Meeting:	Pension Board
Date:	03/03/2020
Title:	Pension Administration
Author:	Meirion Jones, Pensions Manager
Purpose:	For information only

Introduction

This report provides a general overview of pension administration over the last 6 months. It contains information on the work that has been accomplished over the period, an update on various projects that has previously been mentioned, changes in the regulations and also lists the challenges that the department faces from day to day.

Staffing

Since the last administration update Nicholas Hopkins has retired as Pensions Manager, with Meirion Jones taking over completely on the 1st December 2019. Due to this change interviews have been taking place over the last few months to fully staff the section. We have therefore promoted a number of staff to the following roles:

- Senior Communication Officer – Glesni Jones
- Communication Officer – Bronwen Williams
- Pensions Technician – Leanne Hunt-Hughes

By the date of the Pension Board meeting we will have hopefully employed a new Pensions Assistant.

i-Connect

i-Connect updates member data in our pensions administration system on a monthly basis, avoiding the need for a year-end return from employers.

Data is taken directly from a payroll system by i-Connect which then automatically identifies and submits new joiners, opt outs and leavers to us.

Since the last administration update major progress has been made with the i-Connect project.

Gwynedd Council now submits their details on a monthly basis, with work started to onboard North Wales Police Authority and Conwy County Borough Council onto i-Connect. It

is hoped that both employer will be live on the system before the end of the 2019/20 tax year.

This now leaves only two employers not using i-Connect to submit their details. Work will be ongoing in the 2020/21 tax year to move these employers onto i-Connect.

Member Self Service

It was hoped that the new Member Self Service (MSS) website would be up and running by the end of 2019. Unfortunately, due to the various technical issues this has not been possible. However it is hopeful that by the time the Pension Board meeting takes place that the new system should be live.

The new website will give our members an improved online experience, with an easier to use and
more attractive looking interface. The MSS system allows members to:

- View and update personal details and changes of address
- Find out how much they will receive on retirement
- Calculate the amount of additional lump sum they can take on retirement
- View their service history, including any service which has been transferred
- View and update their nominated beneficeries
- View their Annual Benefit Statements

Training

At the last updated it was mentioned that four members of staff have started studying towards a Foundation Degree in Pensions Administration and Management. The foundation degree is a mixture of assignments and exams and will take 2 years to complete.I am glad to report that all four are progressing well with this course, with all assignments and exams so far being completed successfully.

A training session on Pension Scheme tax was reccently held for relevant staff by Ian Colvin, the Head of Benefits Consultancy at Hymans Robertson. This session looked at the challenging calculations of annual and lifetime allowance. Positive feedback was received and it is hoped that the session will help us to understand better these complex set of regulations.

Increase

The Consumer Price Index for September 2019 was 1.7%. This should be the figure used in April 2020 to increase pension payments for our Pensioners and deferred benefits.

A letter will be sent out in April to all our pensioners to inform them of their increased pension amount and payment dates for 2020/21.

Measuring Data

In 2015, the Pensions Regulator (tPR) assumed responsibility for Public Sector Pension Schemes. Prior to this, in June 2010, tPR issued guidance on the approach that they consider to be good practice for measuring the presence of member data.

Once again, we commissioned our software provider Aquila Heywood to produce a Data Quality Report for our Fund in September 2019.
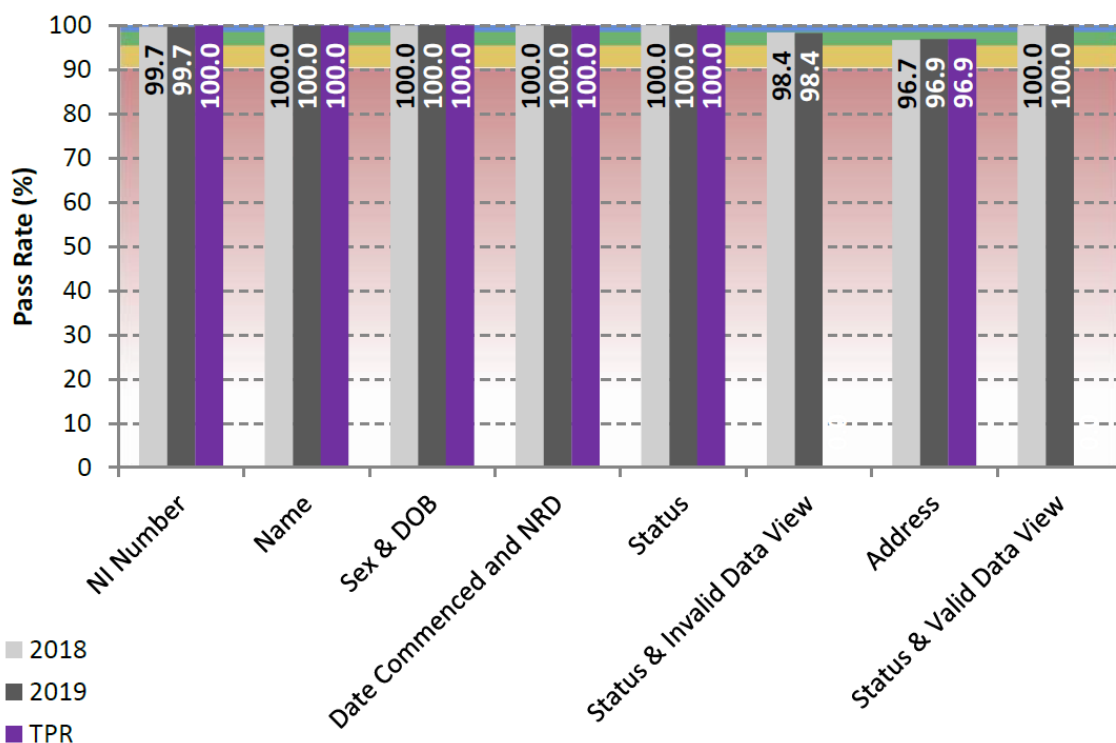
The report is split into 2 sections:

- **Common Data:** e.g. name, address, NI number, sex, date of birth, status and date of commencement
- **Scheme Specific Data:** e.g. scheme benefits, transfer details, AVCs, salary details, contributions, service, lifetime allowance, annual allowance and GMP.

