



Annual Business Plan 2017-18

Northamptonshire Pension Fund

Executive summary

The purpose of this Annual Business Plan is to outline the Fund's objectives and provide a plan of action as to how key priorities will be achieved in order to further these objectives.

Over the last few years the Fund has faced increasing complexities and there has been and continues to be new legislation that has fundamentally changed the way in which we work and our relationship with our stakeholders. The complexities have stemmed from but are not limited to the following;

- Asset Pooling
- The Public Service Pensions Act 2013
- Increased risk monitoring
- Funding pressures resulting from past and present market conditions and now stabilising longevity
- Overriding HMRC legislation
- Increased diversity of scheme employers resulting from alternative service provision models
- End of contracting-out of the State Second Pension
- Amending Local Government Pension Scheme regulations

To manage these challenges the Fund needs to be flexible and responsive to adapt in a timely and effective manner.

This Business Plan also outlines the expected non-investment related Fund receipts and payments for the current financial year 2016-17, and projections for 2017-18, as well as the administration and investment expenses.

The Business Plan also details the key performance indicators by which the Fund's performance will be measured. A full listing of these indicators can be found in section 5.

Officers will update the Pension Committee and the Local Pension Board on the progress made against all aspects of the Business Plan in update reports presented at each meeting.

Section 1 - Purpose and scope of the Fund

The Northamptonshire Pension Fund is one of 89 Funds making up the Local Government Pension Scheme (LGPS). Northamptonshire County Council is the statutorily appointed Administering Authority for the Northamptonshire Pension Fund.

In 2014, the LGPS became a career re-valued average pension scheme having previously been a final salary pension scheme since its inception. The LGPS is principally funded by its constituent employers and members, with assistance from investment returns. Unlike other public service pension schemes, the LGPS is fully invested in financial markets and aimed to be fully funded over the long term.

Administration of the Fund

In 2012, the administration of the Northamptonshire Pension Fund was converged with Cambridgeshire Pension Fund following the creation of LGSS, a joint partnership between Cambridgeshire and Northamptonshire County Councils. The Funds, however, remain as two distinct entities.

Both administration and investment activities are fully converged, and based in the Northamptonshire office. Pensioner payroll was converged during 2016-17 and now both administration and payroll records are fully linked.

Since 2012, both Funds have benefited from cost savings through the ability to procure services such as investment consultancy and custodian services on a joint basis as well as streamlining the provision of the administration functions.

Governance and Management of the Fund

The Northamptonshire Pension Committee is responsible for the proper administration of the Fund in all its aspects.

The Pension Committee has its delegation direct from full Council. The Committee's role is to set the Pension Fund objectives and determine and maintain appropriate strategies, policies and procedures with ongoing monitoring of the Fund's activities. The Pension Committee is assisted by an Investment Sub-Committee that looks at the operational governance of investment issues.

From 1 April 2015, a further layer of governance was introduced in the form of a Local Pension Board. The Local Pension Board is a direct requirement of the Public Service Pensions Act 2013 and its role is to assist the Administering Authority (Northamptonshire County Council) to secure compliance relating to governance and administration of the LGPS.

In July 2016 the Fund, in partnership with ten other Local Government Pension Schemes, agreed to form the ACCESS asset pool in line with the Government's directive for the LGPS to pool assets.

Constituent Funds in ACCESS are currently developing an Inter Authority Agreement which will require constitutional changes to empower the Joint Committee of ACCESS. Delegated powers will be given by respective Full Councils for decision making with regard to operational management of fund managers investing ACCESS' assets in accordance with individual Fund's approved investment strategies. The Pension Committees of the individual constituent authorities

will retain strategic and policy making powers, and will continue to delegate to the Investment Sub Committee those investment decisions not undertaken within the ACCESS pool.

The constitutional changes required are expected to be approved by Full Council prior to April 2017.

Stakeholders of the Pension Fund

The Fund's stakeholders fall into the following categories;

- Active, deferred and retired members, their dependants and prospective members
- Scheme employers
- Regulatory Bodies
 - DCLG (the responsible authority)
 - HMRC
 - Department of Work and Pensions
 - The Pensions Regulator
- Trade Unions
- Administering Authority (the Scheme Manager)
- UK tax-payers
- Scheme Advisory Board

The Fund has a responsibility to all of its stakeholders to carry out its business in an open and transparent manner.

