



Avon Pension Fund

Pensions Administration Strategy Statement 2011

“Preparing for Change”

Administration Strategy Statement 2011

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Pensions Administration Strategy Statement 2011

INTRODUCTION

The Local Government Pension Scheme (LGPS) (Administration) Regulations 2008 enables Pension Fund Administering Authorities to introduce an Administration Strategy (“the Strategy”) for the sole purpose of improving the administrative processes within their LGPS Fund. These regulations are quite specific regarding the disclosure of information and performance statistics as part of this process but provide less guidance in terms of strategy.

The Avon Pension Fund (“the Fund”) has therefore developed this Strategy which recognises that both employing bodies (“Employers”) and the Avon Pension Fund (the “Fund) have a joint role to play in delivering an efficient service and that any overall improvements can only be achieved in partnership. The Strategy recognises the many administrative challenges faced by the Fund and Employers and contains proposals to streamline processes and improve the services to members and Employers. In this respect the Strategy is far broader than that contained in the legislation.

1. AIMS

The aim of this Strategy is to move towards a seamless pension service, employing appropriate technology and best practice which both significantly improves the quality of information overall and the speed with which it is processed to provide better information for Employers and stakeholders and a more efficient service to members. The Strategy also recognises the challenges inherent in forthcoming proposals not least the single Notional Fund, auto enrolment and the Hutton Review which will add further to the administrative burden.

2. LEGISLATIVE FRAMEWORK

The Fund and its Employers must have regard to this Strategy when carrying out their Scheme functions. The Strategy is made in accordance with Regulation 65 of LGPS (Administration) Regulations 2008 which allows administering authorities to prepare a Pension Administration Strategy following consultation with its Employers to facilitate best practices and efficient customer service in respect of the following:

- the establishment of levels of performance which the administering authority and its Employers are expected to achieve in carrying out their Scheme functions
- ensuring the Fund and its Employers comply with statutory requirements in respect of those functions
- improving the communication between the administering authority and its Employers of information relating to those functions.

The Strategy can also set out circumstances in which the Fund may consider giving written notice to any of its Employers under regulation 43(2) for additional costs on account of that Employer’s unsatisfactory performance in carrying out its Scheme function.

Levels of performance achieved must be included within the Fund’s Annual Report along with other matters arising from the Strategy that are considered appropriate.

All relevant regulations are set out fully in Annex 1.

3. KEY OBJECTIVES

The key objectives 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 and in the delivery of administrative functions (largely defined in Service Level Agreements)
- Communication processes are in place to enable both the Fund and Employers to proactively and responsively engage with each other and other stakeholders
- Accurate records are maintained for the purpose of calculating pensions entitlements and Employer liabilities, ensuring all information and data is communicated accurately, timely and in a secure manner
- The Fund and Employers have appropriate skills and that 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 in each Employer's Service Level Agreement
- Potential risks to the Fund and Employers, in particular compliance risk, leading to financial penalties arising from the administration, are identified, mitigated and monitored
- Effective governance arrangements are established for the monitoring and improvement of the Administration Strategy
- Administrative services are delivered in a cost effective and efficient manner utilising appropriate technology and best practice, in order to maintain costs at below or average levels

4. ACHIEVING THE OBJECTIVES

There are presently over 100 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. It is clear that because of these differences a "one size fits all approach" would be unlikely to deliver workable solutions; however standard ways of operating applicable to different employer groups would bring benefits. It is also clear that the number of Employers will continue to grow as will the demands for accurate information, to improve liability management at both the local and national level. The Pensions Regulator is already in the process of setting national standards for the quality of pensions records in the private sector and it is likely to be only a matter of time before this is adopted across the public sector.

