

**City and County of Swansea Pension Fund  
Cronfa Bensiwn Dinas a Sir Abertawe**



Administered by:  
The City and County of Swansea

**Appendix A**



**Pension Fund  
Administration Strategy**



**IF YOU REQUIRE THIS INFORMATION IN AN ALTERNATIVE  
FORMAT PLEASE CONTACT THE PENSION SECTION ON  
01792 636655**

**October 2021**

## Contents

|  | <b>Page<br/>No.</b> |
|--|---------------------|
| 1 Introduction .....   | 3                   |
| 2 Regulatory Background .....  | 3                   |
| 3 Implementation .....   | 4                   |
| 4 Liaison and communication arrangements .....                             | 5                   |
| 5 Responsibilities .....   | 6                   |
| 5.1 Administering Authority Responsibilities .....                         | 6                   |
| 5.2 Employing Authority Responsibilities .....                             | 7                   |
| 6 Levels of Performance .....  | 9                   |
| 6.1 City and County of Swansea Pension Fund Targets .....                  | 9                   |
| 6.2 Employer Targets .....   | 14                  |
| 7 Compliance .....   | 16                  |
| 8 Adjustments to improve communication and administrative procedures ..... | 16                  |
| 9 Procedures for improving employer performance (where necessary) .....    | 16                  |
| 10 Cost Recovery .....   | 16                  |
| 11 Review .....  | 17                  |

## Appendices

Appendix 1 – LGPS (Administration) Regulations 2008  
Pension Administration Strategy

Appendix 2 – LGPS (Administration) Regulations 2008  
Additional costs arising from employing authority's level of performance

Appendix 3 – LGPS (Administration) Regulations 2013 - Statements of policy  
about exercise of discretionary functions

Appendix 4 – LGPS (Administration) Regulations 2013 - Statements of policy  
concerning communications with members and Scheme Employers

Appendix 5 - LGPS (Administration) Regulations 2013 - Pension fund annual  
report

Appendix 6 - LGPS (Administration) Regulations 2013 – Funding Strategy  
Statement

Appendix 7 – List of Employers in CCS Pension Fund

Appendix 8 – Pension Liaison Officer Responsibilities

Appendix 9 – Sample of Pension Contributions – Information Request Form

## 1. Introduction

The Local Government Pension Scheme (LGPS) is a national scheme, which comprises of 99 Administering Authorities each of which are responsible for the investment and the administration of a Pension Fund in the LGPS. Each Pension Fund comprises participating employers and much of the success in promoting the Scheme to its members and the delivery of high quality service depends upon the working relationship between the Administering Authority and the Scheme employers.

The City and County of Swansea as an Administering Authority comprises of an accountancy team (Treasury Management) who are responsible for accounting for the income and expenditure of the Pension Fund and the investment of surplus monies and an administration team who are responsible for the day-to-day administration associated with a pension scheme. The Authority has dual responsibility, as it is also a participating employer.

The objective of this Strategy is to formulate administrative arrangements between the City and County of Swansea Pension Fund and its participating employers to ensure that a high quality service is provided to meet the needs of a diverse membership. The aim is to ensure that each employer is fully aware of its roles and responsibilities and that the flow of data is enhanced by endorsing a clear means of communication as outlined in LGPS provisions in order to provide a cost effective and high quality pension administration service delivered through efficient/effective working practices. The primary method of employer communication is via the employer portal i-Connect.

The performance targets, which the participating employers and the Pension Fund are assessed against, are outlined in Section 6 of this Strategy. It also provides details on how the performance levels are monitored and what action might be taken where performance standards consistently fall below the performance targets.

The Pension Administration Strategy was introduced in April 2015 with revisions since that date captured within this document. The Fund will continue to keep the strategy and other policy documents under review and update accordingly to reflect and Scheme Regulations and working practices. The Strategy should be used in conjunction with the Employer's Guide, which is provided as reference for administrative procedures with regard to the LGPS.

## 2. Regulatory Background

Regulation 59 of the Local Government Pension Scheme Regulations 2013 enables a LGPS Administering Authority to prepare and maintain a Pension Administration Strategy (refer to Appendix 1).

Current related legislation includes:

- The Occupational Pension Schemes (Preservation of Benefit) Regulations 1991;
- The Pensions Act 1995;
- The Occupational Pension Schemes (Scheme Administration) Regulations 1996;
- The LGPS Regulations 1997;
- The Data Protection Act 1998;

- Freedom of Information Act 2000;
- Local Government Pension Scheme (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000;
- Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007;
- Local Government Pension Scheme (Transitional Provisions) Regulations 2008;
- Occupational & Personal Pension Schemes (Disclosure of Information) Regulations 2013 & 2015 (“the Disclosure Regulations”);
- The LGPS (Transitional Provisions, Savings & Amendments) Regulations 2014;
- The Pensions Act 2004, 2008 and 2011 and associated disclosure legislation;
- Regulation 70 of the Local Government Pension Scheme Regulations 2013 (refer to Appendix 2) ;
- Finance Act 2004 and 2013;
- The Automatic Enrolment (Miscellaneous Amendment) Regulations 2013 including amendments to any of these Regulations;
- The Public Service Pensions (Record Keeping & Miscellaneous Amendments) Regulations 2014 including amendments to any of these Regulations;
- The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015;
- General Data Protection Regulations 2018 (GDPR);
- HMRC Legislation and Current GAD Guidance;
- The Public Service Pensions Act 2013 and associated record keeping legislation;

The Public Service Pensions Act 2013 endorsed The Pensions Regulator with the responsibility of overseeing a number of elements of governance and administration with the Public Sector pension schemes. The Regulator has the capacity of issuing fines and restrictions to Public Sector Pension Schemes including the LGPS for failing to meet / adhere to the statutory obligations in place.

