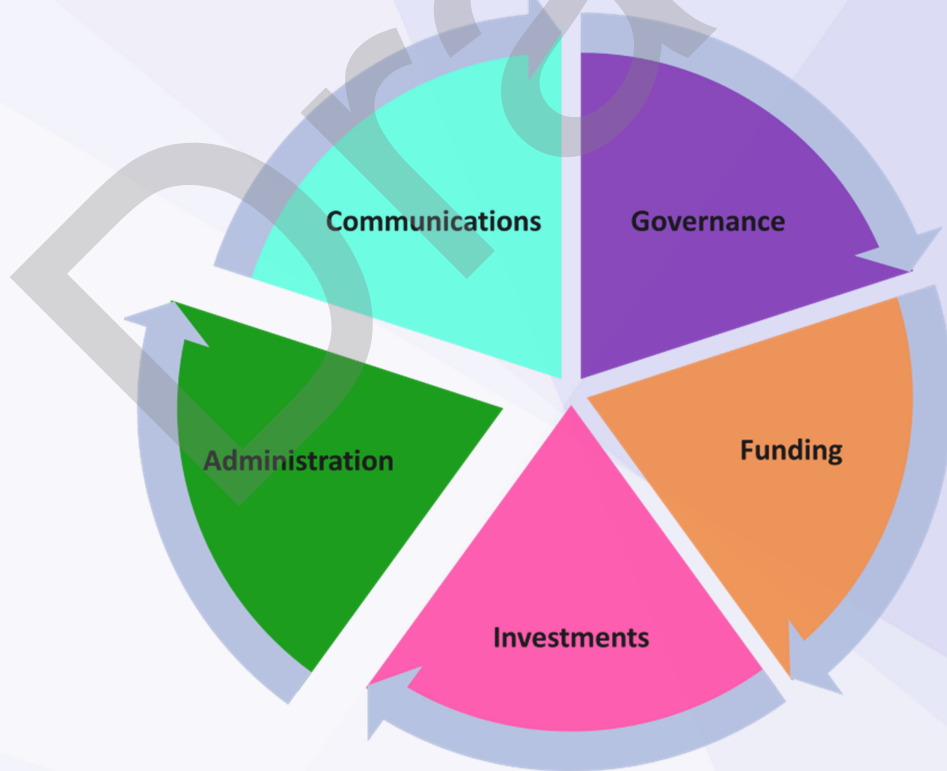


Essex Pension Fund

Administration Strategy

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Amendments (Version control)

Page	Change
Contents	Revised page numbers to be inserted "Appendix 1" amended to "Appendix A" Date amended to be inserted
7	3.1 Added "(E)" to heading in reference to numbering later in Function Task - Expectation table 3.1.2 First sentence re-worded for clarity. "Authorised Officer" amended to "Authorised Officers" and "the Authorised Officer" to "an Authorised Officer" as may be more than one. Inserted the word "in" "Nb" amended to "NB" 3.1.6 clarification of 90% compliance 3.1.7 Link to "Memorandum of Understanding for Employers - compliance with Data Protection Law" added New paras 3.1.8 and 3.1.9 added concerning notification of data breaches and submission of personal data respectively and following paragraph renumbered accordingly
8	3.1.10 clarification of 90% compliance
9—14	Amended numbering to include "E" prefix (for "Employer") to distinguish Employer responsibilities from Fund responsibilities
10	E2.5 New section on verification of Employees' data E3.2 Replaced "In line with the Rates & Adjustment Certificate as per the Valuation or on commencement as a Scheme Employer" with "In line with the Rates & Adjustment Certificate or report provided on commencement as a Scheme Employer"
11	E4.2 Added expectation re employees opting back in E6.6 New section on Redundancy
14	E8) Section title amended for clarity E8.1 Clarification of nature of return added "Appendix 1" amended to "Appendix A" for consistency E9) New section added on PN11 returns
15	3.2 Added "(F)" to heading in reference to numbering later in Function/Task - Expectation table F1.2 Amended to indicate that review is at each Triennial Valuation as a minimum
15—17	Amended numbering to include "F" prefix (for "Fund") to distinguish Fund responsibilities from Employer responsibilities
15	3.2.1 Spelling of "focused" amended New paras 3.2.2 and 3.2.3 added concerning notification of data breaches and submission of personal data respectively.
16	F2.2 Added in parenthesis "(or for remaining contract duration if shorter)" for clarity F3.1 Added reference to webinars. Amended helpline hours. Replaced reference to Employer forums being "at least annually" with "as and when required"
17	F3.5 Added exclusion for the closure period when the timescale will be unachievable Paragraphs renumbered to reflect changes on p15 above 3.2.4 "Annual Report & Accounts" capitalised

Amendments (Version control)

Page	Change
18	3.2.5 “set” replaced with “sets” Added “(P)” to heading in reference to numbering later in Performance Area - Measurement table
18—21	Amended numbering to include “P” prefix (for “Performance”) for ease of reference
18—21	KPI wording and timescales updated in line with 2024 Annual Report guidance from DLUHC
20	P6.2 Spelling of “dependants” corrected
21	Added “(B)” to heading in reference to numbering later in Performance Area — Standard table Para 3.2.6 renumbered
21-22	Amended numbering throughout to include “B” prefix (for “Benchmarking”) for ease of reference
23	4.2 Number of Employers in the Fund updated Placement of apostrophe corrected
24	Under Information & Communications Technology, amended to include Main Section switches on the Employer portal.
25	New paragraph 5.7 added to clarify that unsatisfactory performance by a third-party payroll provider engaged by an Employer is the responsibility of the Employer.
27	6.1 Added “or paid as a percentage of Employees’ costs”, for clarity. First line of table, “Nb.” amended to read “NB.” Final line of table - wording amended to clarify that the Fund will only charge for a first request if an accelerated turnaround is required.
27—30	Clarified that charges exclude VAT. Applied uplift of 15% rounded up to nearest £5 to all additional charges “Nb” amended to “NB” throughout
28	On TUPE and Outsourcing, added £250 flat charge to cover initial advice and support (irrespective of whether admission proceeds)
30	7.1 Date this version of the Strategy approved to be inserted 8. Contact amended from Technical Hub Manager to Head of Fund Administration and Operations
Appendix A, 31	Page header changed to “Monthly Returns - Pensionable Pay & Contributions” for clarity “Return” capitalised throughout for consistency
Appendix A , 32	Reference to “Submission Charge B” deleted as superfluous
33	Table: Applied uplift to all charges for late submission of returns and added effective date for these prices
34	Timescales for submission of data amended in text and flowchart

Essex Pension Fund Administration Strategy

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Appendix A - Policy on Charging for late and/or inaccurate Monthly Returns	

Revised XXXX 2024

Essex Pension Fund

Administration Strategy

1. Introduction and Regulatory Context

- 1.1 This is the Administration Strategy of the Essex Pension Fund (“the Fund”) in relation to the Local Government Pension Scheme (LGPS) in Essex. The Strategy is kept under review and revised to reflect changes to LGPS regulations and Fund policies. This document sets out a framework by way of outlining the policies and performance standards to be achieved to enable provision of a cost-effective and high-quality pension administration service.
- 1.2 The LGPS Regulations 2013 allow Pension Fund Administering Authorities to prepare an Administration Strategy (“the Strategy”) for the sole purpose of improving the administrative processes within their LGPS Fund. In discharging their roles and responsibilities under these regulations, the Fund and Scheme Employers (“Employers” or “Employer”) are also required to comply with any pertinent overriding legislation and take appropriate recognition of any regulatory guidance or Code of Practice issued by The Pensions Regulator (“TPR”).
- 1.3 TPR plays a key role in overseeing Public Service Pension Schemes, including setting standards of administration and governance on all administrative aspects of the Scheme. Local Pensions Boards also provide an independent role to ‘assist’ the Fund to achieve regulatory compliance, and effective and efficient administration and governance.
- 1.4 The Fund has revised its March 2022 Strategy to ensure the governance and administration requirements of TPR are properly addressed as they fall to the Fund and Employers.