We give below a summary of the results:
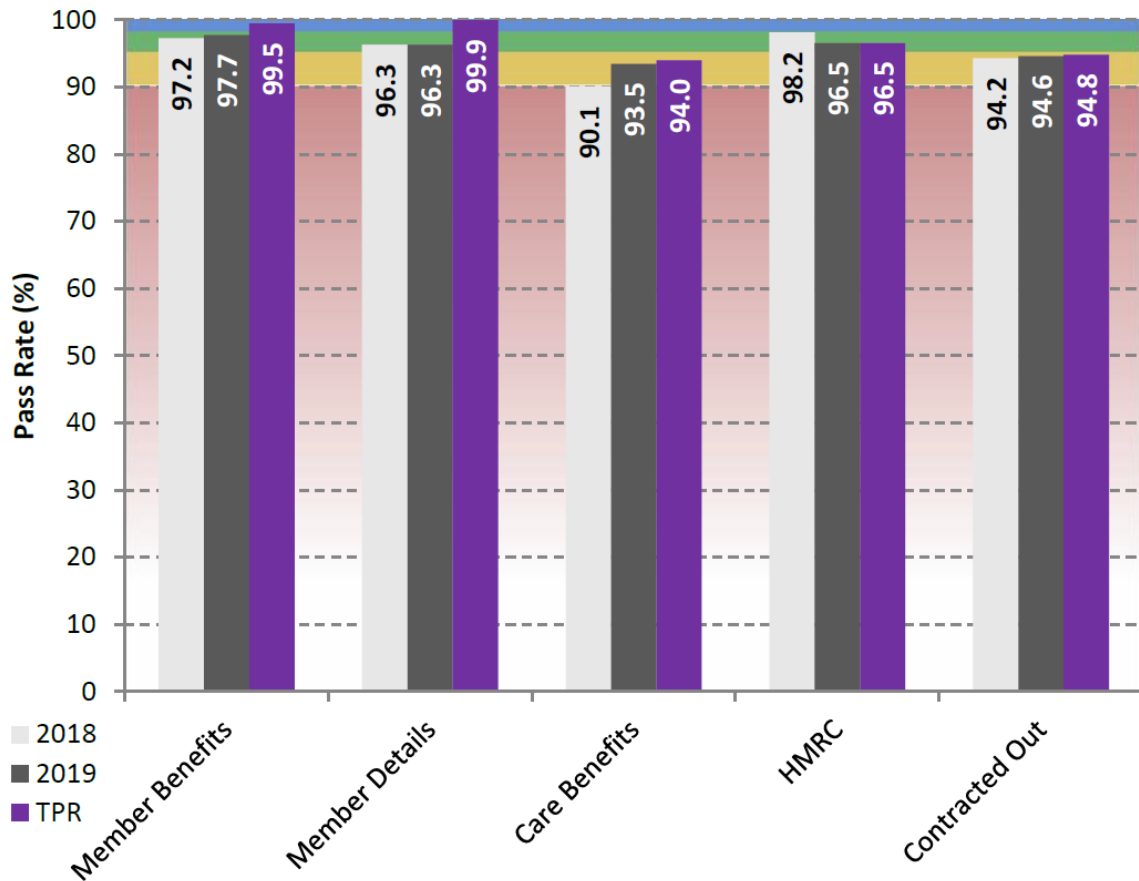
Summary of Common Data Results

The graph below indicates Gwynedd's performance for each data category against the agreed scheme benchmarks together with the results from the 2018 tests. The results presented herein are generated from data extracted from Gwynedd's Live Altair service on 12th September 2019 for all tests. The overall percentage of tests passed for Gwynedd's common data is **99.4%** which is an improvement over the 2018 score of **99.3%.**

7 of the 8 categories met the highest benchmark of greater than 98% with two category not recording a single failure. A further three categories have been rounded to 100% with pass rates over 99.95%. The sole category that did not reach the highest benchmark concerned **member addresses** which fell within the green benchmark at **96.9%**. Except for member addresses, the general quality of the common data at Gwynedd is of a high standard. There is some work required to trace members recorded as "gone away" to bring this category into the highest benchmark. The percentage of member records that did not fail any of the tests deemed to be in the core list of TPR tests is **96.9%** (94.9% last year). This is the figure to be quoted on the scheme return to TPR.

Summary of Scheme-specific Data Results

The graph below indicates Gwynedd's performance for each data category against the agreed scheme benchmarks together with the results from the 2018 tests. The results presented herein are generated from data extracted from Gwynedd's Live Altair service on 12th September 2019 for all tests. The overall percentage of tests passed for Gwynedd's scheme-specific data is **96.1%**. The percentage of member records that did not fail any of the tests deemed to be in the core list of TPR tests is **91.7%** (81.6% last year). This is the figure to be quoted on the scheme return to TPR.

An action plan is being developed in relation to implementing any data cleansing that has been highlighted as a part of this exercise and this data cleansing is expected to improve the data scores for next year.