### **Data Protection Act 2018**

In accordance with the Data Protection Act 2018; the City & County of Swansea Pension Fund is regarded as a Data Controller and as such incorporates the directive of General Data Protection Regulation (GDPR). To allow for a complete administration service to be provided to our members personal data is stored, held and managed in accordance with statutory requirements. To fulfil our statutory obligations the Fund is required on occasion to share information with certain third party organisations. For comprehensive information about how data is held and with whom

we share this with please refer to the published Privacy Notice, which is available to view on [www.swanseapensionfund.org.uk](http://www.swanseapensionfund.org.uk)

Employers who participate in the LGPS as administered by the City & County of Swansea Pension Fund have been issued with a Memorandum of Understanding (MOU). The MOU outlines what data can be shared with the Fund to allow for statutory obligations to be met as both are deemed as data controllers. A copy of the MOU is available to view under the Privacy Notice link on the [www.swanseapensionfund.org.uk](http://www.swanseapensionfund.org.uk)

### **Data Transfer**

Member's personal data is transferred from one party to the other by an agreed method specified by the Fund as listed below:

- i-Connect data transfer service (internet based application)
- Secure email
- Password protected emails containing member data
- Third party portal access

### **3. Implementation**

This Strategy has been presented, considered and ratified by the City and County of Swansea Investment Panel and is effective immediately.

The Scheme employers who currently participate in the City and County of Swansea Pension Fund are listed in Appendix 3.

This Strategy would also apply to any new employers who become a participating employer after

Any enquiries in relation to this Pension Administration Strategy should be directed to:

Claire Elliott  
Pension Manager  
City and County of Swansea Pension Fund  
Civic Centre  
Swansea  
SA1 3SN

Telephone: 01792 636448      E-mail: [Claire.elliott@swansea.gov.uk](mailto:Claire.elliott@swansea.gov.uk)

#### 4. Liaison and communication arrangements

The City and County of Swansea Pension Fund is committed to delivering the best possible service to our participating employers, members and prospective members of the scheme by:

Developing and reviewing a comprehensive communication programme to meet the diverse needs of our customers

To provide support to staff and employers on an ongoing basis to ensure future development and sustained working relationships

Promote excellent customer service by being customer focused, professional and trustworthy

The delivery of this depends on the mutual co-operation of the administering authority and the Fund's employers.

To achieve these aims, each employing authority will designate a named individual to act as a Pensions Liaison Officer, as the main contact with regard to any aspect of administering the Local Government Pension Scheme (LGPS).

The Pensions Liaison Officer's responsibilities are listed in Appendix 8.

The various channels of communication employed by the Fund include:

- Annual employer meeting; to review any administrative issues that the City and County of Swansea Pension Fund has experienced during the preceding 12-months and look forward at the objectives for the next 12-months.
- Annual Consultative Meeting; held to present the Pension Fund Annual Report and Statement of Accounts, review the investment issues that the City and County of Swansea Pension Fund has experienced during the preceding 12-months and look forward to the next 12-months.
- Employer seminars and training sessions; held when required, to inform and train in new Scheme developments or to resolve any specific training needs that have been identified or that employers may request. Due to the pandemic, these undertakings have been undertaken by virtual means.
- Pre-Retirement workshops; undertaken upon request to communicate what the retirement process is to the attendees and what their responsibility is concerning the completion and timely return of documents.
- Pension Surgeries; held for Scheme members upon employer request to resolve individual or collective issues that members may have or to promote the Scheme.
- Employer Procedure Manual; to provide the Fund's employers with an outline of their administrative responsibilities and explain the various procedures, which should be followed.
- Email updates; sent directly to employer representatives to provide notification of new or updated scheme and administration developments and maintain the contact details of key personnel

- Pension Fund Annual Report provides information on the management and administration of the Pension Fund during the year and illustrate the extent to which levels of performance established in this Strategy have been achieved.
- The City and County of Swansea Pension Fund Website; to provide a dedicated website for Pension Fund's members and employers. Employers are able to view and download documents via a secure login.
- Member Self-Service a facility that allows the Fund to send/receive member communications via a secure portal. Members are able to view and update basic personal information, amend their death grant nomination record and calculate pension benefit estimates based on voluntary retirement.

## **Responsibilities**

### **5.1 Administering Authority Responsibilities**

A summary of the main duties of The City and County of Swansea Pension Fund, as an Administering Authority, as set out in the regulations are:

- To accept the Employer's decision regarding the appropriate rate of contribution based on a members actual pensionable pay as published by the Ministry of Housing, Communities and Local Government (MHCLG) contribution bands.
- To decide how any previous service or employment of an employee is to count for pension purposes, and whether such service is classed as a 'period of membership'.
- Request members to provide a statement listing all previous periods of membership built up in any other LGPS Fund, public service pension scheme and/or alternative accrued pension rights. Upon receipt of the information to provide the member with details regarding the counting of service towards pension benefits and/or career average revaluation earnings pension credit bought by transferring in any previous occupational, personal or stakeholder pension.
- To set up and maintain a record for each member which contains all the information necessary to produce an accurate benefit calculation where the Employer has provided useable and accurate year-end financial data.
- To calculate and pay the appropriate benefits, based on membership details held and termination date and pensionable pay details provided by the Employer when an employee ceases employment, or membership of the Scheme for whatever reason.
- To calculate and pay any contribution refund, deferred benefit or provide a cash equivalent transfer value to members who terminate employment and are not of retirement age.
- To make sure that upon receipt of a positive election from a member to transfer their LGPS benefits out to an alternative pension arrangement, that all due diligence checks have been undertaken when processing the request before presenting the case to the Pension Transfer-out Panel.