There are four key elements necessary to achieving the Fund's administrative objectives:

- A Communications Policy that:
 - (i) ensures members have accessible and timely information on all aspects of their pensions benefits and informs and enables decisions in respect of their pensions
 - (ii) enables Employers to make effective decisions in the management of risks and liabilities as well as facilitates engagement in the wider pensions debate

- Investment in skills and knowledge development both within the Fund and as appropriate with Employers to ensure not only efficient administration but active engagement in the issues facing the LGPS in the future
- The effective use of technology for accessing, storing and disseminating information between the Fund and its Employers in a seamless and secure way
- Set performance standards which support the effective working of the Fund and Employers towards a higher standard of service and continuous improvement

(a) Communications

Since 2005 the Fund has been required to produce a Communications Policy Statement under Regulation 106B of the Local Government Pension Scheme Regulations 1997 (as amended). The intention of the legislation is to ensure that Funds have effective communication processes in place for all stakeholders of the LGPS. To this end, the Funds' communications strategy is already well developed providing a wide range of solutions for all parties. However, the introduction of the New Look Scheme in 2008 added a layer of complexity to the benefits structure. This is set to continue with the prospects of further scheme changes which in turn will give rise to a greater demand for information and engagement.

The following priorities for communication have been identified to complement the range of activities already in place;

- To develop secure web-based facilities to enable, controlled access to information and data, sending and receiving of data, providing greater self service for members and employers
- To further improve the content and timeliness of web-based information to raise the awareness of members and Employers on LGPS issues
- To continue to organise and develop an appropriate meetings structure to support the effective engagement of employers in ongoing and emerging issues.
- To ensure the effectiveness of distributing the pensions message across the broad spectrum of stakeholders
- To maintain the level of investment in the full range of communication materials to ensure maximum stakeholder awareness and engagement
- To establish lead officers for pensions issues within large and medium-size Employers to act as the main communications liaison between the Employer and the Fund
- To use feedback to identify areas for improvement

The Communication Policy Statement is attached as Annex 2

(b) Training

The Fund has always endeavoured to keep stakeholders informed of new developments providing training courses and workshops for Employers and the Fund's staff alike when new Regulations are implemented or are under consideration. It is widely anticipated that there will be significant changes to the LGPS in the coming years which will have wide-ranging implications for members, Employers and not least the administration of the Scheme.

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 existing need to improve the quality of member records and the administrative processes by improving the quality of information received from Employers.

The aims of the training strategy are therefore:

- to maintain a high standard of customer service for members and Employers
- to ensure that relevant staff within each Employer have sufficient knowledge and skills to effectively discharge administrative processes
- to ensure that Employers are fully aware of the risks involved in poor administration and maintenance of employee pension records and if they fail to discharge of their discretionary functions
- to support the implementation of new technology within the Fund enabling greater self service for the Employer and streamlined administration
- to continually develop the technical skills and competencies of the Fund's staff and retain knowledge in the application of historic regulations
- to identify and develop staff to become the future managers and professionals of the Fund as part of a workforce development plan
- to ensure that members of the Committee also receive adequate training to properly discharge their function.

To achieve this:

- the Fund will work with Employers' Human Resources, Payroll and other staff to identify relevant skills and knowledge gaps and develop an appropriate training programme
- Organise workshops and forums for Employers to debate new issues as they emerge
- Continue to invest in specific technical training and professional development of Fund staff

This training strategy will ensure that both the Fund and Employers have a common understanding of their obligations under their Local Government Pension Scheme, and that administrative processes are designed to maximise efficiency and effectively manage risk.

The Fund will provide 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.

(c) Embracing technology

The Fund has recently begun the process of upgrading its administration software system and will be developing this further in 2011 to enable integrated self service for members and Employers. Members are already able to review their records and submit changes on-line. This will move to a real time environment and the range of transactions members will be able to undertake extended. Similarly Employers will be able to submit record changes individually and in bulk to update the Fund's member database. This latter move will realise the Employer savings and only requires the provision of data output in a specified format file.

Such developments are a natural progression in an era when there is growing demand for accurate data driven by valuation requirements, Employer outsourcing and latterly the government, whose Notional Fund will require at least annual updates.

However, it is also recognised that not all Employers will be in a position to take advantage of these facilities and particularly for smaller Employers a simplified solution is necessary. The Fund will therefore develop a range of electronic forms for data transmission which will again integrate fully with the Fund's administration system.

