



Merseyside Pension Fund

# Draft Pensions Administration Strategy

Wirral Council

This document was considered and approved by Pensions Committee on  
xx xxxxxxxx 2024, following consultation with all employers.

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# Introduction

This document is the Administration Strategy of Merseyside Pension Fund managed by Wirral Council (the administering authority).

The aim of this strategy is to set out clearly what is expected from the administering authority and the Fund's employers, to deliver a high quality, value for money service to scheme members.

## Administration Strategy

This Pension Administration Strategy was reviewed and agreed by the Pension Committee on xx xxxxxx 2024. It will be reviewed periodically to ensure the strategic objectives and service delivery remain relevant.

A separate annual Business Plan including actions in relation to administration matters is produced and presented to Pensions Committee for approval by the Director of Pensions. This plan outlines how the administering authority intends to deliver this administration strategy, including how we achieve our objectives, the measurements we have in place to monitor our service delivery and a timetable of events.

## Regulatory Framework

This strategy has been produced in accordance with Regulation 59 of the Local Government Pension Scheme Regulations 2013. The Regulations provide that administering authorities may prepare, maintain, and publish a written statement setting out their policy concerning administration matters, and that the administering authority and its employing authorities must then have regard to that strategy when carrying out their functions.

The Regulations also require that the administering authority should consult with its employing authorities (and any other persons it considers appropriate) in preparing or reviewing its administration strategy.

In addition, Regulation 70 allows an administering authority to recover additional costs from a scheme employer where, in its opinion, they are directly related to the poor performance of that scheme employer. Where this situation arises, the administering authority is required to give written notice to the scheme employer, setting out the reasons for believing that additional costs should be recovered, the amount of the additional costs, together with the basis on which the additional amount has been calculated.

In formulating this strategy due consideration was given to the Statutory Guidance of April 2024 on "*Preparing the Pension Fund Annual Report*". This guidance requires the Fund to report on an extensive range of Key Performance Indicators (KPIs) - a number of which rely on the provision of support and assistance from Employers in terms of compliance, timely data provision and reporting.

This Administration Strategy therefore sets out the information as required by the Regulations mentioned above.

Nothing in this strategy overrides the legal responsibilities of any parties, for example the [statutory requirement](#) to notify the Pension Regulator in the event of a material breach of the law.

# Key objectives

This strategy has been developed to help the Fund meet the following objectives:

- To have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies, and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.
- To ensure the relevant stakeholders responsible for managing, governing, and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge and ensure relevant training is undertaken to maintain those skills in a changing environment.
- To put in place performance standards for the Fund and its employers and ensure these are monitored and developed as necessary.
- To administer the Fund in a professional and efficient manner, utilising technological solutions and collaboration.
- To maintain accurate records and ensure data is protected and used for authorised purposes only.
- To ensure cash flows in to and out of the Fund are timely and of the correct amount.

# Delivering the Objectives

## Procedures for liaison and communication with employers and other stakeholders

The delivery of a high-quality administration service is not the responsibility of just the administering authority but depends on the joint working of the administering authority with a number of individuals in different organisations to ensure scheme members, and other interested parties, receive the level of service in line with the Fund's objectives as well as ensuring that statutory requirements are met.

In particular, the administering authority relies on employers to provide them with the appropriate information to maintain accurate records and pay accurate benefits.

The Fund acknowledges that this is a partnership arrangement, underlined by transparent operational processes as below:

- Providing named Fund Officers for specific service areas for all employer communications and queries.
- Providing clear instructions and forms/interfaces to allow seamless transfer of information by employers.
- Provide information within the performance standards outlined in this Strategy.
- Ensure all information provided is correct by having an appropriate quality review process in place.

In return, the employers within the Fund are expected to:

- Provide a Pension Liaison Officer and deputy for all Fund communications and queries. Where multiple contacts are provided (for different duties) the named Pension Liaison Officer is ultimately responsible for ensuring the employer carries out their roles and responsibilities.
- Provide information to the Fund as outlined in instructions using the Fund's approved forms and/or interfaces.
- Aim to provide information within the performance standards outlined in this Strategy.
- Ensure all information provided is correct by having appropriate quality review in place.