- Administrative services are developed and delivered utilising appropriate technology to obtain value for money
- To determine benefits following the death of a deferred beneficiary or pensioner. To provide beneficiaries with details of their entitlements including the method of calculation.
- To set up and maintain a record for each pensioner member.
- To increase pensions periodically in accordance with the provisions of Pensions Increase Acts and Treasury Revaluation Order.
- To pay benefits to appropriate beneficiaries only and to take steps to reduce the possibility of fraud taking place.
- Notify scheme employers and scheme members of any changes to the Scheme Regulations
- To ensure that sufficient information is communicated in the form of newsletters, booklets and other communication materials in a bilingual format, to satisfy the requirements of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996. This will include the annual production of a:

Pension Fund Report

Pensioners Newsletter

Annual Benefit Statement – to be issued to deferred members by 31<sup>st</sup> May and active members by 31<sup>st</sup> August

- Provide information and support on the scheme and its administration. Provide an open invitation subject to notification, for Scheme Employers to visit the Section to discuss any aspect of positive ongoing co-operation.
- To produce posting queries for employers within 1 month of the receipt of a complete and correct end of year return.
- To appoint all necessary advisors to enable the appointed person to perform the duties required by the Scheme Internal Dispute Resolution Procedure. To maintain an appointed person for the purposes of the Scheme Internal Dispute Resolution Procedure.
- To provide notification to members of any employer decisions made that may affect their rights to membership or an entitlement to benefits.
- To appoint an actuary for the purposes of the triennial valuation of the Pension Fund and provide periodical actuarial advice when required.
- To arrange for the triennial valuation of the City and County of Swansea Pension Fund and provide data to the Fund Actuary and Government Actuary's Department to allow for the accurate determination of employer contributions. Forward to employers a copy of the valuation report and contributions certificate

- To undertake an annual allowance check for all members. In the event of an individual exceeding/breaching their Annual Allowance to provide the member with a Pension Savings Statement.
- To calculate and provide notification to members if they are close to breaching / breached their Life Time Allowance.
- To exercise its discretionary powers in relation to the published Administering Authority Discretions.
- To ensure compliance with Data Protection Act 1998, the City and County of Swansea Pension Fund will protect from improper disclosure of information. The Pension Fund in administering the scheme will use information held.
- Regularly review the Fund's published policies and identify possible opportunities of collaborative working with other administering authorities to reduce costs, time and effort with the aim of improving the quality of information.
- Monitor the Fund's costs and service performance by means of benchmarking against other administering authorities. Information pertinent to the overall administration costs and performance standards are available to view in the published Annual Report.

## **5.2 Employing Authority Responsibilities**

### Disclosure and the Pension Regulator Compliance

The Pension Regulator sets out specific requirements for all Public Sector Pension Schemes; please refer to "Code of Practice Number 14" and in particular, the notes referring to the employer requirements to understand and comply with the processes of the Scheme to ensure that all statutory requirements and timescales are met at all times.

A summary of the main duties of the Employer as set out in the regulations are:

- Under the Occupational Pension Schemes (Disclosure of Information) Regulations 2013, ensure that new employees eligible to join the LGPS receive the appropriate information about the pension scheme during the induction process.
- To decide conditions of service and whether that person is employed in a full time, part time, variable time or casual capacity. If the employee is part-time, the Employing Authority must also determine the proportion, which the employees' contractual hours bear to the hours of a comparable full-time employee.
- To determine an employee's pay for the purposes of calculating pension contributions and confirm any additional payments in case the member exceeds HMRC Annual Allowance. Where there is more than one contract of employment in existence to maintain separate records
- To confirm actual pensionable pay for the purposes of calculating CARE benefits and final salary as defined under the 2008 Scheme Regulations as being pensionable pay and to include any assumed pensionable pay for the purpose of calculating death in service and ill health benefits

- To issue a notification to any employee who is not eligible to become members of the Scheme explaining the reason(s) why.
- Where, after reasonable efforts, an employee fails to provide information relating to previous service, provide basic information to the Pension Fund in an agreeable format
- At cessation of membership of the Scheme, to determine the reason for leaving and entitlement to benefit and notify the Pension Fund and the Scheme member of the decision.
- To supply timely and accurate information to the Pension Fund, to ensure that the benefits payable are correct and to record periods of absence calculating the assumed pensionable pay during periods of reduced/nil pay periods
- To deduct Additional Voluntary Contributions (AVCs) from a member's pay and pay over to the In House AVC provider within the statutory deadlines indicated in Section 6.2.
- To deduct Additional Pension Contributions (APC's) from a members pay in regards to the purchase of additional pension to increase benefits at time of retirement or to buy back a period of lost pension.
- To ensure that any Shared Cost APC arrangement entered into by the employer is paid in full at the relevant date.
- To be responsible for exercising the discretionary powers given to Employing Authorities by the regulations. The regulations also require the employer to publish its policy in respect of these key discretions and provide a copy of these to the Fund.
- To provide a notice, drawing the employee's attention to their right of appeal under the LGPS, with any statement issued to an employee relating to any decision made about the Scheme including a change to the member's contribution bands.
- To use an Independent Registered Medical Practitioner qualified in Occupational Health medicine that has been approved by the Pension Fund in determining ill-health retirement and notify the Fund of any subsequent change.
- To repay to the Scheme member any incorrectly deducted employee's contributions including, where more than one month has elapsed between the date the incorrect contributions were deducted and the date they were returned, interest on any such contributions which had not by then been paid over to the Pension Fund.
- To refund member contributions to any member who 'opts out' of the LGPS within the initial three months of joining. It is advisable that the employer checks with the Pension Fund before carrying out the process to ensure that the refund process can be carried out.