Finally the Fund will endeavour to move all financial transactions to electronic means eliminating the need to produce cheques well before the intended deadline for their removal.

The aims of the embracing new technology are therefore:

- to achieve efficiencies in the processing of records and the quality of data through the use of integrated systems
- to enable members and Employers greater access for self service without the need for Fund intervention in the communication process
- to reduce processing costs by making all transactions electronic

We will achieve this by:

- working closely with both our Employers and software providers through structured contracts and Service Level Agreements to agree required inputs and timescales for delivery
- ensuring all transactional communication channels are secure and managed in compliance with Pension Regulator guidelines
- the Fund adopting good practice guidelines and complying with industry standards for Information Security Management
- developing the technical support team to strengthen its capabilities and enhance its project management skills

Proposed Electronic Data Interface (“EDI”) Programme

Employers are encouraged to make best use of technology in capturing and transmitting data to the Fund on member changes (leavers, joiners and other changes) electronically and currently a significant number do so and benefit from cost-savings through a reduction in manual intervention.

The Fund is proposing that all large to medium employers have data output reports in place to provide data electronically by April 2012. Due to the significant difference in the size and make up of Fund Employers, it is acknowledged that EDI will probably not be appropriate for some smaller employers and the Fund is working with its software supplier to develop on-line electronic forms for secure submission through the Fund’s own website for individual or small groups of members’ data. These are expected to be available in 2011.

The Fund will work with all Employers to achieve this very important enhancement helping them through each step of the process. The table below illustrates proposed deadline dates for completion of this development and will be agreed with individual employers. This may require a small investment by some employers in producing specified output reports from their payroll systems

Employer Size	Data to be submitted electronically	Date
Small	Starter, changes, leavers, retirements and death in service notifications by E-Form	October 2012
Medium	Starters, changes, leavers, retirements and death in service notifications by bulk file transfer	April 2012
Large	Starters, changes, leavers, retirements and death in service notifications by bulk file transfer	April 2012

(d) Performance

The development of an Administration Strategy carries with it a legislative requirement to set performance standards and publish both the targets and achievement against those targets. The purpose of doing so is to secure continuous improvement of the administration function. Annex 3 details the performance measures and proposed targets which will be monitored and results reported to the Avon Pension Fund Committee; this will be scrutinised by and the Committee will take action where appropriate. Information is also published in the Pensions Fund' Annual Report. It should be noted that many of these targets are set to ensure compliance with *statutory* requirements that already exist.

New Service Level Agreements ("SLAs") will be agreed with Employers to set and monitor performance at the local level and will include all the targets for both the Fund and the Employer. The aggregated performance will be reported to the Avon Pension Fund Committee on a quarterly basis.

Stewardship Report

Assessment of the levels of administrative performance requires that agreed performance standards are regularly monitored and the results fed back to Employers. This will be achieved by the introduction of a Stewardship Report for each Employer to keep them fully informed of the efficiency of service delivery to the Scheme Members. The Stewardship Report will contain only the key areas of performance and will be a working document. It will measure the efficiency of service processes covering early leavers, retirements (redundancy, efficiency, flexible and ill health, normal and late), estimates and deaths in service between the Employer and the Fund to enable effective benefit processing and payment. Starters and changes will not initially be included in the Stewardship Report but will be developed with the intention of including them at a later date. The Report will also include, if appropriate, details of any complaints from members or employers and discretions not exercised or kept up-to-date by employers.

Review meetings to consider the findings will be held regularly with Employers and will identify problem areas and devise an action plan to improve service delivery. Information from the Stewardship Report will be made available to the Avon Pension Fund Committee and details of performance review will be included in the Fund's Annual Report.

(i) Performance failures

As stated at the outset, the purpose of this Strategy is to secure improvement across the Administrative processes of the Fund. Both the Fund and each Employer need to play their part in ensuring this. However in areas of continuous poor performance the Fund has the ability to introduce financial penalties and will ultimately do so but only as a matter of "last resort".