Full details of the procedures for liaison and communication between the Fund and its stakeholders are included within the [Fund's Communications Policy](#). A list of Fund staff contact details is available on the Employers' secure website (password required) at <https://mpfund.uk/fundcontacts>

## Performance Standards

The Fund will ensure that all functions/tasks are carried out to the agreed quality standards. In order to comply with both the Regulatory requirements and the Fund's objectives, the administering authority aims to achieve a high-quality and timely administration service. Robust review of the industry defined performance measures and its compliance with the Pension Regulators General Code of Practice will determine the Fund's operational effectiveness and value for money.

## **Ensuring compliance with statutory requirements and measuring levels of performance**

Various means will be employed, as determined from time to time, to assist in monitoring compliance with this Administration Strategy.

Methods may include:

- Internal/External Audit review of processes and internal controls.
- Performance monitoring against administering authority tasks.
- Performance monitoring of scheme employers.
- Compare performance against other Administering Authorities.

The Fund's scheme employer liaison function will offer the following services:

- The opportunity for biannual Pension Liaison Officer Group meetings between representatives of the administering authority and the largest scheme employers to monitor and review performance against targets, assess the quality of information exchange to ensure compliance with statutory obligations.
- Seminars and training sessions, including webinars, on the most pertinent issues affecting Fund members and employers.
- An Employers Forum for all scheme employers will be held on an annual basis.
- Access to dedicated Pension officers is available from 9am to 5pm during normal working days to answer queries by telephone or email.

## **Audit**

The Fund is subject to an annual audit programme of its processes and internal controls, and the administering authority's auditors may request member data or may ask to attend at employer offices to carry out audits regarding the calculation of final salary pays, career average pays and assumed pays.

Employers are requested to co-operate with these activities.

## **Improving Administration**

Using the means mentioned above, the Fund will monitor progress against this strategy. This information is reported to the Fund's Pension Board four times a year, alongside any remedial action taken where the expected standards of both the Fund and employers are not being met.

In addition, key performance indicators relating to the Fund and overall employer performance will be reported in the Fund's Annual Report and Accounts.

## Cyber-Hygiene

The Fund's IT network and computers are provided by the administering authority, with appropriate applications and systems provided by specialist suppliers to support the specific requirements of effectively administering the LGPS. In delivering the administration service, appropriate staff at employing authorities and third-party payroll providers are given secure access to the Fund's IT systems.

To maintain a safe and secure digital environment and to support the Fund in reducing the risk of cyberattack and protecting against cyber-threats, the Fund expects that all individuals provided with secure access maintain a high standard of Cyber-Hygiene. This includes, but not restricted to all users of the Fund IT systems to:

- Operate within their employer's own IT security and appropriate use policies, including the undertaking of regular cyber-security related training;
- Practice good cyber-behaviour, including password management, and to escalate suspicious activity to their employer's security team;
- Create complex passwords and never click on email attachments from unknown sources.

It is through co-operative effort that the Fund can operate securely in the digital space, and vigilance is expected on all stakeholders to participate appropriately with their interaction with the Fund systems.

As part of the Fund's 'immediate response plan' - in the event of a suspected or confirmed cyber-attack, all externally facing Fund IT systems will be temporarily disabled. All prime contacts at Fund employers will be contacted by an email news alert notifying them of the situation and the immediate actions taken, with further updates and technical detail provided on the employers' secure website. The Fund and administering authority IT staff will liaise as appropriate with employers as to the nature and impact of the incident as it is investigated, determined, and concluded.

Any employer or participating organisation that experiences a determined or successful cyber-attack **must** communicate this to the Fund at the earliest opportunity as part of **their** 'immediate response plan'. This will allow the Fund and the administering authority to respond appropriately, which may include a temporary suspension of access to Fund IT systems whilst investigations take place.

## **Circumstances where the administering authority may levy costs associated with the employing authority's poor performance**

[Regulation 70](#) of the Local Government Pension Scheme Regulations 2013 provides that an administering authority may recover from an employing authority any additional costs associated with the administration of the scheme incurred because of the poor level of performance of that employing authority.

Where an administering authority wishes to recover any such additional costs, they must give written notice stating:

- The reasons in their opinion that the scheme employer's poor performance contributed to the additional cost;
- the amount of the additional cost incurred;
- the basis on how the additional cost was calculated; and
- the provisions of the pension administration strategy relevant to the decision to give notice.

In instances where the performance of the scheme employer results in fines being levied against the administering authority by the Pension Regulator, Pensions Ombudsman or other regulatory body, these costs will be recovered immediately.

### **Circumstances where costs might be recovered**

It is the policy of the Fund to recover additional costs incurred in the administration of the Scheme as a direct result of the unsatisfactory level of performance of any scheme employer.