2. Aims and objectives

- 2.1 To ensure that we are administering the Scheme correctly and we continue to improve and enhance the service we offer, the Fund has set the following Administration Objectives:
 - deliver a high-quality, friendly and informative service to all beneficiaries and Employers at the point of need;
 - ensure contribution income is collected from, the right people at the right time in the right amount;
 - ensure benefits are paid to the right people at the right time in the right amount; and
 - Ensure the Fund Employers are aware of and understand their roles and responsibilities, and carry out their functions in line with legislation, guidance and the Fund’s agreed policies and procedures.

The Fund has also set the following Communications Objective:

- aim for full appreciation of the pension Scheme benefits and changes to the Scheme by all Scheme Members, prospective Scheme Members and Employers;

and the following Governance Objective:

- ensure confidentiality, integrity and accessibility of the Fund’s data, systems and services is protected and preserved.

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2.2 The **aim** of this Strategy is to:

- set out the quality and performance standards expected of the Fund and its Scheme Employers; and
- promote good working relationships and improve efficiency between the Fund and its Scheme Employers.

2.3 The efficient delivery of the benefits of the Scheme is reliant upon effective administrative procedures being in place between the Fund and Scheme Employers, most notably for the timely exchange of accurate information in relation to Scheme Members.

2.4 This Strategy sets out the expected levels of performance of the Fund and the Scheme Employers and provides details about the monitoring of performance levels and the action(s) that might be taken where standards are not met by Employers and/or when persistent non-compliance occurs.

2.5 This strategy applies not only to existing Scheme Employers but will also apply to all new future Employers of the Fund. Schools (other than Academies, Free Schools and University Technical Colleges (UTCs)) are included under the LEA of the relevant Council even if they have their own payroll or have outsourced it to a third party.

2.6 The **specific goals** of this Strategy are to ensure that:

- the Fund and Employers are aware of, and understand, their respective roles and responsibilities under the LGPS Regulations;
- the Fund operates in accordance with LGPS Regulations and is aligned with TPR in demonstrating compliance and Scheme governance;
- communication processes are in place to enable both the Fund and Employers to proactively and responsively engage with each other and other partners;
- accurate records are maintained for the purpose of calculating pensions entitlements and Employer liabilities, ensuring all information and data is communicated accurately, on a timely basis and in a secure and compliant manner;
- the Fund and its Scheme Employers have appropriate skills, and that guidance/training is in place, to deliver a high-quality service and effectively contribute to the changing pensions agenda;
- standards are set and monitored for the delivery of specified activities in accordance with Regulations and minimum standards as set out; and
- administrative services are developed and delivered digitally where possible in order to streamline processes and maximise efficient use of resources.

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3. Roles and Responsibilities

3.1 Scheme Employer (E) Responsibilities

- 3.1.1 Each Scheme Employer shall nominate a person who will act as the Fund's primary contact. There may be up to three further contacts for finance, contributions, payroll etc.
- 3.1.2 **The Employer's Authorised Officer should sign all documents and/or instructions received sent to the Fund.** In signing a document, an Authorised Officer(s) 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 Officer is certifying information that someone else has compiled, for example leaving information including a final salary pay, career average pay, assumed pay, they should satisfy themselves that the information is correct.
NB. An Authorised Officer cannot sign a document/form which is in respect of their own LGPS membership – these should be signed by a more Senior Authorised Officer/ Chairman of the Council/or other suitable person etc.
- 3.1.3 It is the Employer's responsibility to ensure that the Authorised Officer and contact details held by the Fund are correct, and to notify the Fund of any changes immediately.
- 3.1.4 The Employer must ensure the nominated primary contact (and other key staff) is aware of its Scheme Employer duties and keeps up to date with guidance issued by the Fund.
- 3.1.5 The Employer must ensure it retains a good level of LGPS knowledge and has a succession plan in place in case the nominated primary contact leaves.
- 3.1.6 During the year the Employer is obligated to provide the required data and notifications to the Fund, **Each Employer is expected to submit 90% of their returns on time. Continued non-compliance by an Employer to meet the required performance standards may lead to the Fund recovering any extra costs incurred from that Employer – see Section 5.6.**
- 3.1.7 The Employer must comply with its obligations under Data Protection Law (see the Fund's [Memorandum of Understanding For Employers - Compliance with Data Protection Law](#)) including the secure transfer of Members' personal data.
- 3.1.8 **If a data breach impacting the Fund should occur, the Employer must notify the Fund within 48 hours of the breach being identified, regardless of whether the breach has occurred at the Employer's or the Fund's end.**
- 3.1.9 **All submissions to the Fund which include personal data must be made via either the Employer Hub or a secure email portal, e.g. Egress. If an Employer does not have access to such a secure portal, the Fund will supply one on request.**

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Summary of Scheme Employer Responsibilities

3.1.10 This section outlines the key responsibilities of Scheme Employers, what Employers are required to do and by when. It is focused on the key activities and should not be viewed as an exhaustive list; Employers have a statutory duty to provide the Fund with all information necessary to enable the Fund to administer the Scheme - [see section 3.1.6](#).

Draft

Essex Pension Fund

Administration Strategy

Function/task		Expectation
E1)	General	
E1.1	Confirm nominated representative(s) to receive information from the Fund via the submission of a completed contacts form	Within 30 days of change or becoming a Scheme Employer
E1.2	Appoint a person (the adjudicator) to consider disputes under stage 1 of the pension internal dispute process (IDRP) and provide full up to date contact details to the Fund	Within 30 days of becoming a Scheme Employer or following the resignation of the current adjudicator
E1.3	Formulate, publish and keep under review policies in relation to all areas where the Employer may exercise a discretion within the LGPS	A copy of the policy document is to be submitted to the Fund within 30 days of the change in policy
E1.4	Distribute any information provided by the Fund to Scheme Members/potential Scheme Members (e.g. Scheme benefits or benefit statement production)	In a timely manner as required
E1.5	<p>Notify the Fund of any Notifiable Events including, but not restricted to, the following:</p> <ul style="list-style-type: none"> • Material change in LGPS membership • Material change in Employer payroll and/or pensionable pay • Change in Employer's legal status or constitution • A decision which will restrict the Employer's active membership in the Fund in future • Any restructuring or other event which could materially affect the membership in the Fund in future • Confirmation of wrongful trading • Conviction of senior personnel • Decision to cease business • Breach of banking covenant 	Within 7 days of becoming aware of such an event