Where in the opinion of the Fund, it incurs additional costs because of an Employer's poor performance in carrying out its functions, the Fund will:

- a) give written notice to the Employer that it will be invoiced for an extra monetary amount in respect of these costs (in addition to its standard pension contributions)
- b) specify the basis on which the extra amount is calculated and the provisions of the Strategy which are relevant.

If an Employer feels that an additional allocation of costs is not warranted it would have access to the Avon Pension Fund Committee on which Employers have an Employer representative.

(ii) Opportunity to improve

It is the Fund's intention that a poorly-performing Employer will be given the opportunity to improve its poor performance before additional costs are imposed upon it. However, if in the opinion of the Fund, that Employer fails to improve, the Fund will after consultation with the Employer issue an invoice payable by the Employer within 30 days of issue. The amount of the invoice will represent the cost to the Fund of the Employer's poor performance, plus any additional work by the Fund's staff charged at a staff charge out rate of £50 per hour (*to be reviewed annually at the start of each new financial year*).

(iii) Passing on "Statutory" Fines and charges

Where the Fund incurs a fine or charge for a breach of its statutory duties which is as a result of the Employer's performance failure (such as failing to provide the Fund with a change in a member's circumstances or supplying inaccurate or inadequate information for an employee member), the Fund reserves the right to require the Employer to reimburse it within 28 working days of the payment of the fine or charge.

Role of the Committee

The Avon Pension Fund Committee is widely representative of all the Employers in the Fund (reflecting best practice) and as such has a duty to ensure that the Administration of the Fund is carried out efficiently and cost effectively. Its roles and responsibilities are set out in its *Terms of Reference* which form part of the Fund's Governance and Compliance Statement which is available on the Fund's website.

The Committee already receives quarterly reports in respect of the Fund's administrative processes and this will be enhanced with information regarding Employers' delivery under the Administration Strategy. The summary results reported will be scrutinised by and the Committee who will take action where appropriate.

The Committee annually reviews all Administrative targets and the costs of service delivery and will continue to do so in order to inform future changes to the Administration Strategy.

5. IMPLEMENTATION AND REVIEW

The Strategy sets out the key objectives of all the major areas of pension administration within the Fund and takes effect from 1st April 2011. Prior to implementation a full consultation exercise has been undertaken with Scheme Employers.

This Strategy will be subject to a full review after an initial period of 2 years. When the Strategy is reviewed, further consultations with Scheme Employers will be considered where appropriate.

Legislative Framework for the Statement

Regulation 65 of LGPS (Administration) Regulations 2008

Pension Administration Strategy

65.—(1) An administering authority may prepare a written statement of the authority's policies in relation to such of the matters mentioned in paragraph (2) as it considers appropriate ("its pension administration strategy")

(2) The matters are—

(a) procedures for liaison and communication with employing authorities in relation to which it is the administering authority ("its employing authorities");

(b) the establishment of levels of performance which the administering authority and its employing authorities are expected to achieve in carrying out their Scheme functions by—

(i) the setting of performance targets,

(ii) the making of agreements about levels of performance and associated matters, or

(iii) such other means as the administering authority considers appropriate;

(c) procedures which aim to secure that the administering authority and its employing authorities comply with statutory requirements in respect of those functions and with any agreement about levels of performance;

(d) procedures for improving the communication by the administering authority and its employing authorities to each other of information relating to those functions;

(e) the circumstances in which the administering authority may consider giving written notice to any of its employing authorities under regulation 43(2) on account of that authority's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under sub-paragraph (b);

(f) the publication by the administering authority of annual reports dealing with—

(i) the extent to which that authority and its employing authorities have achieved the levels of performance established under sub-paragraph (b), and

(ii) such other matters arising from its pension administration strategy as it considers appropriate; and

(g) such other matters as appear to the administering authority, after consulting its employing authorities and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.

where it does so, the following paragraphs apply.