To provide the Pension Fund with:

- \* Year-end information inclusive of Final Salary (if applicable) and Career Average Revalued Earnings (CARE) in an approved format to 31 March each year. Such information should be accompanied by a final statement, duly signed by an

authorised officer, balancing the amounts paid over during the year with the totals on the year-end return certifying that the amounts paid reflect the contributions deducted from employees during the year.

- \* An audited copy of the final statement, which shall also contain the name and pensionable pay of each employee who is an active member, the amounts which represent pension deductions from pay for each of those employees and the periods covered by the deductions and any other information requested. The information should also distinguish those amounts representing deductions for voluntary contributions and the employees paying those voluntary contributions.

To be responsible for deducting and paying National Insurance contributions at the contracted out rate for Scheme members.

To be responsible for complying with the requirements for funding early retirement as set out in the rates and adjustments certificate issued by the Actuary following the triennial valuation of the fund. Where such requirements are not complied with, the Pension Fund will not pay any benefits to the member concerned until such a time as, they are complied with.

Pay the Pension Fund, on receipt of an invoice, interest on payments due from the Employer, which is overdue by more than one month.

It is NOT the responsibility of the Fund to verify information provided by the employer, any inaccurate benefits calculated as a result of incorrect information being provided by the employer, will result in the employer recovering any overpayments.

Where a member leaves the Scheme and full contributions have not been deducted for whatever reason; make immediate payment of outstanding member and employer's contributions to the Pension Fund.

To ensure compliance with Data Protection Act 1998.

### **5.3 Events for notification**

Employers should provide information in respect of its members in line with the Employer Targets set out in section 6.2 (below).

Employers should also provide information on any circumstances, which might affect their future participation in the Fund or their ability to contribute to the Fund "notifiable events". These include the following:

- **A decision which will restrict the employer's active membership in the Fund in future**

Examples include ceasing to admit new members under an admission agreement; ceasing to designate a material proportion of posts for membership; setting up a wholly owned company whose staff will not all be eligible for Fund membership; outsourcing a service which will lead to a transfer of staff

- **Any restructuring or other event which could materially affect the employer's membership**

Examples include: the employer merging with another employer (regardless of whether or not that employer participates in the Fund), a material redundancy exercise, significant salary awards being granted, a material number of ill health

retirements, large number of employees leaving voluntarily before retirement or the loss of a significant contract or income stream

- **A change in the employer's legal status or constitution which may jeopardise its participation in the Fund**

Examples include the employer ceasing business (whether on insolvency, winding up, receivership or liquidation), loss of charitable status, loss of contracts or other change which means the employer no longer qualifies as an employer in the Fund

- If the employer has been judged to have been involved in wrongful trading
- If any senior personnel, e.g. directors, owners or senior officers have been convicted for an offence involving dishonesty, particularly where related to the employer's business
- Where the employer has, or expects to be, in breach of its banking covenant
- Details of any improvement notice (or equivalent) served by the appropriate regulator, e.g. Higher Education Funding Council for Wales, Charity Commission, Welsh Government etc, or S114 notice for local authorities

Employers should provide this information in advance of the event occurring (where possible) and as soon as practicable thereafter.

Employers are responsible for keeping the Administering Authority informed of all events or decisions, which might affect their participation in the Scheme, including the “notifiable events” as, set out above. In such circumstances, the Administering Authority may increase an employer's contributions as set out in the Funding Strategy Statement. Any increase may be backdated where the employer has failed to provide information to the Administering Authority in a timely manner.

## 6. Levels of Performance

The use of performance indicators are vital to ensure that the mutual goal of a high level and cost effective service delivery is met.

Consultation has been carried out internally and with the Fund's employers to ensure that the targets strike an acceptable balance between allowing for each employers' other work pressures and the minimum turnaround times required by the Pension Fund.

All measurements will be in 'working days' from the start or leaver date or the date of change, unless otherwise stated.

### 6.1 City and County of Swansea Pension Fund Targets

Target Time commences from the date all information necessary to carry out the procedure has been received in full by the Pension Fund.

|   | Target Time   |
|---|---|
| <b>Starters &amp; Transfers In</b>  |   |
| Issue a Statutory Notification to a new member inclusive of details of the transfer in process and member aggregation options if applicable   | Within 2 months of joining  |
| i-Connect upload will pull through new starters from employer payrolls  |   |
| Upon receipt of a CETV from a member considering transferring in a previous pension right issue a quotation, confirming the amount of earned additional pension the value of the CETV will buy. | Within 15 working days of receipt of transfer value from the member |
| Upon receipt of a positive election to transfer in request monies from previous pension provider  | Within 5 working days of receipt of a positive election             |
|   |   |
| <b>Early leavers &amp; Transfers out</b>  |   |
| Accurately record and update member record on the pension administration system   | Within 5 working days of receipt of confirmation of termination     |
| Send options to Early Leaver  | Within 10 working days of receipt of termination form               |
| Issue a statement of Deferred Benefits  | Within 2 months of date of termination                              |
| Pay refund of contributions   | Within 10 working days of receipt of election forms                 |
| Provide details of CETV for transfer out to alternative pension arrangement   | Within 20 working days of   |