The circumstances where such additional costs will be recovered from the scheme employer are:

- Failure to provide relevant information to the Fund, scheme member or other interested party in accordance with specified performance targets in this Administration Strategy (either as a result of timeliness of delivery or quality of information).
- Failure to pass relevant information to the scheme member or potential members, within the agreed timescales outlined in the performance targets in this Administration Strategy.
- Failure to deduct and pay over correct employee and employer contributions to the Fund within the stated timescales.
- Instances where the performance of the scheme employer results in fines being levied against the Fund by the Pensions Regulator, Pensions Ombudsman, or other regulatory body.
- Instances where an act or failure to act by an employer results in an unauthorised payment under the Finance Act 2004 which results in the Fund being subject to a tax liability.
- Instances where an act or failure of a scheme employer results in a benefit being incorrectly awarded and the subsequent overpayment is not able to be recovered from the scheme member.



The approach by the Fund when such instances occur is as follows:

1. Write to the employer noting the Fund's areas of concern regarding the employer's performance and offer training or a meeting to address the issue.
- 2a. If no improvement is made within one month of the date of engagement, or where the matter in question is not a regular event and no improvement is made at the next occasion that that same matter occurs, and the offer of training or a meeting has not been accepted, the Fund will issue a formal written notice. The notice will set out the area(s) of concern that have been identified, the steps taken to resolve those area(s) and notice that the additional costs will now be reclaimed.

**OR**

- 2b. If no improvement is made from one month following either a training session or a meeting with the scheme employer, or where the matter in question is not a regular event and no improvement is made at the next occasion that matter occurs following the training or meeting, the Fund will issue a formal written notice. The notice will set out the area(s) of concern that have been identified, the steps taken to resolve those area(s) and notice that the additional costs will now be reclaimed.
3. An invoice will then be issued to the scheme employer setting out calculations of any loss resulting to the Fund, or additional cost, taking account of time and resources in resolving the specific area(s) of unsatisfactory performance, in accordance with the fee scale set out in this document.
4. All instances of additional costs recharges will be presented to the Pension Committee and Pension Board.

All communications will be directed to our most senior contact at the employer organisation from the beginning of this process. In the case of poor performance by a third-party HR/payroll supplier, the relevant scheme employer will be informed of action being taken from the outset of the process.

Any costs recovered will be paid into the Pension Fund to reduce the administration cost to all scheme employers in the Fund.

Where unsatisfactory performance impacts the Fund's ability to perform statutory functions and measures are not being taken by the employer to address this, the Fund will present a breach report to the Pension Board for consideration of where the fault lies and the requirement to inform the Pension Regulator of the poor performance.

## **Illustrative additional administration costs for late or inaccurate information**

Based on the Fund's experience of dealing with late or inaccurate information, we have been able to make informed estimates of the amount of additional resource required to remedy the problems this causes.

The costs below reflect the additional resource required to chase information and correct inaccurate data. They also reflect the fact that having to re-run calculations multiple times because of poor data presents an opportunity cost as staff would be otherwise more productively engaged.

The listed activities below should not be considered an exhaustive list of circumstances where providing late or inaccurate information, and the Fund may recover costs from an employer for other circumstances where this results in the Fund incurring additional costs.

Note that any further costs incurred as the result of non-payment of invoiced additional costs will also be passed on to the relevant scheme employer.

As such the fees shown below are illustrative and may be higher (or lower) if individual circumstances are atypical.

## Illustrative schedule of charges for employers in regard late or inaccurate information

Activity	
Failure to remit payment of monthly employee and employer contributions in full by the 22 <sup>nd</sup> of the following month	Interest at base rate plus 1% as per the 2013 regulations
<p>Failure to submit monthly contributions LGP41 forms with or before remittance of payment, except where payment is made early and LGP41 is received on/before the payment method submission date.</p> <p>Note: In order to streamline accountancy procedures, the recommended best practice is to submit the LGP41 prior to or with payment of contributions.</p>	£100 per occasion
<p>Failure to comply with one or both of the following requirements:</p> <ul style="list-style-type: none"> <li>Submission of completed and validated monthly data submission (via i-Connect) in accordance with the prescribed specification by the end of business on the 22<sup>nd</sup> of the month following deduction from payroll.</li> </ul>	<p>Fund officers will actively work with employers to regain timely data submissions.</p> <p>However, following two months of non-submission, a fixed penalty of £250 will be made and for every month thereafter until timely submissions resume.</p>
<p>Quality of the monthly data submission (via i-Connect) is below the acceptable tolerance level set at 5% of entries to be queried following upload.</p> <p>Note: In instances where the employer is transitioning to a new payroll system, early engagement with the Fund is encouraged to ensure continuity of data provision, member reconciliation and overall data quality.</p>	<p>The Fund will recover costs for the work involved to resolve these errors.</p> <p>Typically, costs will be based on officer hourly rates but will be determined on the resource required to address errors above the tolerance</p>