- An administering authority must keep its pension administration strategy under review; and make such revisions as are appropriate following a material change in its policies in relation to any of the matters contained in the strategy.

- In preparing or reviewing and making revisions to its pension administration strategy, an administering authority must consult its employing authorities and such other persons as it considers appropriate.
- An administering authority must publish its pension administration strategy; and where revisions are made to it, the strategy as revised.
- When an administering authority publishes its pension administration strategy, or that strategy as revised, it must send a copy of it to each of its employing authorities and to the Secretary of State.
- An administering authority and its employing authorities must have regard to the current version of any pension administration strategy when carrying out their Scheme functions.

Pension fund annual report

34(1) (g) An administering authority must, in relation to each year beginning on 1st April 2008 and each subsequent year, prepare a document ("the pension fund annual report") which contains—

- an annual report dealing with the extent to which the authority and the employing authorities in relation to which it is the administering authority have achieved any levels of performance set out in the pension administration strategy in accordance with regulation 65(2)(b), and
- such other matters arising from its pension administration strategy as it considers appropriate;

Additional costs arising from employing authority's level of performance

43.—(1) This regulation applies where, in the opinion of the appropriate administering authority, it has incurred additional costs which should be recovered from an employing authority because of that employing authority's level of performance in carrying out its functions under these Regulations or the Benefits Regulations.

(2) The administering authority may give written notice to the employing authority stating—

- (a) the administering authority's reasons for forming the opinion mentioned in paragraph (1);
- (b) the authority's opinion that the employing authority's contribution under regulation 42(1)(d) should include an amount specified in the notice in respect of the additional costs attributable to that authority's level of performance;
- (c) the basis on which the specified amount is calculated; and
- (d) where the administering authority has prepared a pension administration strategy under regulation 65, the provisions of the strategy which are relevant to the decision to give the notice and to the matters in sub-paragraph (a), (b) or (c).

Statements of policy about exercise of discretionary functions

66.—(1) Each employing authority must prepare a written statement of its policy in relation to the exercise of its functions under regulations 12 (power of employing authority to increase total membership of active members), 13 (power of employing authority to award additional pension), 18 (flexible retirement) and 30 (choice of early payment of pension) of the Benefits Regulations.

(2) Before the expiry of the period of three months beginning with the commencement date, each employing authority must send a copy of its statement to each relevant administering authority and must publish its statement.

(3) An employing authority must—

(a) keep its statement under review; and

(b) make such revisions as are appropriate following a change in its policy.

(4) Before the expiry of the period of one month beginning with the date any such revisions are made, each employing authority must send a copy of its revised statement to each relevant administering authority and must publish its statement as revised.

(5) In preparing, or reviewing and making revisions to, its statement, an employing authority must have regard to the extent to which the exercise of any of the functions mentioned in paragraph (1) in accordance with its policy could lead to a serious loss of confidence in the public service.

(6) In this regulation, a relevant administering authority, in relation to an employing authority, is any authority which is an appropriate administering authority for that employer's employees.

Statements of policy concerning communications with members and employing authorities

67.—(1) This regulation applies to the written statement prepared and published by an administering authority under regulation 106B of the 1997 Regulations.

(2) The authority—

(a) must keep the statement under review,

(b) make such revisions as are appropriate following a material change in its policy on any of the matters mentioned in paragraph (3); and

(c) if revisions are made, publish the statement as revised.

(3) The matters are—

(a) the provision of information and publicity about the Scheme to members, representatives of members and employing authorities;

(b) the format, frequency and method of distributing such information or publicity; and

(c) the promotion of the Scheme to prospective members and their employers.

Communications Policy Statement – 2010

Introduction

Avon Pension Fund (the Fund) has published this Communications Policy Statement (the Policy), under Regulation 67 of the Local Government Pension Scheme (LGPS) (the 'Scheme') (Administration) Regulations 2008 (as amended) in order to ensure that the Fund has clear, timely and effective communication in place with all stakeholders.

In order for this Policy to be effective, it is necessary to utilise all available communication methods in order to meet the particular needs of different stakeholders.