Essex Pension Fund

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Function/task		Expectation
E2)	New Starters	
E2.1	Decide who is eligible for LGPS membership (and the date from which membership of the LGPS starts).	On joining (or at point becomes eligible if later)
E2.2	Determine rate of employee contributions	For the first pay period in which the employee joins the LGPS
E2.3	Notify the Fund of new joiner via Monthly Return	By end of month following the date joined (e.g. by the end of May if joined in April)
E2.4	Provide new employees, who are eligible for the LGPS, with details about the LGPS This may be in the form of providing a copy of the Key Facts leaflet and/or directing them to the Fund's website	With 30 days of commencing eligible employment
E2.5	Verification checks to be undertaken when onboarding Scheme Members Including gender status and Date of Birth	On joining via Monthly Return (or at point becomes needed if later)
E3)	Contributions	
E3.1	Remit Employer and employee contributions to the Fund and complete monthly remittance form containing detail of the contributions payment.	By 19th of the following month (both payment and form)
E3.2	Implement changes to Employer contribution rates as instructed by the Fund at the date specified by the Fund's Actuary	In line with the Rates & Adjustment Certificate or report on commencement as a Scheme Employer
E3.3	Ensure and arrange for the correct deduction of employee contributions from a Member's pensionable pay and throughout their membership in the Scheme (including any periods of leave)	As required, typically monthly
E3.4	Manage the deduction of all additional contributions or amend such deductions, as appropriate	As required

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Function/task		Expectation
E3.5	Arrange for the deduction of AVCs and payment over of contributions to the AVC provider(s) and inform the Fund as required	As required, typically monthly
E3.6	Make additional fund payments in relation to early payment of benefits from flexible, redundancy or business efficiency retirement or where a Member retires early with Employer's consent, or the Employer 'switches on' the 85 year rule, and a financial strain cost arises	Within 30 days of receipt of invoice from the Fund
E3.7	Refund contributions through the payroll to any employee who opts out of the Scheme with less than 3 months membership.	From the next pay period after receiving the employee's request to opt out
E4)	During membership	
E4.1	Move employees into the 50:50 section or Main section	From the next pay period after receiving the employee's election
E4.2	Move employee back into the Main section	If the employee is in the 50/50 section and either goes onto no pay due to sickness or injury or passes the Member's automatic re-enrolment date, the employee must be moved back into the main section from the beginning of the next pay period if they are still on nil pay at that time. Similarly, if the employee opts back into the scheme after previously opting out, they must be moved into the main section from the 1st day of the following month.
E4.3	Notify the Fund of changes affecting pension entitlement via Monthly Return	By end of month following the date of change (e.g. by the end of May if the change occurred in April)

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Function/task		Expectation
E5)	Early Leavers	
E5.1	Early leavers (non-retirement) notify the Fund via Monthly Return	By end of month following the date of leaving or opting out of the Scheme.
E6)	Retirements	
E6.1	Advance notification of retirement form EPF1a (or via online portal)	Form EPF1a should be sent to the Fund as soon as the retirement date is known
E6.2	Notification of retirement Notify the Fund via Monthly Return and forms EPF1 + EPF68 (or via online portal)	Monthly Return and/or forms EPF1 + EPF68 (& EPF142 for ECC if applicable) should be sent to the Fund as early as possible but, in any event, no later than 10 working days after the Member's final payroll has run
E6.3	Early Retirement at Member's choice	If the Fund receives information via Monthly Return or EPF1 + EPF68 for a Member who has left their employment and is age 55+ we will process as a potential retirement and offer the Member early payment of pension benefits. Therefore, leaver forms should be sent to the Fund as early as possible but no later than 10 working days after the Member's final payroll has run
E6.4	Ill Health Retirement notification notify the Fund via Monthly Returns and forms EPF1 + EPF68 (or via online portal)	Form EPF1a should be sent to the Fund as soon as the retirement date is known. Monthly Return and/or forms EPF1 & EPF68 should be sent to the Fund as early as possible but no later than 10 working days after the Member's final payroll has run

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Function/task		Expectation
E6.5	Flexible retirement notification	Monthly Return and/or forms EPF1 & EPF68 should be sent to the Fund as early as possible but no later than 10 working days after the Member's final payroll has run. Starting details for the continuing job to be supplied on Monthly Return by the end of month following the date of leaving or opting out of the Scheme
E6.6	Redundancy and Efficiency Notify the Fund via Monthly Return and forms EPF1 + EPF68 (& EPF142 for ECC if applicable) (or via online portal)	Monthly Return and/or forms EPF1 + EPF68 (& EPF142 for ECC if applicable) should be sent to the Fund as early as possible but, in any event, no later than 10 working days after the Member's final payroll has run. Employers should refrain from discussing figures with the Scheme Member until they are in receipt of a bespoke estimate from the Fund which is requested by completing an EPF111.
E7)	Contracting out of services	
E7.1	Contact the Fund to discuss the pension implications of the contracting out of services which will involve a TUPE transfer of staff to another organisation.	Immediately if contracting out of services is being considered as a possibility and certainly before making any decisions to contract out services
E7.2	Notify the Fund of the intention to contract out of services which will involve a TUPE transfer of staff to another organisation by completing TUPE 1 form to instruct the actuary	At least 6 weeks before going out to tender
E7.3	Work with the Fund to arrange for an admission agreement to be put in place when contracting out a service, and assist in ensuring it is complied with	In advance of the date of contract (admission agreement must be completed and signed before the contract signing)
E7.4	Notify the Fund if the Employer ceases to admit new Scheme Members or is considering terminating membership of the Fund	During exploratory discussions or as soon as the decision is made

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Function/task		Expectation
E8)	Monthly Returns - Membership data	
E8.1	<p>Provide the Fund with a Monthly Return (Membership Data) containing all required data for scheme members.</p> <p>Because of the critical nature of this data for statutory reporting and annual benefit statement production, there is a separate Charging Policy for late and/or inaccurate returns - see Appendix A</p>	<p>An accurate return to be submitted in the approved format no later than the end of the following month. For example information for March to be submitted by the end of April.</p>
E9)	Monthly Returns - PN11s	
E9.1	<p>Provide the Fund with a Monthly PN11 Payments Return containing all required data each month. Because of the critical nature of this data for statutory reporting and annual benefit statement production, an administrative charge will be levied for late and/or inaccurate returns. This charge will be doubled at year-end.</p>	<p>An accurate return to be submitted in the approved format no later than the 19th of the following month. For example information for May to be submitted by 19th June. For year-end an earlier submission of the return is required for closure of accounts. NB. Payments are not requested any sooner.</p>

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3.2 The Funds (F) Responsibilities

3.2.1. This section outlines the key responsibilities of the Fund, what the Fund will do and by when. It is **focused** on the key activities which Scheme Employers and Scheme Members are involved in and should not be viewed as an exhaustive list. See section 3.2 for a list of key tasks which are benchmarked annually against other LGPS Funds and are reported to the Essex Pension Fund Strategy Board (PSB).

3.2.2 If a data breach impacting an Employer or Employers should occur, the Fund must notify the Employer(s) within 48 hours of the affected Employer(s) being identified, regardless of whether the breach has occurred at the Employer's(s') or the Fund's end.