|   | <b>Target Time</b>   |
|---|--|
|   | the request  |
| Provide payment of transfer value to alternative pension provider | Within 10 days of receiving a positive election to transfer out. |

|  | <b>Target Time</b>   |
|--|--|
| <b>Payment of Retirement Benefits</b>  |  |
| If member has AVC's send out AVC option form requesting member to confirm option choice.   | Within 5 working days of receiving information.  |
| To accurately record and update member records on the pension administration system  | Within 5 working days from receipt of the relevant information from the employer                                 |
| Send benefit options to member together with relevant forms required for payment of retirement benefits  | Within 5 working days of receiving information   |
| Send notification of Benefits to member and instruct payment of Lump Sum payment which will include any Additional Voluntary Contribution (AVC's) lump sum | Within 1 month following date becomes payable or within 10-15 working days of receiving all required information |
| Forward notification to Pension Payroll of pensioner joiner; confirming annual and monthly pension payments.   | Within 5 working days of receipt of completed documents and relevant certificates                                |
| Ill health Tier 3 cases; send notification to a member previous employer to schedule an 18-month review.   | 3 months prior to scheduled review date  |
| <b>Death Benefits</b>  |  |
| Write to NoK or other contact requesting information following the death of a scheme member.   | Within 5 working days of receiving notification of death   |
| Calculate and notify dependant(s) of the value of the survivor benefits to be paid.  | within 7 - 10 working days of receiving all required information or authorisation by Pension Panel               |
| Forward case details to the Pension Panel for consideration of award of payment of any death grant.  | Within 5 working days of receipt of completion of the breakdown of events to allow for informed decision making  |
| <b>Deferred Benefits into payment</b>  |  |
| <b>Target Time</b>   |  |



|   | <b>Target Time</b>   |
|---|--|
| Send benefit options to member together with relevant forms required for payment  | Within 5 working days of receiving information   |
| Notification of Benefits  | Within 1 month following date becomes payable or within 5 working days of receiving all required information     |
| Payment of Lump Sum   | Within 1 month following date becomes payable or within 10-15 working days of receiving all required information |
| <b>Estimate Requests</b>  |  |
| Provide an estimate of pension benefits upon request from the Member (includes estimate request for divorce purpose)  | Within 10 - 15 working days  |
| Provide an estimate of pension benefits upon request from an Employer<br>If request for 10+ members, timescale increases to a minimum of 10 working days (depending on numbers) | Within 7 working days  |
| Provide a deferred member with a provisional retirement statement of benefits   | 1-month before retirement date   |
| <b>APC/AVC contributions</b>  |  |
| Send letter re cost and benefits of APC / AVC to member   | Within 10 working days of request  |
| AVC amendments noted on Altair  | 10 working days from receipt of change   |
| <b>Miscellaneous</b>  |  |
| Acknowledge Death Grant Expression of Wish  | Within 10 working days of receipt of notification  |
| Update any change in personal details/membership and issue a statutory notice   | Within 10 working days of receipt of information   |
| Letters/emails from members (member reps) answered / acknowledged   | 5 working days of the request  |
| Provide a Cash Equivalent value of the member's pension rights for the Divorce purposes   | Within 10 working days of the request  |
| Send Annual Benefit Statements to active members and deferred members (where address is known)  | By 31 August – active members / 31 May deferred  |

|                                    | <b>Target Time</b>                            |
|------------------------------------|---|
|                                    | pensioner members                             |
| Issue of Pension Saving Statements | By 06 <sup>th</sup> October to active members |

|   | <b>Target Time</b>  |
|---|---|
| <b>Accounts (including End of Year and Valuation)</b>                         |   |
| Complete end of year returns as at 31 March each year                         | By 31 July each year  |
| To complete Pension Accounts  | By 31 July each year  |
| Submit data to Government Actuary Department                                  | By 31 August each triennial (or as required)  |
| Submit FRS17 information  | Within the timeframe stated in the 'terms of engagement' letter issued following a request for FRS17 report |
| Submit valuation data to Actuary  | By 31 July each triennial (or as stipulated by Actuary)   |
| Issue formal valuation results  | Within 10 working days of receipt of final results from Actuary   |
| Carry out a cessation valuation exercise on cessation of admission agreements | Within 3 months of receiving all the required information from the ceasing employer                         |

## 6.2 Employer Targets

| <b>New Starters/Optants Out</b>  |  | <b>Target Time</b>   |
|--|--|--|
| To ensure that pensions information is included a part of any induction process  |  | Within 1 month of joining  |
| To notify the Pension Section that an employee has joined the scheme.<br><br>i-Connect automatically confirms new starters   |  | Within 1 month of joining  |
| To notify the Pension Section if an employee opts out of the LGPS within three months of appointment   |  | Within 10 working days from date of receiving opt out                    |
| Decide and ensure the correct employee contribution rate is applied  |  | Date of joining  |
| <b>Existing Members</b>  |  | <b>Target Time</b>   |
| To notify the Pension Section when a member undergoes a material change (e.g. change in contractual hours, commencement of a period of unpaid leave) in their employment;<br><br>i-Connect automatically updates member record(s)                                  |  | Within 15 days of the date the change takes effect                       |
| Reassess employee contribution rates in line with employers policy<br><br>i-Connect automatically updates member record(s)   |  | As per policy  |
| <b>Early Leavers</b>   |  | <b>Target Time</b>   |
| To provide the Pension Section with all the necessary information required, where a member leaves and has no immediate payment of LGPS benefits and has a right to a refund of contributions or deferred benefit   |  | Within 1 month of the member's last day of service                       |
| Refund any employee contributions deducted in error or where the member provides a written request to opt out of the Scheme within the initial 3-months. To qualify for a refund the member must not have any previous LGPS membership with any LGPS Fund.         |  | Month following the month of election                                    |
| <b>Death in Service</b>  |  |  |
| To notify Pension Section when an active member dies   |  | Within 3 working days from date of death                                 |
| <b>Retirements</b>   |  | <b>Target Time</b>   |
| To provide the Pension Section with all the necessary information required when a member retires with immediate payment of benefits and supporting documentation where the member retires on the grounds of Flexible, ill health or redundancy/business efficiency |  | No later than 2 weeks after date of retirement;<br>Disclosure Regs apply |
| Appoint a qualified Independent Medical Practitioner in order to consider all ill health retirement applications.  |  | Within one month of becoming an employer within the Fund                 |