Note: These charges are reviewed annually by the Fund and in some circumstances can be waived or adjusted at the discretion of the Service Area Manager.

In circumstances where an employer incurs additional resource costs or third-party charges due to Fund error, the employer will be reimbursed as appropriate.

### Additional Administration Activity

The Regulatory Framework prescribes the pension benefit information and services which the Fund must provide free of charge and to ensure fair allocation of internal resources additional administration charges may be levied for the provision of information not covered by the general maintenance allowance factored into the employer contribution rate.

## Schedule of fees for Additional Administration Activity

Activity		
Implementation of Pension Sharing Order	<b>Member</b>	<b>£500 + VAT</b>
An additional CETV request made within 12 months of an earlier CETV being provided including circumstances for divorce valuations	<b>Member</b>	<b>£150 + VAT</b>
A replacement guaranteed CETV where the transfer option forms are not returned within three months of the guarantee date	<b>Member</b>	<b>£150 + VAT</b>
<p>An employer request for multiple benefit estimates for a member within a 12month period e.g. for a variety of reasons for leaving or potential retirement dates</p> <p>This excludes estimates provided via a bulk exercise.</p> <p><i>The Fund will provide an estimate for a single date and reason for leaving free of charge</i></p>	<b>Employer</b>	<b>£100 + VAT for each individual item requested</b>
Request for copies of correspondence, documents, or duplicate statement	<b>Member / Employer</b>	<b>£10 + VAT</b>
Correspondence provided to third parties in relation to member pension entitlements and benefit structure	<b>Member / Employer</b>	<b>£100 + VAT</b>
Production of non-statutory Pension Saving Statements and forecasts of annual allowance usage	<b>Member</b>	<b>£150 + VAT</b>
<p>Administration of information in relation to Accounting Standards Exercises (FRS102, IAS19)</p> <p>In addition, there will be a recharge of actuary and external auditor fees in accordance with contractual arrangement</p>	<b>Employer</b>	<p><b>£100 + VAT</b></p> <p>Where the activity requires bespoke work, there will be a further cost at the appropriate hourly officer rate on a cost recovery basis</p>

Bespoke pension administration work	<b>Employer</b>	At the appropriate hourly officer rate on a cost recovery basis
Corrective actions by Fund Officers for poor data uploaded via i-Connect	<b>Employer</b>	At the appropriate hourly officer rate on a cost recovery basis
Data quality and en-masse calculation/operational processing in connection with on-boarding of new employers including academies  In addition, there will be a recharge of actuarial costs incurred by the Fund	<b>Employer</b>	<b>£2,000 + VAT</b>
Data quality and en-masse calculation/operational processing in connection with employer de-participation  In addition, there will be a recharge of actuary fee in accordance with contractual arrangement	<b>Employer</b>	<b>£2,000 + VAT</b>
Provision of an indicative funding/termination valuation based on membership and cashflow data rolled forward from the previous triennial results.	<b>Employer</b>	<b>£800 + VAT per Valuation</b>
Setup de-risking framework to monitor an employer funding position to lock down pension liabilities and switch to an alternative investment strategy to reduce volatility of pension costs	<b>Employer</b>	<b>Actuarial recharge of £3,500 + VAT</b>
Annual monitoring of the funding level and engagement with employer on proposed funding trigger	<b>Employer</b>	<b>£3,000 + VAT, per annum</b>

Note: These are standard fees which may be subject to adjustment based on resource required, and in exceptional circumstances can be waived at the discretion of the Service Area Manager.

## Payment method

Most activities will be invoiced post-delivery of the event. In some circumstances payments in respect of administration activity directly requested by the member or third-party representatives must be agreed with a Fund officer and paid in advance via online banking before the requested information can be provided.