Section 2 – Contextual information on the Northamptonshire Pension Fund

Membership data

The membership profile of the Northamptonshire Pension Fund, split by active, deferred and pensioner membership as at year ending 31 March is shown below;

| Membership type | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 1.4.16 – 31.12.16 |
|-----------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| Active | 16,770 | 17,277 | 18,334 | 19,407 | 20,140 | 20,519 |
| Deferred | 17,027 | 20,129 | 20,887 | 23,377 | 25,383 | 26,829 |
| Pensioner | 12,993 | 13,692 | 14,155 | 14,421 | 14,865 | 15,365 |
| Total | 46,790 | 51,098 | 53,376 | 57,205 | 60,388 | 62,713 |

Assets and liabilities

As of 31 December 2016 the assets of the Fund were £2.178bn which the Scheme Actuary has estimated are sufficient to meet 79.9% of the Fund's liabilities. This figure has been projected from the data used in the 2016 actuarial valuation.

Investments

The following table shows the allocation of the Fund's assets across the different asset classes as at 31 December 2016.

| Asset class | Investment in £m | % of Fund |
|--------------|------------------|-------------|
| Equities | 1,480.9 | 68.1 |
| Fixed income | 371.3 | 17.1 |
| Alternatives | 153.5 | 6.9 |
| Property | 172.3 | 7.9 |
| Total | 2,178.0 | 100% |

Note: Percentages are affected by rounding

Commitments to Alternatives have been made during the year of £70m to Harbourvest private equity, £35m to Adams Street private equity and a provisional commitment of approximately £42m to M&G.

As at 31 December 2016 the Fund's assets are invested with the following managers

| Manager | Asset Class | £m | % |
|-----------------|--------------------|-------|------|
| Majedie | UK Equity | 266.8 | 12.3 |
| UBS | UK Equity | 256.4 | 11.8 |
| Newton | Global Equity | 363.3 | 16.7 |
| Skagen | Global Equity | 105.2 | 4.8 |
| UBS | Passive Equity | 489.2 | 22.5 |
| Baillie Gifford | Diversified Growth | 149.8 | 6.9 |
| CBRE | Property | 172.3 | 7.9 |
| Wellington | Bonds | 174.2 | 8 |

| | | | |
|----------------|--------------|----------------|--------------|
| UBS | Fixed Income | 197.1 | 9.1 |
| Private Equity | | 3.7 | 0.1 |
| Total | | 2,178.0 | 100.0 |

Note: Percentages are affected by rounding

Fund account, investment and administration estimates

The following tables provide estimates of the fund account, investment and administration income and expenditure for the next three years:

| | 2016-17 Estimate | 2016-17 Forecast | 2017-18 Estimate |
|---|-----------------------------|-----------------------------|-----------------------------|
| | £000 | £000 | £000 |
| Contributions | (93,479) | (100,000) | (101,800) |
| Transfers in from other pension funds: | (3,400) | (3,400) | (3,600) |
| TOTAL INCOME | (96,879) | (103,400) | (105,400) |
| Benefits payable | 81,530 | 86,000 | 87,700 |
| Payments to and on account of leavers: | 3,400 | 8,000 | 3,600 |
| | 84,930 | 94,000 | 91,300 |
| Management Expenses | 8,628 | 8,770 | 8,985 |
| TOTAL INCOME LESS EXPENDITURE | (3,321) | (630) | (5,115) |
| Investment Income | | | |
| Taxes on Income | (31,000) | (33,000) | (32,000) |
| (Profit) and losses on disposal of investments and changes in the market value of investments | (53,000) | (53,000) | (55,000) |
| Net return on investments | (84,000) | (86,000) | (87,000) |
| Net (increase)/decrease in the net assets available for benefits during the year | (87,321) | (86,630) | (92,115) |

| Management Expenses | 2016-17 Estimate £000 | 2016-17 Forecast £000 | 2017-18 Estimate £000 |
|----------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Total Administration Expenses | 1,840 | 1,982 | 2,067 |
| Total Governance Expenses | 516 | 516 | 518 |
| Total Investment Expenses | 6,272 | 6,272 | 6,400 |
| TOTAL MANAGEMENT EXPENSES | 8,628 | 8,770 | 8,985 |

The-2016-17 forecast costs increased from estimate reflecting the Altair payroll project set up costs and an increase in establishment during the year.