|   |  |
|---|--|
| To maintain a record of all Tier 3 ill health cases with the aim of reviewing these cases at 18-months.   |  |
| Provide written confirmation to the Fund of the determination of any Tier 3 reviews with confirmation of action taken   | 5 working days of results of review  |
| Provide written confirmation to the scheme member following the Tier 3 review   | 5 working days of results of review  |
| <b>Estimate Requests</b>  | <b>Target Time</b>   |
| To provide the information requested where a member has made a personal request for an estimate of pension benefits to the Pension Section  | Within 1 week of receipt of request from Pension Section   |
| <b>Normal, ARC, APC and AVC contributions</b>   | <b>Target Time</b>   |
| To ensure AVCs payments are paid to the relevant AVC provider together with the required remittance and forward a copy of that remittance to the Pension Section  | By 19 <sup>th</sup> calendar day of the following month in which the contributions were deducted |
| To ensure regular employee and employer contributions are remitted to the Administering Authority together with the following information for reconciliation purposes: <ul style="list-style-type: none"> <li>• Pensionable pay of employees</li> <li>• Employee contribution rate applied</li> <li>• Full time equivalent pay upon which employee rate is based</li> <li>• Employee contribution paid</li> <li>• Any additional contribution paid</li> <li>• Employer contribution paid</li> <li>• Total contribution paid</li> </ul> <p>A sample proforma of the minimum information required from employers on a monthly bases is attached at Appendix 5</p> | By 19 <sup>th</sup> calendar day of the following month in which the contributions were deducted |
| <b>End of Year Accounts</b>   | <b>Target Time</b>   |
| Complete end of year returns and forward to Pension Section   | By 30 April of each year   |
| To pay additional fund payments in relation to early payment of benefits from flexible retirement, redundancy, business efficiency retirement or any other payment due  | To be received within 30 days of receipt of invoice or within timescales specified in each case  |
| <b>Miscellaneous</b>  | <b>Target Time</b>   |

|  |  |
|--|--|
| Formulate and publish policies regarding all discretions that the employer may exercise, and provide a copy to the Fund  | Within 2-months of joining and also provided to administering authority whenever amended   |
| Respond to enquiries from the Fund   | 10 working days  |
| Notify the Fund if the employer intends to outsource services that will involve TUPE transfers of staff and work with the Fund to ensure an admission agreement is in place and complied with or a bulk transfer arranged. | Initial notification immediately upon becoming aware of potential outsourcing and at least 3-months prior to the start of the contract |
| Distribute any information provided by the Fund to members/potential members   | 5 working days of receipt of the communication   |
| Put into place a Stage 1 Internal Dispute Resolution Procedure   | Within 1-month of joining and before the effective date of any change to the existing procedure (e.g. an appointed person leaving)     |

## 7. Compliance

Ensuring compliance with all statutory requirements is the responsibility of the Administering Authority and the Scheme employers.

Various means will be employed in order to ensure such compliance and service improvement. This will include a statutory annual audit of the processes and internal controls of the City and County of Swansea Pension Fund. Both the Fund and its participating employers will be expected to comply fully with any requests for information from both internal and approved external auditors. Any recommendations as a result of the audit will be considered by the Pension Fund and, where appropriate, implemented following discussions with the Scheme employers as necessary.

## 8. Adjustments to communication and administration procedures

The City and County of Swansea Pension Fund will continue to review and adjust its administrative procedures as areas for improvement are identified or because of new or amended legislation.

The Pension Fund is committed to continuing to improve its communication methods with employers and will proactively work closely with them to ensure they are aware of and understand their responsibilities.

An employer may request to meet with the Pension Fund at any time to discuss any element of pension procedures that they wish.

## **9. Procedures for improving employer performance (where necessary)**

Where an area of poor performance is identified, the Pension Fund will work closely with the employer to provide the necessary training to put in place appropriate processes to improve the level of service delivery in the future.

However, where persistent and ongoing failure occurs and no improvement is demonstrated or an employer shows unwillingness to resolve the identified issue, the Pension Fund will take the following steps:

- Meet with the employer to discuss the area(s) of poor performance and how they can be addressed.
- If there is no improvement or the employer fails to take the agreed action, the Pension Fund will issue a formal written notice to the employer, setting out the area(s) of poor performance identified, the steps taken to resolve the issues and give notice that any additional costs incurred may now be reclaimed.

## **10. Cost recovery**

Where additional costs have been incurred by the Pension Fund as a direct result of an employer's poor performance they will be recovered from the Employing Authority, giving the reasons for doing so in accordance with the regulations.