3.2.3 All communications that include personal data will be sent via ECC's secure email functionality.

General Duties and Responsibilities

Function/task		Expectation
F1)	General information	
F1.1	Regularly review the Fund's Administration Strategy and consult with all Scheme Employers	Review generally every 3 years and consult with Employers before revised Strategy agreed
F1.2	Keep under review the Fund's Funding Strategy Statement (at each Triennial Valuation as a minimum), following consultation with Scheme Employers and the Fund's Actuary	Publish by 31 March following the valuation date or as otherwise required
F1.3	Regularly review the Fund's Communications Policy	Informally reviewed annually with a formal review every 3 years. Revised Policy published within 30 days of being agreed by the PSB
F1.4	Regularly review the Fund's Governance Policy and Compliance Statement	Reviewed and updated at least every three years sooner if the governance arrangements or other matters included within in merit reconsideration. Revised Policy published within 30 days of being agreed by the PSB

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Function/task		Expectation
F1.5	Publish the Fund's Annual Report and Accounts	By 1 December, following the year-end
F1.6	Publish the Fund's final audited and approved Accounts	By 31 July following the year-end (or other date as set by Government)
F2)	Employer Contribution Requirements	
F2.1	Consult with Employers on the outcomes of the Triennial Valuation	The Fund will endeavour to provide outcomes at least two months in advance of the signing of the final rates and adjustment certificate
F2.2	Notify Employers of contribution requirements for three years (or for remaining contract duration if shorter) effective from the April following the Actuarial Valuation date	On or before 1st April following final issue of rates and adjustments certificate by the Actuary
F2.3	Notify new Scheme Employers of their contribution requirements	Within six weeks of receipt of the notification of admission application if all data has been supplied as requested or commencement as a Scheme Employer
F3)	Support for Employers	
F3.1	Provide support for Employers through: a dedicated helpline <ul style="list-style-type: none"> written guidance and communications; face to face meetings; YouTube videos; and Webinars 	Dedicated helpline: Monday-Thursday 8.30am-4.00pm Friday 8.30am-1.00pm (bespoke out of hours arrangements also available) Written communication as per the Fund's Communications Policy Employer forum held as and when required
F3.2	Organise and provide coaching sessions on the Scheme Employer role	In accordance with the Fund's Communications Policy
F3.3	Notify Scheme Employers and Scheme Members of changes to the Scheme rules	As per disclosure requirements

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Function/task		Expectation
F3.4	Provide a facility for Employers to submit data via a web portal	Employers being on boarded regularly from 2017/18 onwards
F3.5	Issue monthly return submission queries to Employer and/or payroll provider (validation stage)	Accepted or Rejected email sent to Employer within 1 month, excluding the closure period (31 March-30 June)
F3.6	Query list sent to Employer and/or Payroll Provider requesting information re Monthly Return (processing stage)	Query list sent to Employer within 20 working days of return being accepted at validation stage
F4)	Member information and general administration	
F4.1	Produce annual benefit statements for Active Members as at 31 March	By 31 August following the year-end
F4.2	Produce annual benefit statements for Deferred Members as at pensions increase date in April	By 30 June following pensions increase date
F4.3	Produce and issue pension savings statements each year to Members who have exceeded their standard annual allowance	By 6 October following the end of the tax year (provided receipt of all relevant information from the Scheme Employer)
F4.4	Issue P60s to pensioners and beneficiaries	By 31 May following the year-end
F4.5	Publish and keep up to date all forms required for completion by Scheme Members or Employers	Publish within 30 days from any revision
F4.6	Letters/e-mails from Members (or Member's representatives)	Answer or acknowledge within 5 working days

Performance measurement (P) and key tasks

3.2.4 The Fund monitors its performance against the following tasks and a number of the key tasks are also benchmarked annually against industry standard performance indicators. The benchmarking also compares the Fund's performance to that of other LGPS Funds as part of the CIPFA benchmarking club. The Fund's performance against these key tasks, and its performance comparative to other Funds, is reported to the PSB and is included in the Fund's **Annual Report & Accounts**.

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3.2.5 The table below sets out the Fund's performance indicators in relation to processing scheme member records and benefits and the separate table on page 16 sets out the key performance indicators which are benchmarked annually. The Fund aims to maintain performance at 95% in respect of key performance indicators and 90% in respect of other performance indicators.

Performance Area		Measurement
P1)	New joiners & changes	
P1.1	Set up a new starter and provide statutory notification	<u>Portal submissions</u> Within 5 working days of receipt of correct data file from Employer <u>Monthly Return submissions</u> Within 40 working days of receipt of correct data file from Employer
P1.2	Changes to a Member's details	Within 20 working days of receipt of notification from Employer
P2)	Transfers	
P2.1	Transfer-in quotations processed	Within 15 (prev.10) working days of receipt of all the required information
P2.2	Communication issued to scheme member with completion of transfer in	Within 15 (prev.10) working days of receipt of payment
P2.3	Transfer-out quotations processed	Within 15 (prev.10) working days of receipt of all the required information
P2.4	Communication issued to scheme member with completion of transfer out	Within 15 (prev.20) working days of receipt of all the required information
P2.5	Provision of estimate for divorce purposes	Within 45 (prev.15) working days of written request

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P3)	Additional contributions	
P3.1	Notify the Scheme Employer of any Scheme Member's election to pay additional pension contributions (APCs), including all required information to enable deductions to commence	Within 10 working days of receipt of election from a Scheme Member
P3.2	Process Scheme Member requests to pay/amend/ cease additional voluntary contributions (AVCs)	Within 10 (prev.5) working days of receipt of request from a Scheme Member
P4)	Leavers	
P4.1	Notify Members of their deferred options	Within 15 (prev.10) working days of receipt of the leaver notification
P4.2	Deferred benefits calculated	Within 30 working days of receipt of all necessary information
P4.3	Deferred benefits processed for payment following receipt of election	Within 15 (prev.5) working days from receipt of all necessary information
P4.4	Refund payments	Within 10 (prev.5) working days from receipt of all necessary information

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	Performance Area	Measurement
P5)	Retirements	
P5.1	Provision of retirement options to Members	Within 15 (prev.10) working days of the later of (i) the Member's leaving date or (ii) receipt of all necessary documentation
P5.2	New retirement benefits processed for payment following receipt of election	Lump-sum payment within 15 (prev.5) working days of receipt of all necessary documentation First pension payment on next available payroll run
P5.3	Changes to bank details made	By next payroll cut-off date
P6)	Deaths	
P6.1	Acknowledgement of a death	Within 5 working days of receiving the notification.
P6.2	Notification of benefits payable to dependants will be issued	Within 10 (prev.5) working days of receiving the required information
P6.3	Payment of death lump-sum will be made	Within 10 working days of receipt of all the required information

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	Performance Area	Measurement
P7)	Customer service	
P7.1	Calls received to the customer helpline to be answered	85% of calls received to the customer helpline to be answered within 5 rings
P7.2	Calls received to the Employer helpline to be answered	85% of calls received to the Employer helpline to be answered within 5 rings
P7.3	Provide an answer or acknowledgement to Scheme Members/Scheme Employers/ personal representatives/dependents and other authorised persons	Within 10 working days from receipt of enquiry

Benchmarking (B) Key Performance Indicators

3.2.6 The following key tasks are benchmarked annually against the performance of other LGPS Funds as part of the CIPFA benchmarking club. Please note that the tasks benchmarked each year and the standards measured against are subject to change from time to time, at the discretion of the benchmarking club's steering group; the standards are currently measured against the legal time limits. The Fund's performance against these key tasks and its performance comparative to other Funds are reported to the PSB and also included in the Fund's Annual Report & Accounts.