KEY OBJECTIVES

The Key objective of this Communications Policy Statement is to ensure that the Fund offers clear and timely communication to stakeholders of the LGPS. The standards within which the Fund aims to communicate with Members are outlined in our Service Charter (see Annex 4) which is at the end of this Policy. The standards within which the Fund and Scheme Employers will communicate are specified in Service Level Agreements.

Who we communicate with:

1. Scheme Members (Active, Deferred and Pensioner Members)
2. Employing Authorities (referred to as "Employers")
3. Prospective Scheme Members
4. Prospective Employers
5. Advisers (such as the Fund Actuary)
6. Representatives of Scheme Members
7. The Avon Pension Fund Committee

METHODS OF COMMUNICATIONS

1. Scheme Members

It is essential that Scheme Members are provided with appropriate information regarding the LGPS and their own benefits held within it. This is to enable members to make informed choices and decisions in respect of their LGPS benefits.

The Fund provides:

Scheme Literature

Scheme guides are the main reference point for most Scheme Members. The Fund offers Active Members and prospective Active Members both a Short Guide to the LGPS and a fuller more detailed Guide. Each Deferred Member is provided with a Deferred Member guide with the Statement of Benefits the Fund issues to them when they cease pensionable employment. These guides are available on the Avon Pension Fund website, and in hard copy format from the Fund (also available in Braille and audio versions].

Website

The Avon Pension Fund website www.avonpensionfund.org.uk is the Fund's main information resource meeting the needs of the different types of Scheme Members. The website is updated regularly with comments and articles about new legislation affecting the LGPS. The site provides a link to other pension related sites and contains downloadable forms for Scheme Members to inform the Fund of any personal material changes.

Member Self Service

Via the Fund's website, all Scheme Members can securely access their pension details held on the Fund's pension database. This facility allows Scheme Members to check their personal details and advise the Fund of changes and produces estimates of their potential LGPS benefits. Pensioner Members have the facility to view and/or print their Pensions Payment Advice slips and/or P60s.

Newsletters

The Fund produces newsletters for both Active and Pensioner Members normally twice a year. The newsletters contain articles which are relevant to the majority of readers and include changes to the LGPS Regulations, and a summary of the Fund's Annual Report and Accounts. Active & Pensioner Members can choose to receive a copy electronically or view on-line through Member Self Service and instead receive an email notification that an online version is available.

Pension Clinics and Seminars

Pension Clinics are held regularly at the request of Scheme Employers. The Fund's Pension Officers will visit Employers' sites and discuss benefits on a "one-to-one" basis with Active Members.

Pension Officers are also available to participate in pre-retirement seminars organised by Scheme Employers.

Benefit Statements

Each year all Active and Deferred Members are sent an Annual Benefit Statement. Statements are sent by post to the home address or, alternatively, can be viewed or printed through Member Self Service. Members may also request an estimate of benefits at any time.

2. Employers

To assist Employers participating in the LGPS, the Fund has a range of communication materials and methods which it aims to increase their understanding of pension issues and help them fulfil their responsibilities as Scheme Employers. By working together we are able to provide a better service to our members.

Employers Website

The Avon Pension Fund website has a section for Scheme Employers. This is used to distribute detailed information on procedures which must be followed to administer the LGPS; and holds resources such as Employers' guides, pension forms and links to LGE circulars and bulletins. Employers are requested to download the forms as and when required to ensure up-to-date documentation is always used.

Secure Portal

The Fund has a 'secure portal' which facilitates the transfer of data between the Fund and Employers electronically, encrypted to internet banking standards.

Employer Guide

The Fund maintains an Employer guide. The guide is a key resource and explains the statutory requirements of both the Employer and the Fund. The Fund also produces a short reference document 'The Role of the Scheme Employer as a Pensions Administrator' aimed at front-line HR and Payroll clerks.

Report and Accounts

The Report and Accounts are produced annually and a printed copy is sent to all Scheme Employers. It is also available to view electronically on the Fund's website.