These circumstances are:

- Persistent failure to provide relevant information to the Administering Authority, Scheme Member or other interested party in accordance with service standards and key performance measures.
- Failure to deduct and make payments within a timely manner to the Pension Fund on behalf of the employee and employer.
- Instances where the performance of the Employing Authority has resulted in fines being levied against the Administering Authority by the Pension Regulator, Pensions Ombudsman, HMRC or other regulatory body.
- Additional cost incurred in providing specialist third party advice in administering the Scheme on behalf of the employer, including but not exclusive to actuarial services, occupational medical practitioner services and legal services.
- Persistent failure to resolve individual issues satisfactorily.

The Pension Fund will set out the calculations of any loss or additional cost incurred, in writing, stating the reason for the cost(s); the basis for the calculation and the relevant provision(s) within this Strategy under which the additional costs have arisen.

The Secretary of State will decide any disagreement regarding the amount of additional cost being recovered.

Where an employer authority is late making payments Scheme Regulations state that interest is to be charged on any overdue amount based on 1% above the interest base rate on a daily basis from the due date where this period attains one month; this is compounded with three monthly rests.

**11. Review**

In preparing this Strategy, the Pension Fund has consulted with its participating employing authorities and other persons considered appropriate.

A copy of the Strategy will be issued to each Employing Authority and the Secretary of State and published on the City and County of Swansea Pension Fund website (when available).

The City and County of Swansea Pension Fund will review this Strategy periodically to ensure that it remains relevant and complies with the necessary regulatory requirements.

Employers are welcome to discuss any aspect of the Pension Administration Strategy and provide suggestions for improvement for consideration at any time.

Where it is necessary to revise the Pension Administration Strategy, the Pension Fund will notify the changes to the relevant employing authorities, in writing, and advise where a copy of the revised strategy can be obtained.

Signed: ..... Date: .....

On behalf of the City and County of Swansea Pension Fund

Signed: ..... Date: .....

Position: .....

Signed: ..... Date: .....

Position: .....



## Appendix 1

### Pension administration strategy

Please click [here](#) for a list of the Statutory Instruments, which have amended this regulation since its introduction.

**59.** — (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") and, where it does so, paragraphs (3) to (7) apply.

(2) The matters are—

- (a) procedures for liaison and communication with Scheme employers in relation to which it is the **administering authority** ("its Scheme employers");
- (b) the establishment of levels of performance which the **administering authority** and its Scheme employers 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 Scheme employers 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 Scheme employers 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 Scheme employers under [regulation 70 \(additional costs arising from Scheme employer's level of performance\)](#) on account of that employer'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 Scheme employers 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 Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.

(3) An **administering authority** must—

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

(4) In preparing or reviewing and revising its pension administration strategy, an **administering authority** must consult its Scheme employers and such other persons, as it considers appropriate.

- (5) An **administering authority** must publish—
- (a) its pension administration strategy; and
  - (b) where revisions are made to it, the strategy as revised.
- (6) Where an **administering authority** publishes its pension administration strategy, or that strategy as revised, it must send a copy of it to each of its Scheme employers and to the Secretary of State as soon as is reasonably practicable.
- (7) An **administering authority** and its Scheme employers must have regard to the pension administration strategy when carrying out their functions under these Regulations.
- (8) In this regulation references to the functions of an **administering authority** include, where applicable, its functions as a Scheme employer.

## Appendix 2

### Additional costs arising from Scheme employer's level of performance

Please click [here](#) for a list of the Statutory Instruments, which have amended this regulation since its introduction.

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

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

- (a) the administering authority's reasons for forming the opinion mentioned in paragraph (1);
- (b) the amount the authority has determined the Scheme employer should pay under regulation 69(1)(d) (payments by Scheme employers to administering authorities) in respect of those costs and the basis on which the specified amount is calculated; and
- (c) where the administering authority has prepared a pension administration strategy under regulation 59, the provisions of the strategy which are relevant to the decision to give the notice and to the matters in sub-paragraphs (a) or (b).

## Appendix 3

### Statements of policy about exercise of discretionary functions

**60.** —(1) A Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under regulations—

- (a) 16(2)(e) and 16(4)(d) (funding of additional pension);
- (b) 30(6) (flexible retirement);
- (c) 30(8) (waiving of actuarial reduction); and
- (d) 31 (award of additional pension),

and an administering authority must prepare such a statement in relation to the exercise of its functions under regulation 30(8) in cases where a former employer has ceased to be a Scheme employer.

(2) Each Scheme employer must send a copy of its statement to each relevant administering authority before 1st July 2014 and must publish its statement.

(3) A body required to prepare a statement under paragraph (1) 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 a month beginning with the date any such revisions are made, each Scheme employer 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, a body required to prepare a statement under paragraph (1) must have regard to the extent to which the exercise 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 a Scheme employer, is any authority which is an appropriate administering authority for that employer's employees.

## Appendix 4

### Statements of policy concerning communications with members and Scheme Employers

**61.** —(1) An administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with—

- (a) members;
- (b) representatives of members;
- (c) prospective members; and
- (d) Scheme employers.

(2) In particular the statement must set out its policy on—

- (a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;
- (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.

(3) The statement must be revised and published by the administering authority following a material change in their policy on any of the matters referred to in paragraph (2).