	Performance Area	Standard
B1	Transfer In - letter detailing transfer in quote	2 months
B2	Transfers Out – letter detailing transfer out quote	2 months
B3	Refund – process and pay refund	2 months
B4	Deferment – calculate and notify deferred benefits	2 months
B5	Retirements - Letter notifying estimate of retirement benefits (including all retirement types; normal, ill health, early, late etc.). (Active)	2 months
B6	Retirements - Letter notifying estimate of retirement benefits (including all retirement types; normal, ill health, early, late, etc.). (Deferred)	2 months

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	Performance Area	Standard
B7	Retirements - Letter notifying actual retirement benefits (including all retirement types; normal, ill health, early, late etc.). (Active)	2 months
B8	Retirements - Letter notifying actual retirement benefits (including all retirement types; normal, ill health, early, late etc.). (Deferred)	2 months
B9	Retirements - Process and pay lump sum retirement grant (including all retirement types; normal, ill health, early, late etc.). (Active)	2 months
B10	Retirements - Process and pay lump sum retirement grant (including all retirement types; normal, ill health, early, late etc.). (Deferred)	2 months
B11	Deaths - Initial letter acknowledging death of Active/Deferred/Pensioner Member	2 months
B12	Deaths - Letter notifying amount of dependant's benefit	2 months
B12	Divorce Quote - Letter detailing cash equivalent value and other benefits	2 months
B14	Divorce Settlement - Letter detailing cash equivalent value and application of Pension Sharing Order	2 months
B15	Joiners - Send notification of joining the LGPS to Scheme Member	2 months
B16	Deferred into Pay - Process and pay lump sum retirement grant	2 months

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4. Achieving the Objectives

4.1 There are currently in excess of 800 Employers in the Fund differing in size, structure and capability which represents a significant logistical challenge to the management of information, processes and services within the Fund. The number of Employers in the Fund continues to grow as does the demand for more accurate and timely information. We need to meet the expectations and demands of Scheme Members and comply with the data requirements of ever-increasing scrutiny both at a local and national level. Furthermore, TPR introduced higher levels of compliance and the Fund will be required to demonstrate heightened governance and administrative efficiency.

4.2 There are four key elements necessary to achieving the Fund's Administrative Objectives:

◇ Communications

The Fund aims to provide easy to follow, relevant, accurate, accessible and timely information to all Stakeholders. To this end, the Fund's Communications Strategy is already well developed providing a wide range of solutions for all parties. However, with the increasing number of Scheme Employers and membership creating an increased need for information, the Fund is developing its Communications Strategy, embracing technology to enable both Member and Employer online access to the administration system.

◇ Training and Engagement

The objectives of the Fund have always been to keep stakeholders informed of new developments providing guidance, training and workshops for Employers and the Fund's staff alike when new Regulations are implemented or are under consideration.

Additionally, guidance and training are offered on an ongoing basis to new Scheme Employers or relevant new HR/Payroll staff. With this in mind, it is important that both Employers and the Fund ensure that their staff have the right level of skills and knowledge to support any changes, starting with a sound foundation of existing regulations and administrative processes.

Notwithstanding future changes, there is an ongoing need to continuously maintain the quality of Member records and the administrative processes by improving the quality of information received from Employers.

The Fund's guidance and training aims are therefore:

- To ensure that relevant staff within each Employer have sufficient knowledge and skills to effectively discharge administrative processes by working with Employers' Human Resources, Payroll and other staff to identify relevant skills and knowledge gaps and provide appropriate guidance and training;
- To ensure that Employers are fully aware of the risks involved in poor administration and maintenance of Member pension records and if they fail to discharge their discretionary functions;

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- To continually develop the technical skills and competencies of the Fund's staff and retain knowledge in the application of historic regulations.

The Fund will provide guidance and training for Employers' relevant staff, to build up and maintain a level of professional expertise which together with the Employer's own systems and processes will enable Employers to deliver information required by the Fund to efficiently administer the Scheme.

The primary contact at the Employer has an important role to play in ensuring both they and other relevant staff (or their successor) build up and retain sufficient knowledge and skills to enable the Employer to comply with its statutory LGPS duties.

◇ Information & Communications Technology

As part of its digital ambitions, the Fund has invested in upgraded software which has the facility to enable Employers to submit data online, via a web portal enabling Employers to review and update their staff's individual Member records or notify the Fund of changes in their employment details.

This development allows Employers to submit certain changes, notifications and requests online, including Joiners, 50/50 and **Main Section switches**, Changes of Address, Changes of Personal Circumstances, Changes of Hours and Breaks in Service, Early Leaver Notifications, Estimate Requests, General Queries, Leaver Notifications, Maternity Commencement and Return and Opt outs within 3 months.

The ambition is to eventually have all Fund Employers submitting data electronically via the Portal.

◇ Performance standards

Overriding legislation dictates minimum standards that pension schemes should meet in providing certain pieces of information to the various parties associated with the Scheme. The Scheme itself sets out a number of requirements for the Administering Authority or Scheme Employers to provide information to each other, Scheme Members and prospective Scheme Members, dependants, other pension arrangements or other regulatory bodies.

The locally agreed performance standards, covered in section 3 above, cover all aspects of the administration of the Scheme and, where appropriate, go beyond the overriding legislative requirements.

The Fund and Scheme Employers will ensure that all functions/ tasks are carried out to agreed quality standards. In this respect the standards to be met are:

- work to be completed and submitted in the required format and/or on the appropriate forms;
- information to be legible and accurate;
- communications to be in a plain language style;
- information provided to be checked for accuracy by an appropriately trained Member of staff before submission;

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- information submitted to be appropriately authorised; and
- actions carried out, or information provided, within the timescales set out in this Strategy document.

For the avoidance of doubt “accuracy” in this Strategy is defined as when we have received a completed form/data with no gaps in mandatory areas and with no information which is either contradictory within the document or which we need to query.

The timeliness relates to a date of event being either the date the Member started or left the Fund or any other material change that affects a Scheme Member’s pension record.

5. Procedures for ensuring Compliance

- 5.1 Ensuring compliance is the responsibility of the Fund and Scheme Employers. We will work closely with all Scheme Employers to ensure compliance with all statutory requirements, whether they are specifically referenced in the LGPS Regulations, in overriding legislation, or in this Administration Strategy.
- 5.2 We will also work with Employers to ensure that overall quality and timeliness is continually improved. Various means will be employed, to ensure such compliance and service improvement, seeking views from as wide an audience as possible. These include:

Performance monitoring

- 5.3 The Employer should monitor its own performance against its Scheme Employer duties and responsibilities and seek to improve its performance where it is not achieving the required level of performance.
- 5.4 The Fund will also monitor the Employer’s performance against the agreed performance levels and will work closely with Employers in identifying any areas of poor performance, provide the opportunity for necessary training and development and put in place appropriate processes to improve the level of service delivery in the future.
- 5.5 The Fund will also monitor its own performance against its administering authority duties and responsibilities. The Fund participates each year in the CIPFA Benchmarking Club to measure its performance against other LGPS Funds and performance against key performance indicators are reported to the PSB and included in the Fund’s Annual Report and Accounts.