Governance and investment expenses are expected to remain at levels similar to the current year, increasing in line with inflation. Within governance expenses for 2016-17 is £35,000 in respect of ACCESS related costs and £110,000 incurred in costs associated with the triennial actuarial valuation of the Fund.

Administration expenses are analysed below:-

| Administration Expenses Analysis | 2016-17 Estimate £000 | 2016-17 Forecast £000 | 2017-18 Estimate £000 |
|---|----------------------------------|----------------------------------|----------------------------------|
| <i>Staff Related</i> | 969 | 987 | 1,081 |
| <i>Altair System</i> | 212 | 212 | 213 |
| <i>Altair payroll project</i> | - | 124 | - |
| <i>GMP/Payroll Reconciliation Project</i> | | | 150 |
| <i>Communications</i> | 52 | 52 | 44 |
| <i>Other Non Pay and Income</i> | 33 | 33 | 82 |
| <i>County Council Overhead Recovery</i> | 574 | 574 | 497 |
| Total Administration Expenses | 1,840 | 1,982 | 2,067 |

Staff related expenses are forecast to increase in line with inflationary expectations.

Altair payroll project represents one off project costs incurred during 2016-17.

The GMP and Payroll Reconciliation project costs are intended to be a one-off expenditure in order to meet requirements of HMRC to ensure the scheme holds the correct GMP liability for its membership following the cessation of contracting out on 5 April 2016. External expertise is required to complete this project in the most effective manner.

County Council overhead recovery costs have reduced following a review of cost allocation activities.

Section 3 - Fund Objectives

The objectives of the Fund have been derived around the Fund's core purpose and to ensure it is managed effectively and appropriately. All business activity will link back to the objectives to ensure relevance and purpose.

The Fund's objectives are as follows -

1. Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.
2. Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.
3. Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment.
4. Continually monitor and measure clearly articulated objectives through business planning.
5. Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate.
6. Ensure regular monitoring of employer covenants, putting in place mitigations of adequate strength to protect the Fund.
7. Ensure appropriate exit strategies are put in place both in the lead up to and termination of a scheme employer.
8. Put in place performance standards for the Fund and its employers and ensure these are monitored and developed as necessary.
9. Ensure employer contributions are as stable as possible, recognising the characteristics, circumstances and affordability constraints of each employer.
10. Administer the Fund in a professional and efficient manner, utilising technological solutions and collaboration.
11. Maintain accurate records and ensure data is protected and used for authorised purposes only.
12. Promote the Scheme as a valuable benefit.
13. Deliver consistent plain English communications to Stakeholders.
14. Provide Scheme members with up to date information about the Scheme in order that they can make informed decisions about their benefits.
15. Seek and review regular feedback from all stakeholders and use the feedback appropriately to shape the administration of the Fund.

16. Ensure cash flows in to and out of the Fund are timely and of the correct amount.
17. Ensure the long-term solvency of the Fund, taking a prudent long term view, so that sufficient funds are available to meet all members'/dependants' benefits as they fall due for payment.
18. Put in place a Strategic Asset Allocation ensuring it is appropriately maintained taking into account the Funding Strategy.
19. Maximise investment returns over the long term within agreed risk tolerances.
20. Ensure an appropriate cash management strategy is in place so that net cash outgoings can be met as and when required.

Section 4- Key Fund activities 2017-18

It is essential for the Fund to demonstrate its commitment to achieving its objectives through careful planning and management of specific, measurable, achievable, relevant and timely activities.

The following activities identified for the 2017-18 financial year address each of the Fund's 20 objectives as detailed in section 3 and have been grouped into sub-headings for clarity and relevance. The table below aligns each activity to its relevant objective or more than one objective and the approach officers will take to achieve the particular activity and how the progress will be measured and reported with key dates where appropriate.