The bank account details for electronic payment are as follows:

Account Name	Merseyside Pension Fund
Bank sort code	30-95-11
Bank account number	01140818

The payment reference is to include the members name and National Insurance number, or another agreed identifier. Charges in respect of administration work commissioned by an employer must also be agreed and paid in advance electronically before provision of the information or depending on the organisations' financial arrangement upon receipt of a purchase order.

Payments related to invoices must include a reference as provided by the Fund for the purposes of reconciliation by the accounts team with our bank account (as detailed on the invoice).

In circumstances where financial penalties are incurred the Fund will issue an invoice for payment.

# Performance Standards - Scheme Employer

## Duties, Responsibilities & Measurements

E1 Governance			
	Function / Task	Performance Target	Review
E 1.1	<p>Designate a named individual to act as a Pension Liaison Officer who is the main contact with regard to any aspect of administering the LGPS via submission of Fund documents “Your LGPS Contact” and “Authorised Signatories”</p> <p>Confirm designated contact information for officers authorised to perform key policy decisions and administrative roles within the organisation.</p>	<p>Change in contacts to be notified to the Fund within one month of the change in officer role or within 30 days of admittance as a scheme employer</p> <p>Contacts to be verified via the annual Employer Database health check</p> <p>Multi Academy Trusts to provide contact details for Head Office in addition to specific function contacts</p>	Reviewed annually as part of the Fund’s health check of its Employer Database and as required
E 1.2	Attendance at Employer coaching and/or virtual webinars	<p>On admittance to the Fund, new employers are expected to attend coaching sessions as relevant to their specific role.</p> <p>Attendance may also be requested by a Fund officer based on performance/ compliance levels.</p>	Employer performance to be continually reviewed
E 1.3	Appoint a person (the adjudicator) to consider disputes under stage 1 of the pension internal dispute resolution procedure (IDRP) and provide full up to date contact details to the Fund	<p>An adjudicator should be a senior member of staff at the employer who can make an informed decision on the member’s dispute.</p> <p>Typically, member disputes with employers are usually in relation to the award of benefits to the member and/or calculation of pay.</p>	Reviewed annually as part of the Fund’s employer health check and as required

E 1.4	Notify the Fund that a Stage 1 decision has been issued	Within 7 working days of making the decision	Employer compliance to be continually reviewed
E 1.5	Appoint an Independent Registered Medical Practitioner qualified in occupational health medicine or arrange contact with third party, in order to consider ill health retirements applications and agree appointment with Administering Authority.	Notify the Fund within 30 days of becoming a scheme employer or following the resignation of the existing medical officer	Reviewed annually as part of the Fund's health check of its Employer Database and as required
E 1.6	Notify the Fund of any upcoming change to payroll provision or payroll system	Inform the Fund at least three months in advance of a change to the payroll provider or payroll system, to ensure monthly data collection can continue and the Fund can provide appropriate resources to support the transition	Reviewed annually as part of the Fund's health check of its Employer Database and as required
E 1.7	Formulate, publish and keep under review policies in relation to all areas where the employer may exercise a discretion within the LGPS	A copy of the policy document is to be submitted to the Fund within one month of the change in policy or within 30 days of becoming a scheme employer	Reviewed annually as part of the Fund's health check of its Employer Database and as required
E 1.8	Provide scheme members with access to the Fund website, including appropriate references/links in written correspondence and on intranets. Encourage registration to the Fund's self-service secure portal called MyPension.	Ensure scheme members have access to all material provided by the Fund	In a timely manner, as required



E 1.9	<p>Notify the Fund in advance of any employer initiatives, such as (but not limited to), contracting out of services, TUPE transfers, employer mergers, bulk transfers or change of Academy Trust, policy decisions or practices which could have an impact on LGPS member benefits</p>	<p>Early contact with the Fund is preferable to enable the Fund to discuss and understand the implications</p>	<p>As a minimum, as soon as possible once the decision has been made or initiative/practice has been finalised.</p>
E 1.10	<p>Inform the Fund regarding a notifiable event which may trigger the requirements for a contribution review between triennial valuations. Such triggers may include (though not limited to):</p> <ul style="list-style-type: none"> <li>• A material change to LGPS membership</li> <li>• A material change in total employer payroll and LGPS pensionable Pay</li> <li>• A change in employer legal status or constitution</li> <li>• Restructuring where there is a significant impact on LGPS membership</li> <li>• A decision to cease business</li> <li>• A decision that will restrict future active membership of the LGPS</li> </ul>	<p>Inform the fund in advance of the event taking place.</p>	<p>Where advance notice is not possible, at least immediately after it is known</p>