Unsatisfactory performance

- 5.6 Where persistent and ongoing failure occurs and no improvement is demonstrated by an Employer, and /or unwillingness is shown by the Employer to resolve the identified issue(s), the following sets out the steps we will take in dealing with the situation in the first instance:

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- The Fund will contact and/or meet with the Employer to discuss the area(s) of poor performance and how they can be addressed;
- An Improvement Plan will be agreed setting out the improvements required and a timescale for achieving those improvements;
- Where no improvement has been demonstrated by the Employer within the agreed timescale, or where there has been a failure to take agreed action by the Employer, the Fund will issue a formal written notice to the Employer setting out the area(s) of poor performance that has been identified, the steps taken to resolve those area(s) and giving notice that the additional costs may now be reclaimed;
- The Fund will clearly set out the calculations of any loss or additional costs resulting to the Fund, taking account of time and resources in resolving the specific area of poor performance; and
- The Fund make a claim against the Scheme Employer, setting out the reasons for doing so, in accordance with the Regulations.

5.7 Should an Employer choose to outsource its responsibilities under this Strategy to a third-party payroll provider, unsatisfactory performance on the part of the payroll provider is the responsibility of the Employer. As such, recourse will be taken against the Employer.

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6. Work not included in the Administration Charge (and for which the Fund will make an additional charge)

6.1 The following table details work which the Fund may do for Scheme Employers, but which is not covered by the administration charge which is included in the Employer contribution rate **or paid as a percentage of Employees' costs**. This may be because there is no statutory requirement for the Fund to do the work or because not all Employers require the work to be done. As such work is not included in the administration charge, the following each year and the standards measured against are subject to change from time to time, at the discretion of the benchmarking club's steering group; the standards are currently measured against the legal time limits. The Fund's performance against these key tasks and its performance comparative to other Funds are reported to the PSB and also included in the Fund's Annual Report & Accounts.

Description of Activity	Work done which is not covered by Admin Charge	Additional charge N.B. All prices quoted exclude VAT
IAS19/FRS17 production for accounts	All work relating to IAS19/FRS17 production for accounts NB. this is in addition to the Actuary's charges	£190-£760 (prev.£165-£660) depending on no. of Members Additional Officer time can be charged for additional auditor enquiries.
Late payment of contributions (Ees/Ers/deficit) & late submission of return	Receipt of income late - regulations require within 19 days of end of the month.	£80 (prev.£66) for late payment (includes part payment being paid late, e.g. deficit), and interest is also charged £80 (prev.£66) for late submission of return
Working out average hours for a Scheme Member	Working out average hours for a Scheme Member (an Employer duty)	£30 (prev.£22) per Member/per Scheme Year
Coding changes for Compensatory Added Years (CAYs)/teachers compensation	Input new code on pension payroll	£130 (prev.£110) < 100 Members £190 (prev.£165) 100-250 Members £255 (prev.£220) > 250 Members
Early Retirement Estimates (1st for that Member in the calendar year)	Accelerated turnaround time	2 - 3 week turnaround - No charge 1 - 2 week turnaround - £35 (prev.£27.50) per estimate < 1 week turnaround - £65 (prev.£55) per estimate

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Description of Activity	Work done which is not covered by Admin Charge	Additional charge N.B. All prices quoted exclude VAT
Early Retirement Estimates (Additional requests in calendar year)	Provision of additional early retirement estimates	A charge will usually only be made if, in the Fund's view, excessive requests are being made by a Scheme Employer: 2 - 3 week turnaround - £35 (prev.£27.50) per estimate 1 - 2 week turnaround - £65 (prev.£55) per estimate < 1 week turnaround - £95 (prev.£82.50) per estimate
Bulk early retirement estimates E.g. Running report to capture pension, lump sum, strain for everyone over age 55	Bulk early retirement estimates	3 week turnaround - £865 (prev.£750)
TUPE & Outsourcings - Admission body process (including re-lets)	Any work relating to a Fund Employer tendering or outsourcing a service, TUPE transferring staff and contractor/community body entering into admission agreement with the Fund. NB. this is in addition to the Actuary's report fee	A £250 flat charge to cover all initial advice and support, whether admission proceeds or not. Then the charge is 25% of the actuary's fee for the risk and contribution report. Charge includes: <ul style="list-style-type: none"> • Generic guidance of the process • Provision of standard draft agreements • Reasonable cleansing of records • Providing data to the Actuary • Liaising with the Actuary • 60 minutes of Officer support & guidance by phone, e-mail or in person • Sealing of agreements by ECC • Provision of copy of sealed agreements to all parties • Amendment of UPM records Any additional work necessary, such as amendments to the standard draft admission agreement, will be chargeable at £65 - £130 (prev.£55-£110) per hour depending on which Officer does the work

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Description of Activity	Work done which is not covered by Admin Charge	Additional charge N.B. All prices quoted exclude VAT
Academy conversions/ free schools	<p>Any work relating to the conversion of a school to Academy status or the setting up of a free school.</p> <p>NB. this is in addition to the Actuary's report fee.</p>	15% of the Actuary's fee
Bond Review	<p>Any work in relation to reviewing a bond level</p> <p>NB. this is in addition to the Actuary's report fee.</p>	15% of the Actuary's fee
Internal fund transfers	<p>Any work in relation to an internal transfer of Members between Employers in the Fund</p> <p>NB. this is in addition to the Actuary's report fee.</p>	15% of the Actuary's fee
Non- standard Actuarial work	<p>Non-standard actuarial work instigated by, or because of the actions of, the Employer – e.g. bespoke requests</p> <p>NB. this is in addition to the Actuary's report fee.</p>	15% of the Actuary's fee
Cessation work when an Employer exits the Fund	<p>All work in relation to the cessation of an Employer exiting the Fund</p> <p>NB. this is in addition to the Actuary's report fee</p>	20% of the Actuary's fee

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Description of Activity	Work done which is not covered by Admin Charge	Additional charge N.B. All prices quoted exclude VAT
Accelerating work - Employer asking for work to be done quicker than normal agreed turnaround times	Prioritising work over other work	Charge will depend on how many cases to be accelerated and how quickly turnaround is required
Assistance with wording of the Employer's communications or policies etc	Writing/Re-writing Employer communication	Chargeable at £65 - £130 (prev.£55-£110) per hour depending on which Officer does the work

NB. Any charges shown as a cash amount will be reviewed periodically and any revised charges published in an updated version of this Strategy.

7. Approval and Review

- 7.1 This Administration Strategy was approved on **XX XXXXXXXX XX** by the PSB. It will be formally reviewed and updated by the PSB at least every three years or sooner if Administration arrangements or other matters included within it merit reconsideration, including if there are any changes to the LGPS or other relevant Regulations or Guidance which need to be taken into account.