Ensuring and maintaining regulatory compliance/best practice

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|----------------------|---|---|
| Ensure and maintain compliance with the Pensions Regulator's code of practice: governance and administration of public service pension schemes and the Public Service Pensions Act 2013. | 1. 2. 3. 4. | Continually review compliance with the code of practice and ensure any areas where full compliance has not been achieved are addressed during 2017-18. | A report is to be presented at the March 2017 meeting of the Pension Committee that identifies review dates for existing areas of compliance and completion dates for where any areas of compliance have yet to be achieved. |
| Ensure Pension Committee, Local Pension Board and Officers of the Fund have appropriate knowledge to inform and make decisions about the Fund. | 3. | Review existing Training Strategy for continued relevance. Collate and publish a list of relevant training events for members of the Pension Committee and Pension Fund Board to attend that supports the CIPFA Skills and Knowledge Framework. Increase the frequency of in-meeting knowledge and skills training for the Pension Committee and Local Pension Board. | Provide a report to the Chairman of the Pension Committee and Local Pension Board at the end of the year on the training attended by their Committee and Board members during the year. List of relevant training events will be an appendix to the quarterly Governance and Legislation report. |

Ensuring and maintaining data quality

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|------------------------------|---|--|
| Review, improve and maintain data quality. | 1. 4. 10. 11. 16 | <p>To determine compliance with The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014. To be presented to Local Pension Board in October 2017 for comments and the Pension Committee in December 2017 for approval.</p> <p>To present a Data Quality Improvement Plan (as per the Pension Regulator's code of practice) to the Local Pension Board in October 2017 for comments and to the Pension Committee in December 2017 for approval.</p> <p>To continue to reconcile GMP data held by HMRC compared with that held on LGSS Pensions systems for all membership types.</p> <p>To continue to reconcile the pensioner payroll against Altair pensioner records as a regular and ongoing function.</p> | Regular updates on these activities will be reported in the quarterly Business Plan Update report. |

Utilising technological solutions

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|-------------------------------------|---|--|
| Explore the use of Altair to make payments of non-payroll items to achieve cost savings, efficient processes and increased quality of service to scheme members and other stakeholders. | 2. 4. 10. | Engage with Heywoods to determine the amount of resource and timescale required and consider cost effectiveness of moving away from the Council's own accounts payable offerings. | Regular updates on the progress made against the plan will be reported in the quarterly Business Plan Update reports. |
| Utilise Altair to provide self service facilities to scheme members and scheme employers to enable faster and more efficient exchanges of information. Explore new MSS offerings. | 2. 4. 8. 10. 11. 15. | Continually promote Altair Employer and Member Self Service functionality, through scheme employers and via scheme communications. To provide access to electronic annual benefit statements by 31 August 2017 to all deferred scheme members (who have not made a positive election to opt out of this service). | Provide an update on a range of measures as to the utilisation of both Member and Employer Self Service in the Business Plan Update report at the end of every financial year. |
| Reduce the reliability on manual functions in favour of automated solutions. | 10. 11. | Continue to build on previous success in developing applications that decrease the level of manual intervention and data input and increase accuracy of data supplied by scheme employers. Continue to utilise technology to deliver scheme employer training via the use of webinars to ensure location is not a barrier. Use targeted training to improve employer performance. | Provide an update on the development of automated solutions in the Business Plan Update report at the end of every financial year. |

Utilising collaboration

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|---|-----------------|--|--|
| Procurement of actuarial, governance and benefits consultancy service (in conjunction with Cambridgeshire Pension Fund to achieve economies of scale). | 1. 4. 10. | Notice to existing provider to be issued by June 2017 with contract, following appropriate due diligence to be issued by December 2017 for contract to start no later than 1 April 2018. | Progress against the project plan will be reported in the Business Plan Update reports. |
| Proactively participate in the creation of a multi asset pool to meet the government's investment pooling agenda. | 10. 19. | <p>Within the ACCESS pool officers will continue to fully participate in the delivery of a Value for Money and appropriate asset pool arrangement representing this Fund.</p> <p>The July submission has now received a green light and officers and elected member representatives (Chairman and Vice Chairman) will continue to deliver the ACCESS plan, to achieve the April 2018 target date.</p> <p>Appropriate governance arrangements are being developed.</p> <p>Delivery of passive pooling arrangement by summer 2017.</p> | <p>Progress against the collaborative proposals to meet the government agenda on asset pooling.</p> <p>Regular updates on progress are reported to all governance bodies of the Fund: Local Pension Board, Pensions Committee and Investment Sub Committee.</p> <p>Full Council will receive a report in March 2017 to distribute appropriate constitutional changes to the governance bodies of the Fund in respect of Asset Pooling.</p> |