<b>E2 Financial Submissions</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
E 2.1	Ensure correct employee contribution rate is to be determined each scheme year in-line with the appropriate contribution banding table	Immediately upon commencing scheme membership and reviewed as per the employer's policy on adjusting employee contribution rates	Periodic review of sanity checks undertaken on the quality of monthly data (i-Connect) submissions
E 2.2	Remit employer and employee contributions and Remittance Advice Slip (LGP41) to the Fund  Noting any differences in the money remitted to the Fund and the member data submitted on the monthly data file.	By 22nd of the month following deduction from payroll and made electronically by BACS or CHAPS with meaningful narrative  Payments with respect to Multi Academy Trusts in respect of stand-alone employers to be recorded and paid as separate amounts	Payment of monthly employee and employer contributions are due under the Pensions Act 2004 and the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014, the Pensions Regulator may be notified if the above requirement is not met.  In the case of a backdated admission agreement the employer must make payment in full of all contributions due to date once the required legal documents are in place.
E2.3	Where adjustments are required in relation to remittances for a previous scheme year, an LGP41x and any associated LGP4x adjustments to member pension accounts to be submitted	As required, following engagement with the Fund	To be reviewed by the Fund as appropriate
E 2.4	Implement changes to employer contribution rates as instructed by the Fund at the date specified by the Fund's actuary	In line with the Rates Adjustment Certificate issued by the actuary following each triennial valuation or following review in line with the LGPS regulations or on commencement as a scheme employer within the Fund as notified in writing	Monthly reconciliations undertaken by the Fund with respect to payments expected vs those received

E 2.5	Ensure and arrange for the correct deduction of employee contributions from a member's pensionable pay and throughout their membership in the scheme (including any periods of leave)	As required, typically monthly Eligible members only to be admitted to the LGPS.	Monthly
E 2.6	Manage the deduction of all additional contributions or amend such deductions, as appropriate	As required	Monthly
E 2.7	Arrange for the deduction of AVC/SAVC payments through payroll for the member once notified. In addition, ensure monthly payments are submitted directly to AVC providers and cease one month prior to termination of employment.	As required, typically monthly	Monthly
E 2.8	Provide cumulative AVC contributions on the monthly data collection. If a Shared Cost AVC (SAVC), include the employers and the employees' contributions as a combined cumulative amount	On the monthly data collection file to which the event occurred	Monthly
E 2.9	Make additional Fund payments in relation to early payment of benefits from flexible retirement, redundancy or business efficiency retirement, or any waiving of reductions by the employer that create a funding stain cost.	Within 30 days of the invoice date	To be reviewed by the Fund as appropriate

E 2.10	Refund any employee contributions when employees opt out of the pension scheme within 3 months and submit LGP9A form via i-Connect using the 'document upload' facility	Within 42 days of the opt -out date	Employer compliance subject to continual review.
E 2.11	Remit Compensatory Added Years recharge payments	To be paid within 30 days of the invoice from the Fund	Monthly reconciliations undertaken by the Fund with respect to payments expected vs those received
E 2.12	Payments in respect of FRS102 AND IAS19 work carried out on behalf of Fund employers by the Fund Actuary and the Accounts Team	To be paid within 30 days of the invoice from the Fund	Monthly reconciliations undertaken by the Fund with respect to payments expected vs those received
E 2.13	Payments in respect of all other work carried out on behalf of the employer by the Fund's actuary and connected data quality assurance undertaken by the Fund'	To be paid within 30 days of the invoice from the Fund	Monthly reconciliations undertaken by the Fund with respect to payments expected vs those received
E 2.14	Payments in respect of fees for additional administration task as detailed on pages 9 & 10	To be paid within 30 days of the invoice from the Fund	Monthly reconciliations undertaken by the Fund with respect to payments expected vs those received
E 2.15	Respond to Fund queries regarding payments received which do not reconcile with the processed Monthly Data Collection file	Respond to queries raised by the Fund regarding payments in order for these to be allocated. Where the query is relating to a rejected or aborted monthly submission file, resubmission of the file to occur within 10 working days of receipt of the query to prevent delays to allocation	Within 10 working days of receipt of query