8. Further Information

If you require further information about the Fund's Administration Strategy, please contact:

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Jody Evans, Director for Essex Pension Fund
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Monthly Returns - Membership data

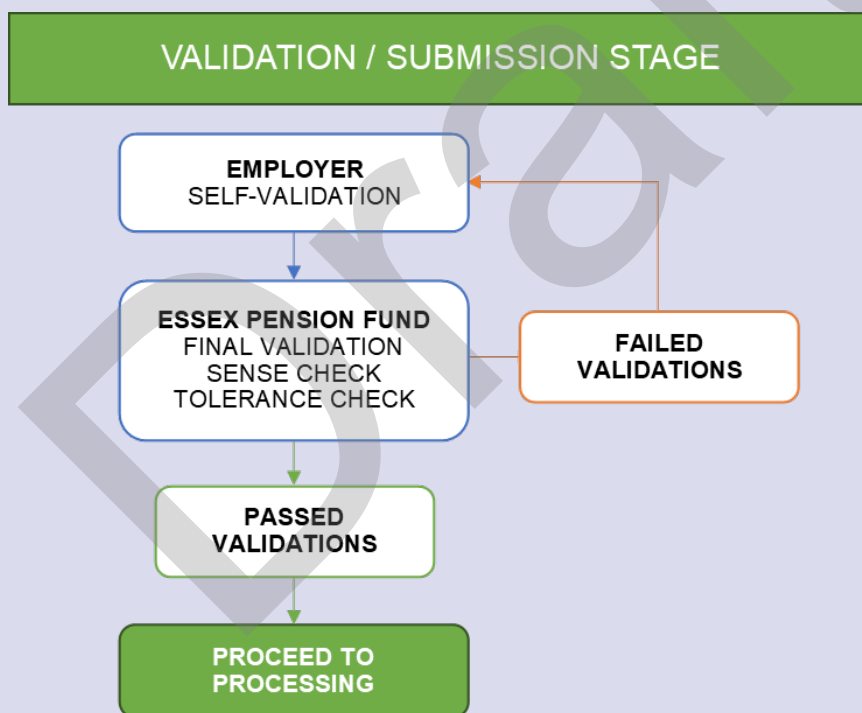
Policy on charging for late and/or inaccurate returns

Effective date: 01/04/2024

An accurate Return must be submitted in the approved format no later than the end of the following month. For example, information for March to be submitted by the end of April.

- ◇ If a Return is late and/or contains errors, or data omissions are identified, then charges can be incurred by an Employer at both the Validation/Submission stage and at the Processing stage.
- ◇ Any charges incurred by Employers for either stage will be invoiced at the earlier of (i) within 1 month of correct data being received or (ii) 3-month anniversary of deadline.

Details of the two acceptance stages are outlined below:



- ◇ Employers will be expected to undertake many of the formatting and tolerance checks themselves, by using the self-validation facility built into the monthly return spreadsheet, before they submit their Return.
- ◇ Any Return submitted with Red or Amber validation errors without explanatory comments, or not submitted on the correct layout provided for the month in question, will be rejected and returned to be corrected and resubmitted.
- ◇ Correctly submitted Returns will then be subject to additional validation and tolerance checks by Officers which must be passed before the return can be accepted and proceed to the Processing stage.

Monthly Returns - Membership data

No Submission Charge if:

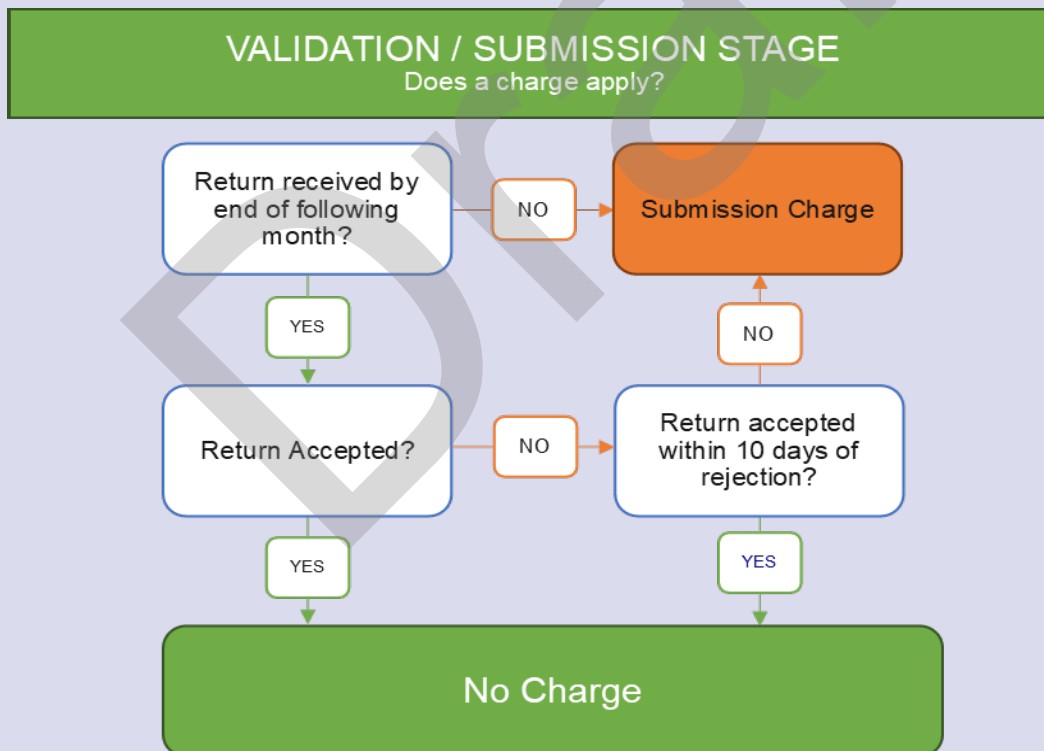
- the Return is received by the end of the month following the submission month and passes the validation and tolerance checks within 10 working days of original rejection.

Submission Charge if:

- the Return is received by the end of the month following the submission month and does not pass the validation and tolerance checks within 10 working days of original rejection, or
- the Return is received after the end of the month following the submission month.

Submission Charge Doubled if:

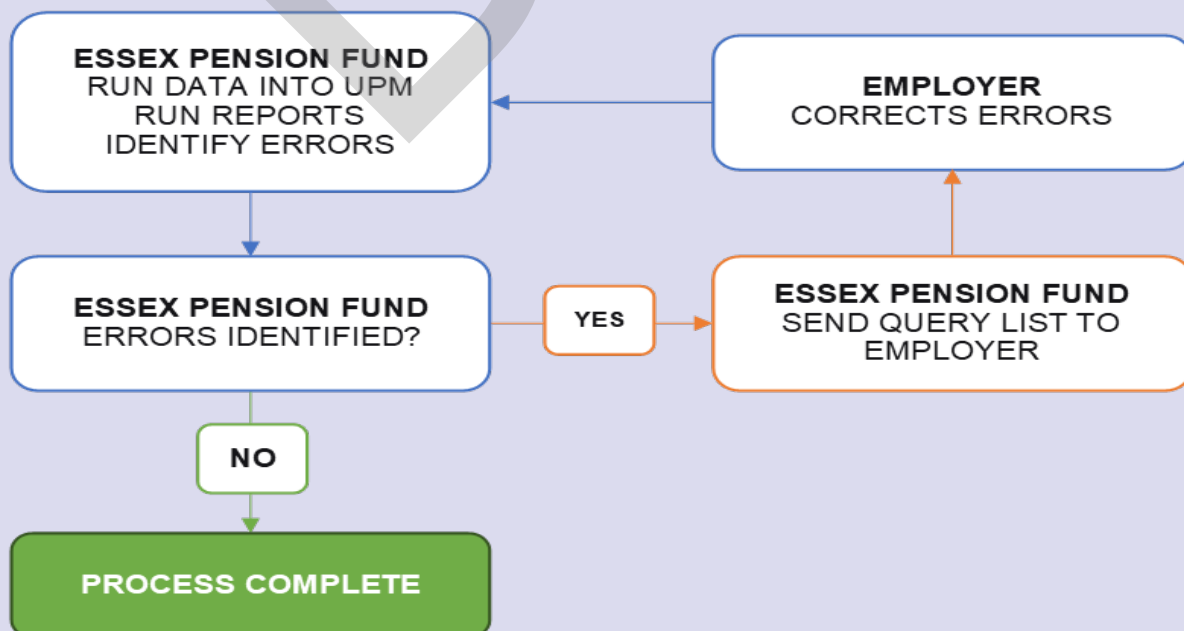
- Accurate data is not received within 3 months of the deadline.