Employer Meetings

The Fund hosts an **Employer user group** meeting three times a year to keep Employers up-to-date with LGPS developments and provide a forum to discuss common issues and good practice. Each Employer is invited to the meetings.

An **Investment Forum** is held each year which focuses on investment strategy and actuarial developments. Workshops will be held on specific relevant pensions topics when required.

The Fund invites each Employer to its **Annual Employers' Conference** which includes presentations on topical pension issues including Regulation changes.

Employer Training

The Fund offers training to all Scheme Employers on the LGPS and their role in administering the Scheme. Training covers the full range of administrative and Regulatory activities.

3. Prospective Scheme Members

All prospective Scheme Members must be given basic information about the LGPS. The Fund requires Employers to give a Pension Pack containing a short guide to the LGPS to all employees when they become eligible to join the Scheme.

The Funds website has a section 'Thinking of Joining' which summarises the main benefits provided by the LGPS.

4. Prospective Employers

The Fund provides information to prospective Employers to ensure they understand the LGPS Regulations, their implications and the role of a Scheme Employer. The Fund will provide information which facilitates a smooth transition in respect of prospective Employers to which LGPS Members may TUPE transfer, such as schools which become Academies and contractors providing a service to a Scheme Employer.

5. Other Bodies

Advisers

Fund Advisers play a key role in supporting the work of the Avon Pension Fund Committee. The Fund's management team meets regularly with its advisers (such as the Fund Actuary) and to secure information and advice over a wide range of issues relating to the Fund.

6. Representatives of Scheme Members

Material available to Scheme Members is available on request to their authorised representatives.

7. The Avon Pension Fund Committee

The Avon Pension Fund Committee meet quarterly to monitor activities of the fund and its administration taking decisions as necessary; in this respect the Committee exercises a wide range of powers over Fund administration under its Terms of Reference. The Investment Sub Committee meets more regularly to review investment performance and examine opportunities for improvement in investment strategy. All reports of these bodies are made available to the public in advance on request and at meetings. The reports and minutes of these meeting are also available on the website.

POLICY REVIEW

The Fund will review the Policy every two years as part of the Pensions Administration Strategy. The review will include any legislative changes and feedback received from Members and Scheme Employers. An earlier review will be undertaken if new LGPS Regulations or overriding pensions legislation require it. Following each review the Fund will revise the Policy as necessary and publish to all Employers.

Performance Criteria (to be reported in Stewardship Report) - Joint Delivery to Members
Employer Service Information and Performance Standards – OPERATIONAL & FINANCIAL

Element	Employer	Target (working days)	The Fund	Target (working days)	Average % within target
Early Leavers	Employer to send the Fund completed leaver form - electronically by 01.04.2012*	Within 15 days of month end after date of leaving	The Fund to advise member of deferred benefits	Within 10 days of being in receipt of all necessary information	
Actual retirement forms	Employer to send the Fund completed leaver form - electronically by 01.04.2012*	On or before retirement date	The Fund to pay benefits to member	Within 20 days of being in receipt of all necessary information	
Estimate Requests	Employer request for estimate to the Fund	n/a	The Fund to provide Employer with estimate	Within 10 days of receipt of all necessary information	
Death in Service	Employer to send the Fund completed form - electronically by 01.04.2012*	Within 5 days of being notified	The Fund to advise member benefits	Within 10 days of receipt of all necessary information	
Year End Data submission	Supply to the Fund electronically	By 15 th May (6 weeks after year end)			
	Employer each year to supply schedules showing contribution and pensionable pay information in the format specified by the Fund in LGPS 51 and LGPS 52 format (after LGPS 51 has been reconciled to LGPS50s)				

<p>Year End Data queries</p> <p>Responding to Year end/ Valuation queries resulting from APF reconciliation of member data submitted</p>	<p>Response to queries on reconciling the year end returns to the Fund</p>	<p>within 1 month of being raised</p>			
<p>Annual Benefit Statements</p>			<p>Issue <i>Statements</i> for those active members whose data is updated reconciled and complete</p>	<p>By 31st December each year</p>	

SMALLER Employers have until 01.10. 2012 to move to electronic submission by on-line forms

SERVICE CHARTER

OUR STANDARDS OF SERVICE TO MEMBERS

New Active Members

- **Membership Certificate**

We will issue a Membership Certificate to a new member within one month of receiving a completed notification from the Member's Employer.