<b>E3 Contracting out of Services / New Employers</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
E 3.1	Notify the Fund of the contracting out of services which will involve a TUPE transfer of staff to another organisation so that information can be provided to assist in the decision	Where possible, three months prior but at the latest the point of deciding to tender.	Three months prior to the contract commencement date
E 3.2	Work with the Fund to arrange for an agreement or other such contract and documentation as required, to be put in place when contracting out a service, and assist in ensuring it is complied with	Three months in advance of the date of admission	Three months prior to the contract commencement date
E 3.3	Notify the Fund if the employer ceases to admit new scheme members or is considering closing membership of The Fund	Inform the Fund of any decision made regarding admittance  (Early discussion with the Fund by a terminating employer is encouraged)	Immediately once decision is made

<b>E4 Member Information/Data Quality / General Administration</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
E 4.1	<p>Provide the Fund with a granular breakdown per membership within one monthly data file submitted via the i-Connect portal. To include</p> <ul style="list-style-type: none"> <li>• employee/employer contributions</li> <li>• monthly and cumulative CARE pay including APP, FTE pay, AVC contributions,</li> <li>• new membership details</li> <li>• hour changes, changes in particulars</li> <li>• monthly and cumulative APC deductions</li> <li>• date and reason of termination of employment (as appropriate)</li> </ul>	<p>On a monthly basis, by the 22<sup>nd</sup> of the month following the payroll run</p> <p>Where any payment of contributions due is made prior to the 22<sup>nd</sup> of the following month it would be preferable for the data to be submitted at the time of making payment</p>	Monthly
E 4.2	<p>Ensure accuracy of monthly data files in line with the i-Connect specification as the supplied data feeds into Member Benefit Payments, production of Annual Benefit Statements, actuarial/scheme valuations, and statutory reporting</p>	<p>Less than 5% of the active member to error on import into the pension administration system</p>	Monthly
E 4.3	<p>To resolve data errors and warnings due to member data failing to upload into the pension administration system prior to submitting a subsequent file(s)</p>	<p>To resolve data anomalies that are identified in i-Connect within 15 working days of receipt of the query. In the event of a late monthly file the timescale may be shorter than 15 days as advised by the Fund</p>	Monthly

E 4.4	Rectify monthly data file for i-Connect	The rectification of a monthly data file where the Fund's i-Connect system has refused to upload the data, or where it has identified that systematic inaccurate data has been submitted	Within 15 days of receipt of the returned file/feedback
E 4.5	Provide new joiner with Membership Form LGP2 and website links to the Fund's 'Digital Starter Pack'	Upon contractual enrolment.	Employer compliance subject to continual review.
E 4.6	Inform scheme members of the publication of their Annual Benefit Statement in the Fund's MyPension self-service portal and encourage registration of online services.	Ensure scheme members have access to all material provided by the Fund	In a timely manner, as required
E 4.7	Changes in employees' circumstances (eg. movement in and out of the 50/50 scheme, marital or civil partnership status electronically in agreed format.  Member authorised forms, such as an election to join 50/50 scheme, to be provided via i-Connect using the 'document upload' facility	On the monthly data collection file to which the event occurred	Employer compliance subject to continual review.
E 4.8	Notify the Fund of early leaver opt-outs over three months for member's entitled to a refund or deferred benefit and submit both the completed LGP9 Optout Form and an accompanying LGP1a Termination Form to be provided via i-Connect using the 'document upload' facility	On the monthly data collection file to which the event occurred	In accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013

E 4.9	On leaving employment an LGP1C to be issued to the Fund for opted-out former members	No later than 30 days of termination of employment	Employer compliance subject to continual review
E 4.10	Larger employers with secure access to the pensions administration system - Produce an estimate benefit upon member request and prior to approving retirements on the grounds of redundancy to establish any associated costs	In line with workforce planning strategy	Employer compliance subject to continual review
E 4.11	For an estimation of member benefits where secure access to the pensions administration system is not provided - Complete and submit an LGP88 Form via i-Connect using the 'document upload' facility	No later than four months before retirement but the Fund Service Area Manager can revise the target in exceptional circumstances.	Subject to continual review
E 4.12	To notify the Fund of a workforce planning exercise and the intent to request a bulk estimate retirement calculation to seek both member pension details and employer strain costs	As soon as practicable to allow the Fund to consider resource planning	Employer compliance subject to continual review
E 4.13	To notify the Fund of final salary and pensionable pay figures for divorce valuations	Within 10 working days of request	Employer compliance subject to continual review
E 4.14	Notify the Fund via a completed LGP1A Form when a member is due to retire, including an accurate assessment of final pay details and authorisation of the reason for retirement	Notify the Fund when a member is due to retire: up to one month following the date of retirement if the date of retirement is before normal pension age (NPA) or later than (NPA)	In accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013
E 4.15	Notify the Fund via a completed LGP1A form when a member leaves employment including an accurate assessment of final pay calculation	Within 30 days of month end of date of leaving where member benefits are to come into payment, or maximum of 12 weeks for leavers not immediately accessing benefits.	In accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013