## Appendix 5

### Pension fund annual report

**57.** —(1) An administering authority must, in relation to each year beginning on 1st April 2014 and each subsequent year, prepare a document ("the pension fund annual report") which contains—

- (a) a report about the management and financial performance during the year of each of the pension funds maintained by the authority;
- (b) a report explaining the authority's investment policy for each of those funds and reviewing the performance during the year of the investments of each fund;
- (c) a report of the arrangements made during the year for the administration of each of those funds;
- (d) for each of those funds, a statement by the actuary who carried out the most recent valuation of the assets and liabilities of the fund in accordance with regulation 62 (actuarial valuations of pension funds), of the level of funding disclosed by that valuation;
- (e) the current version of the statement under regulation 55 (governance compliance statement);
- (f) for each of the funds, the fund account and net asset statement with supporting notes and disclosures prepared in accordance with proper practices;
- (g) an annual report dealing with—
  - (i) the extent to which the authority and the Scheme employers in relation to which it is the administering authority have achieved any levels of performance set out in a pension administration strategy in accordance with regulation 59 (pension administration strategy), and
  - (ii) such other matters arising from a pension administration strategy as it considers appropriate;
- (h) the current version of the statement referred to in regulation 58 (funding strategy statement);
  - (i) the current version of the statement under regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (statement of investment principles)
- (j) the current version of the statement under regulation 61 (statements of policy concerning communications with members and Scheme employers); and
- (k) any other material which the authority considers appropriate.

## Appendix 6

### Funding Strategy Statement

58. -(1) An **administering authority** must, after consultation with such persons as it considers appropriate, prepare, maintain and publish a written statement setting out its funding strategy.

(2) The statement must be published no later than 31st March 2015.

(3) The authority must keep the statement under review and, after consultation with such persons as it considers appropriate, make such revisions as are appropriate following a material change in its policy set out in the statement, and if revisions are made, publish the statement as revised.

(4) In preparing, maintaining and reviewing the statement, the **administering authority** must have regard to-

- (a) the guidance set out in the document published in October 2012 by CIPFA, the Chartered Institute of Public Finance and Accountancy and called "Preparing and Maintaining a Funding Strategy Statement in the Local Government Pension Scheme 2012(42); and
- (b) the current version of the investment strategy under regulation 7 (investment strategy statement) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

## **Appendix 7**

### **List of Employers in the City and County of Swansea Pension Fund as at 01 December 2017**

#### **Scheduled Bodies**

Swansea Council  
Neath Port Talbot County Borough Council.  
Briton Ferry Town Council  
Cilybebyll Community Council  
Clydach Community Council  
Coedffranc Community Council  
Gower College Swansea  
Margam Joint Cremation Committee  
NPTC Group  
Neath Town Council  
Pelenna Community Council  
Pontardawe Town Council  
Swansea Bay Port Health Authority  
Swansea City Waste Disposal Company  
Grwp Gwalia  
Llanrhidian Higher Community Council  
Ystalyfera Community Council

#### **Admitted Bodies**

Celtic Leisure  
Colin Laver Heating Limited  
Swansea Bay Racial Equality Council  
Wales National Pool  
Capgemini  
The Hill Community Development Trust (Phoenix Trust)  
Tai Tarian  
University of Wales Trinity St Davids  
Rathbone Training Limited (City and County of Swansea)  
Rathbone Training Limited (Gower College Swansea)  
Freedom Leisure  
The Wallich



## Appendix 8

### Pension Liaison Officer Responsibilities

Key responsibilities of a Pension Liaison Officer include:

- To act as the primary contact in communicating LGPS information to appropriate staff within the employing authority, this includes:
  - \* Human Resources
  - \* Payroll
  - \* Finance
  - \* Scheme members (where appropriate)
- To ensure timely and accurate submission of data to the Pension Fund as laid down in this document and Employer Notes of Guidance. This may include:
  - \* Start & leaving dates
  - \* Reason for leaving
  - \* Benefit entitlement
  - \* Calculation of Final Pay
  - \* Appropriate contribution rate based on earnings
  - \* Material changes (hours changes, service breaks, maternity etc)
  - \* End of Year data submission
- To act as the primary contact for the Internal Resolution Disputes Procedure (IDRP)
- Ensure that standards of service are maintained;
- To identify any pension training needs and to liaise with the Pension Fund's Communication & Training Officer on meeting these needs.
- To notify the Fund immediately if there are material changes to authorised signatories or other key contacts within the employing authority;
- Discharge the employing authority's duties and responsibilities in relation to the existing governance arrangements and the regulatory framework and other relevant legislation. This includes employer policies and discretionary decisions.
- To assist and liaise with the Fund on promoting the benefits of Scheme membership to new and existing members. This may include;
  - \* Induction Workshops
  - \* Mid Life Planning
  - \* Pre-retirement
  - \* Promotion of In House Additional Voluntary Contributions (AVC)

**City & County of Swansea - Local Government Pension Fund  
Pension Contributions - Information Request  
Form**

Please return by the 19th of each month by post to Finance Department, Room 1.2.3, Civic Centre, Oystermouth Road, Swansea or by email to Debbie.lewis@swansea.gov.uk

Employer Name :

Method of Calculation :

For the Month Ending :

| Full Name of Employee | National Insurance Number | Employee Contribution Rate Applied | Full Time Equivalent Pay Upon Which Employee Contribution Rate is Based | Pensionable Pay | Employee Contribution | Additional Employee Contribution | Employer Contribution | Total Contribution Paid | Notes eg. any overtime worked/changes in circumstances etc. |
|-----------------------|---------------------------|------------------------------------|---|-----------------|-----------------------|----------------------------------|-----------------------|-------------------------|---|
|                       |                           | %                                  | £   | £               | £                     | £                                | £                     | £                       |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |
|                       |                           |                                    |   |                 |                       |                                  |                       |                         |   |