Managing risk

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|---|---|--|
| <p>Managing the risks associated with the increasing volume and diversity of scheme employers and ensures that these risks are reflected in the funding approach for each scheme employer.</p> | <p>2. 4. 5. 6. 7. 8. 9. 17.</p> | <p>Through the triennial valuation, the funding approach for individual employers is now set using a risk based approach based on employer type, strength of employer covenant and a suitable time horizon for that employer. This now means that riskier employers are required to have a greater level of certainty of reaching a 100% funding level, within an appropriate time frame, than less risky employers.</p> <p>Annually monitor the Funding level of employers with less than 5 employees and/or less than 5 years on admission term or those employers identified through the valuation process as needing close monitoring and adjust the required contribution rates accordingly.</p> <p>Monitor scheme employer's contract end dates to ensure appropriate arrangements are in place and ensure appropriate exit strategies are in place for relevant employers.</p> <p>Review ill health insurance provision.</p> | <p>Progress will be measured by the outcome from the 2019 valuation of the Pension Fund.</p> <p>Provide an update on these activities to the Pension Committee and Local Pension Board on an annual basis with effect from March 2018.</p> <p>Report to be presented to Pension Committee on the findings of the review of ill health insurance provision in June 2017</p> |
| <p>Continued maintenance and monitoring of Risk Register in line with the Fund's Risk Strategy.</p> | <p>1. 2. 4. 5.</p> | <p>Officers to review the Risk Register quarterly to ensure risks, risk appetite and mitigations remain relevant making adjustments where necessary.</p> | <p>Pension Committee and Local Pension Board to be presented with a heat map of current risks every other meeting commencing March 2017.</p> |

Managing Fund performance – administration

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|---|--|---|---|
| Monitor and deliver required levels of administration performance for scheme employers and the service. | 2. 4. 8. 10. | <p>Provide an update to the Pension Committee and Local Pension Board on the progress made against the LGSS Pensions Service Improvement Plan.</p> <p>Measure performance of scheme employers and the service against the KPIs as published in the Administration Strategy.</p> <p>Use targeted training plans and administrative charges to address poor performing scheme employers.</p> <p>Provide induction programme for new employers to ensure a good level of employer performance.</p> | <p>Progress made against the Service Improvement Plan to be made biannually via the Business Plan Update report.</p> <p>Performance against the KPIs contained in the Administration Strategy will be reported in the quarterly Business Plan Update report along with any remedial action taken.</p> |
| Monitor and improve stakeholder satisfaction. | 2. 12. 4. 13. 8. 14. 10. 15. 11. 16. | <p>The Customer Service Excellence Standard. was awarded in June 2016 with the next full assessment due in 2019. Mini assessments are required each June.</p> <p>Conduct annual scheme employer and scheme member surveys.</p> <p>Participate in the LGSS customer satisfaction survey.</p> | <p>Results of the mini assessment will be reported in the Business Plan Update report.</p> <p>All survey results to be reported in the Business Plan Update report following analysis of results.</p> |
| Undertake full review of the Administration Strategy to enable a more streamlined approach to managing poor performing employers. | 2. 10. 4. 14. 8. 15. | Present the revised draft Administration Strategy to the Local Pension Board in April 2017 for comment and the Pension Committee in June 2017 for approval. | Delivery of the Administration Strategy following a 30 day consultation period with scheme employers. |

Ensuring effective communications

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|------------------------------------|--|--|
| Deliver plain English communications | 13. | Review and appropriately amend standard Fund communications to meet Plain English standard and achieve Plain English accreditation for appropriate communications. | Report to the Pension Committee and Local Pension Board via the Business Plan Update report when accreditation has been achieved for specific areas of communications. |
| Deliver effective and timely communications to scheme members and scheme employers, including collaborating with other LGPS Funds where appropriate. | 1. 10. 2. 14. 12. 15. 13. | To review and produce a revised Communications Plan for approval at the March 2017 Pension Committee meeting. | Report on the delivery of communications against the plan via the quarterly Business Plan Update reports. |

Maintaining appropriate cash flow

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|-----------------|--|---|
| Ensure employee and employer contributions are received on time for each scheme employer. | 16. | Robust monitoring of scheme employers' compliance with the Payment of Employee and Employer Contributions Policy. Reporting to Pensions Committee of policy adherence by employers. | Statistics on levels of scheme employer compliance with the policy will be included in the quarterly Business Plan Update report. |
| Ensure all overpayments of pension benefits are managed in a cost effective and timely manner. | 16. | Manage overpayments in accordance with the Overpayment of Pensions Policy. | Regular updates on the recovery of overpayments of pension payments will be reported via the quarterly Business Plan Update report. |