Monthly Returns - Membership data

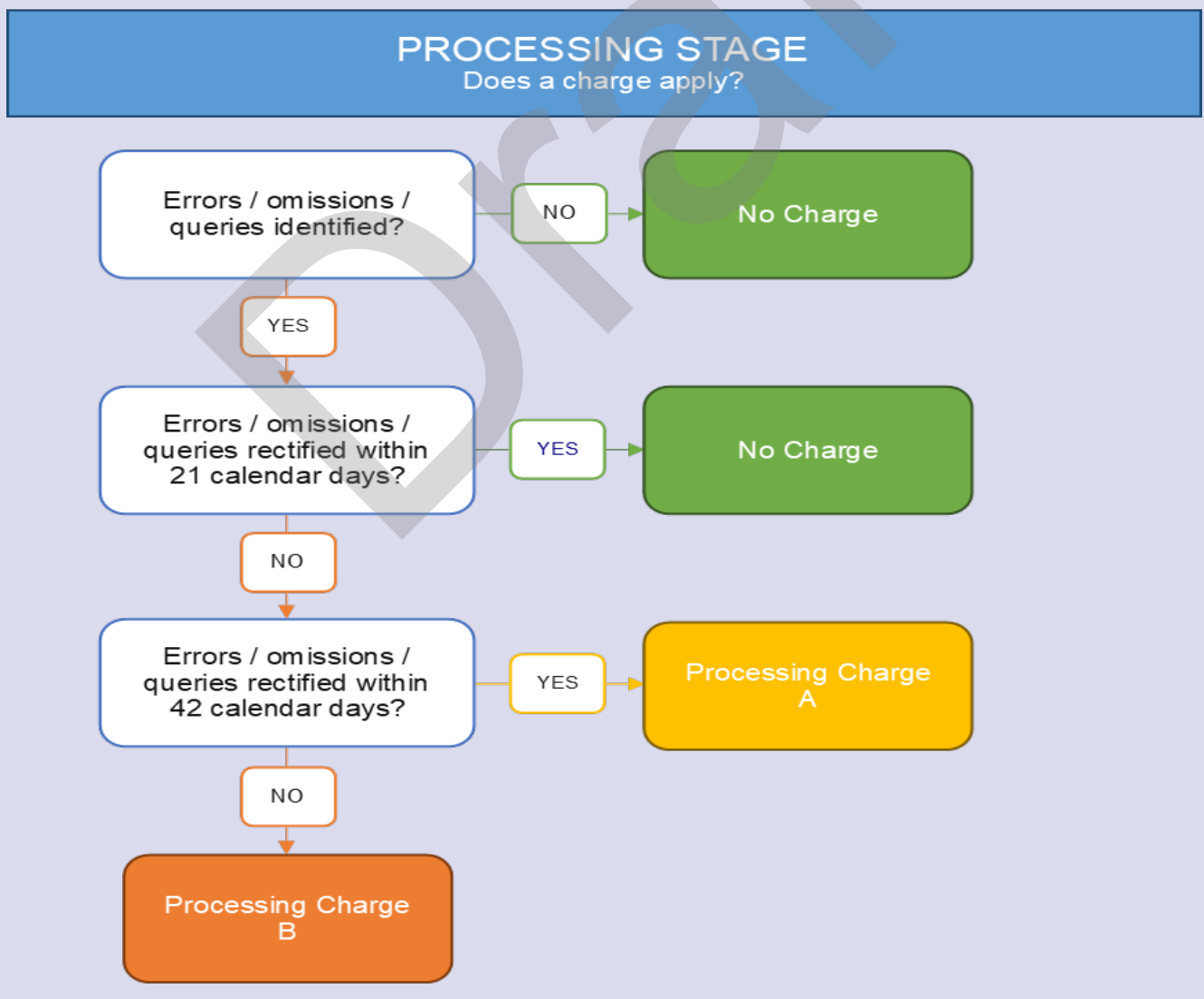
Table 1: Validation / Submission Stage Charges (as at 01/04/2024)	
Number of members on file	Submission Charge
1 to 25	£30.00 (prev.£25)
26 to 50	£59.00 (prev.50)
51 to 100	£117.00 (prev.£100)
101 to 250	£206.00 (prev.£175)
251 to 500	£323.00 (prev.275)
501 to 1000	£469.00 (prev.£400)
1001 to 5000	£647.00 (prev.£550)
5001 to 10000	£851.00 (prev.£725)
10001+	£1,086.00 (prev.£925)
These charges will be increased each April by the previous September's Consumer Price Index (CPI) annual inflation figure	

PROCESSING STAGE



Monthly Returns - Membership data

- ◇ Data provided on the Return is run into the administration system to identify any errors on the individual data lines (e.g. missing starter or leaver notifications).
- ◇ If any errors/omissions/queries are identified, a list of these will be sent to the Employer and the Employer will be given 21 (prev.14) calendar days to rectify the errors/omissions/queries.
- ◇ If the errors/omissions/queries are not rectified within 21 (prev.14) calendar days from notification by the Fund, there will be a Processing Charge.
- ◇ The Processing charge will be based on the number of errors, omissions and queries in the list sent to the Employer and the level of charges is shown in Table 2.
- ◇ If completely correct data is not received within 42 (prev.28) calendar days from notification by the Fund, the charge will be doubled, and Processing Charge B will apply.



Monthly Returns - Membership data

Table 2 – Processing stage charges		
No. of errors, omissions & queries	Processing Charge A	Processing Charge B*
1 – 10	£60.00	£120.00
11 – 20	£120.00	£240.00
21 – 30	£180.00	£360.00
31 – 40	£240.00	£480.00
41 – 50	£300.00	£600.00
51 – 100	£600.00	£1,200.00
101 – 250	£1,500.00	£3,000.00
251 – 500	£3,000.00	£6,000.00
501 – 750	£4,500.00	£9,000.00
751 – 1000	£6,000.00	£12,000.00
1001+	£8,000.00	£16,000.00
If the original data supplied turns out to be correct or a query is resolved within deadlines then that query will be deducted from number of errors, omissions and queries used to determine the charge		
These charges will be increased each April by the previous September's Consumer Prices Index (CPI) annual inflation figure		

Additional charges

Additional charges will be incurred by an Employer if correct returns are submitted too late;

- ◇ to be included in the annual benefit statements (ABS) run, or
- ◇ for correct data to be included in the annual submission/return to the Actuary, Government Actuary's Department or the LGPS Scheme Advisory Board.

Also, if the Fund should incur a fine from TPR as a result of an Employer action or inaction then the Employer will be required to reimburse the Fund for the amount of the fine.