- **Transfers In**

We will acknowledge the Member's request for transfer details, then calculate the estimated benefits that a transfer value will buy for the Member in the LGPS and issue a quotation within 10 days of receiving details from the Member's previous scheme and any additional essential information required from the HMRC. We will request payment of the transfer value within 5 days of receiving confirmation from the Member that the transfer is to be made. We will confirm the actual benefits purchased by the transfer value to the member within 10 days of receiving payment from the Member's previous scheme and confirmation (where necessary) of the member's accrued GMP from HMRC.

Existing Active Members

- **Benefit Estimates**

We will issue a quotation within 10 days of receiving the member's special request for an estimate of prospective benefits.

- **Annual Benefit Statement**

Provided pay details are received from employers promptly after the close of each financial year and provided we hold all of the relevant information, we will send each year an Annual Benefit Statement to each Member at their last known home address showing the estimated current value of their accrued benefits, the value of their prospective benefits at normal retirement age and the estimated current value of their death-in-service benefits.

- **Paying Extra Contributions**

We will provide information within 10 days of receiving a request from a Member wishing to pay extra contributions to buy additional pension benefits.

- **Retirements**

We will send details of the benefits payable and pay the member's tax-free cash lump-sum within 20 days of receiving all of the information required from the Member's Employer and/or the Member.

- **Deaths**

We will send details of the benefits payable within seven days of receiving all of the information required from the late Member's employer and we will pay the lump-sum death grant within 10 days of receiving Grant of Probate (or other appropriate documentation) or authorisation from two delegated officers.

- **Early Leavers**

We will send details of the benefit options available within 10 days of receiving all of the information required from the Employer.

- **Refunds**

We will pay a refund within 5 days of receiving the Member's formal request for payment.

- **Transfers Out**

We will issue a quotation, guaranteed for 3 months, within 10 days of receiving the Member's request and confirmation of the Member's accrued GMP/S2P from HMRC. We will pay a transfer value within five days of receiving confirmation from the Member that the transfer is to be made and all of the information we require to make payment.

- **Newsletter**

We will send a Newsletter to each of our current members at least twice a year.

Deferred Members

- **Benefit Statements**

We will provide a Benefit Statement within 10 days of receiving the Deferred Member's special request for details of the current value of their deferred benefits (as increased in line with factors issued by the Secretary of State).

- **Periodic Benefit Statement**

We will provide each deferred member with a current address with a Benefit Statement periodically showing the current value of their preserved benefits (as increased in line with factors issued by the Secretary of State).

- **Deferred Benefits into Payment**

Provided we hold an address which has been confirmed we will write to the Deferred Member requesting an original birth certificate plus the Member's National Insurance number before we send details of the benefits that are due and any options that may be available. If we cannot confirm the address we will make every effort to trace the deferred member.

Pensioner Members

- **Changes in personal particulars**

We will update a pensioner's payroll record with any changes to personal details within 5 days of receiving the written notification. However, due to the nature of payroll administration, any such changes may not take effect until a subsequent payroll has been run. Confirmation of changes to bank details will be advised on the next available pay advice.

- **Newsletter**

We will send a Newsletter to each of our pensioners at least twice a year.

- **Change of Tax code**

We will update a pensioner's payroll record with a revised tax code within 2 days of receiving notice of the change from HMRC. However, due to the nature of payroll administration, any such changes may not take effect until a subsequent payroll has been run.

- **Deaths of pensioners**

We will acknowledge receipt of a notification of the death of a pensioner and start action to put into payment any dependants' benefits within 5 days of receiving the notification.