

Report for: Pensions Committee and Board – 15 March 2022

Title: Pension Administration Report

Report authorised by: Thomas Skeen, Assistant Director of Finance (Deputy Section 151 Officer)

Lead Officer: Nigel Keogh, Interim Pensions Manager, 07505 074 979,
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This report provides the Pensions Committee and Board (PCB) with the following updates regarding Pension Fund's administration activities:
- a. Membership update
 - b. Resourcing of the pensions administration team
 - c. Pensions administration software procurement
 - d. Pensions administration service performance in 2021
 - e. Update on McCloud remedy activities

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is requested:

- 3.1. To note this report and the information provided regarding the Pension Fund's administration activities.

4. Reason for Decision

- 4.1. Not applicable.

5. Other options considered

- 5.1. Not applicable.

6. Background information

Membership Update

6.1. The table below provides a breakdown of Haringey Pension Fund’s most recent membership numbers.

Member status	No. of members
Active members	7,003
Deferred members	10,570
Pensioner members	8,324
Total scheme members	25,897

Resourcing the pensions administration team

- 6.2. Following the retirements of a few experienced members of staff last year, officers have considered how best to resource the team for the future.
- 6.3. After an extensive consultation with staff and unions, a new pensions administration team structure went live on 1 February 2021. Recruitment to fill the vacancies in the structure has commenced and officers are currently considering the use of further temporary resources until the new staff members can take up their posts.

Pension administration software procurement

6.4. The current contract for the provision of Haringey Pension Fund’s pensions administration software services is due to expire in April 2022. Officers are in the process of re-letting this contract and the outcome of this process, including a contract award decision will be brought to the next meeting of the Pensions Committee and Board.

Pensions administration performance 2021

- 6.5. 2021 was a challenging year for the pensions administration team. The loss of several experienced members of staff has coincided with continued increased workloads compared to pre-pandemic levels. However, despite these challenges, the number of tasks completed was up by 26% compared to 2020 and the number of tasks completed within the target improved from 69% to 79%. A summary of the team’s performance is shown in the charts included in Appendix 1 to this report.
- 6.6. The first half of 2022 will continue to provide a stern challenge as officers undertake a recruitment exercise to fill the vacancies in the team. Performance will be closely monitored to ensure that resources are concentrated on priority areas.

Update on McCloud remedy activities



- 6.7. The Pensions Committee and Board has previously received advice regarding the outcome of the McCloud case, an age discrimination court case involving the transitional protection arrangements introduced as part of the 2014 reforms of the LGPS.
- 6.8. On 22 February 2022, Parliament voted to approve the third reading of the Public Service Pensions and Judicial Offices Bill which includes amendments to incorporate the McCloud judgement into public service pension schemes. A paper will be brought to the Pensions Committee and Board to consider the implications of the proposed remedial regulations once the Bill has passed.
- 6.9. However, preliminary work is currently underway to assess the impact of the proposed amendments to the Pension Fund. Officers have engaged with Heywood, the Pensions Fund's administration software provider, to assist with the necessary data collection/validation in preparation for the activity necessary to implement the remedies for those members impacted by the McCloud ruling. The latest status report from Heywood is attached in Appendix B.
- 6.10. At this stage, the project is on track, and officers will continue to keep the Pensions Committee and Board informed of developments.

7. Contribution to Strategic Outcomes

- 7.1. Not applicable

8. Statutory Officers comments (Director of Finance (including procurement), Head of Legal and Governance, Equalities)

Finance and Procurement

- 8.1. There are no direct financial implications to this report.

Head of Legal and Governance (Monitoring Officer)

- 8.2. The Head of Legal and Governance (Monitoring Officer) has been consulted on the content of this report.

Equalities

- 8.3. The Local Government Pension Scheme is a defined benefit open scheme enabling all employees of the Council to participate. There are no impacts in terms of equalities issues arising from the contents of this report.

9. Use of Appendices

- 9.1. Appendix 1: Pension Administration Performance Report 2021
- 9.2. Appendix 2: McCloud Project Highlight Report

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.