Maintaining long-term fund solvency

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|------------------|---|---|
| Regularly monitor the funding level. | 17. | <p>Hymans Robertson (the Fund's actuary) produce quarterly Navigator reports that detail the funding level at the end of each quarter.</p> <p>Updates on the Funds solvency levels are included in the Investment Sub Committee Investment performance quarterly reports.</p> | A summary of these reports will be provided in the Business Plan Update reports (where timing of receipt of report coincides with the Committee cycle). |
| Protecting investment capital growth and income. | 5. 17. 19. | <p>Review of performance, prepared by the Fund's advisors, to be carried out by the Investment Sub Committee on a regular basis.</p> <p>Investment Strategy Statement has been developed to identify risks to capital growth and income, and mitigate via a suitable Asset Allocation strategy.</p> <p>Establishing an allocation to Alternative Investment assets.</p> | <p>A performance review is considered at each Investment Sub Committee.</p> <p>The Investment Strategy Statement is currently in the process of being adopted. It includes the asset allocation as laid out in the existing Statement of Investment Principles. Actual asset allocation is compared to the asset allocation set out in the Investment Strategy statement and is included within the performance report presented to the Investment Sub Committee.</p> <p>Commitments made to Private Equity and Private Residential Letting were made in 2016/17. Reporting of performance is included in the performance report presented to the Investment Sub Committee.</p> |

Maintaining value for money

| Activity | Fund Objectives | Approach to achieving/managing | How progress will be measured/reported |
|--|------------------------|--|--|
| <p>Demonstrate that the Fund is operating in a manner that achieves value for money.</p> | <p>10.</p> | <p>Financial forecasts to be published in the Annual Business Plan and Medium Term Strategy at the beginning of each financial year for the following three years on both the Fund account and investment and administration expenses.</p> <p>The Fund receives quarterly investment performance reports on the Fund’s investment performance.</p> | <p>Forecast reporting on the Funds management expenses are reported in the quarterly Business Plan Update reports.</p> <p>Actual performance of the Fund account and management expenses are reported in the Annual Report and Statement of Accounts and presented at the July meeting of the Pension Committee.</p> |

Section 5 - Performance Indicators

Detailed below are the Key Performance Indicators that the LGSS Pensions Service will report on during 2017-18 as agreed in the Fund's Administration Strategy.

| Function/Task | Indicator | Target |
|--|--|---------------|
| Notify leavers of deferred benefit entitlement. | Notify leavers of deferred benefit entitlements or concurrent amalgamation within 15 working days of receiving all relevant information. | 90% |
| Payment of retirement benefits from active employment. | Payment of lump sum within 5 working days of payable date or date of receiving all necessary information if later. First pension paid in the month of leaving or in month of receiving all necessary information if later. | 95% |
| Award dependant benefits. | Issue award within 5 working days of receiving all necessary information. | 95% |
| Provide a maximum of one estimate of benefits to employees per year on request. | Estimate in agreed format provided within 10 working days from receipt of all information. | 90% |
| Provide transfer-in quote to scheme member. | Letter issued within 10 working days of receipt of all appropriate information. | 95% |
| Arrange for the correct deduction of employee and employer contributions to Pension Fund in a timely manner, providing an associated monthly statement/schedule in a format acceptable to the Administering Authority. | Percentage of employers who pay contributions to the Fund by the statutory deadline of 19 th following the month of deduction. | 100% |
| Provide LGSS Pensions Service with accurate year end information in the prescribed format. | Accurate year end information to be provided for all scheme members by 30 April following contribution year end. | 100% |
| Provide LGSS Pensions Service with all necessary information regarding new starters and hours/weeks per year variations in a format acceptable to the Administering Authority. | Accurate information provided within 10 working days of the relevant calendar month end or within 30 days of commencement/change if earlier where employer automatic enrolment duties apply. | 95% |
| Notify the employer and scheme members of changes to the scheme rules. | Within one month of the LGSS Pensions Service being informed of the change. | 95% |
| Issue annual benefit statements to active members as at 31 March each year. | By the following 31 August (pending timely receipt of satisfactory year end data from the scheme employer). | 100% |