E 4.16	Provide responses to enquiries regarding submitted member notifications	For Retirement (LGP1a) and Divorce enquiries, within 5 working days  For Deferred & Refund LGP1a enquiries 10 working days  All other enquiries within 15 working Days of receipt of enquiry	Employer compliance subject to continual review
E 4.17	Notify the Fund of the death of a scheme member and provide next of kin details and submit Termination Form LGP1A	As soon as practicable, but within a maximum of 3 working days of knowledge of death	Employer compliance subject to continual review
E 4.18	To determine based on medical opinion and advice whether an ill health award is to be made and determine where relevant which tier 1,2 or 3  Arrange for the completion of the appropriate LGP12 form and submit along with LGP1A/LGP1B to the Fund.	No later than 30 days of date of retirement	Employer compliance subject to continual review
E 4.19	Review payment of Tier 3 ill-health benefits	After benefits have been in payment for 18 months, and as appropriate in advance of the three-year anniversary of the member leaving employment.	Employer compliance subject to continual review

E 4.20	Completion of the Annual Employer Governance Health Check	Respond to the Funds communication with any changes and amendments within one month of receipt of the request (to include but not limited to a review of employer contact details, authorised signatories and discretionary policies)	Annually
E 4.21	Provision of data appropriate to the McCloud ruling	Submission of all data required to enable the necessary checks to be carried out to enable an underpin check to be carried out with respect the McCloud judgement	<p>Within 15 working days of receipt of individual member data enquiry for the period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2022</p> <p>The deadline for bulk data submissions to the fund for this period is 30 September 2024</p>

<b>E5 Internal Dispute Resolution Procedure (IDRP)</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
E 5.1	Notify the relevant service area manager of the receipt of a complaint under the IDRP process and that the first stage decision has been issued	Notify the Fund once issued	Within five days of issuing the decision
E 5.2	Timeframe for resolution of IDRP within two months	Notify the appellant if timeframe is not going to be met	Within five days of issuing the decision
E 5.3	Respond to Fund enquiries where the Fund is dealing with stage 2 IDRP	Within five days of receipt of enquiry	Employer compliance subject to continual review

# Performance Standards – Pension Fund

## Duties, Responsibilities & Measurements

F1 Governance			
	Function / Task	Performance Target	Review
F 1.1	Regularly review the Fund’s Pension Administration Strategy and consult with all scheme employers	To review practices and revise following any material changes in policies or legislation	At least biennially to review amendments to statutory instruments, and other material changes to policies related to administration.
F 1.2	Regularly review the Fund’s Funding Strategy Statement and attendant policies as required, not least with each triennial valuation, following consultation with scheme employers and the Fund’s actuary	Publish by 31 March following the valuation date or as required	Annually
F 1.3	Review the Fund’s Communication Policy Statement	Annual review and publish within 30 days of any material revision being agreed by the Pensions Committee	Annually
F 1.4	Review the Funds Governance and Compliance statement	Annual review and publish within 30 days of any material revision being agreed by the Pensions Committee	Annually
F 1.5	Review the Funds Annual Report & Accounts and Compliance statement.	In accordance with Accounts & Audit Regulations, following the year-end or following the issue of the auditor’s opinion	Annually
F 1.6	Formulate and publish policies in relation to all areas where the administering authority may exercise a discretion within the Scheme	Publish within 30 days of any revision being agreed by Pension Committee	Annually

F 1.7	Notify scheme employer of issues relating to scheme employer's unsatisfactory performance	Within 5 working days of discernible performance issue	Continual review
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<b>F2 Contribution Monitoring &amp; Certification</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
F 2.1	Consult with employers on the outcomes of the triennial valuation	At least 90 days in advance of the signing of the final rates and adjustment certificate	In line with the triennial valuation consultation period or change in funding strategy.
F 2.2	Notify employers of contribution requirements for three years effective from the April following the actuarial valuation date	At least 30 days before the actuary signs off the rates and adjustment certificate	In line with the triennial valuation cycle
F 2.3	Notify new scheme employers of their contribution requirements	Within 60 days of receipt of a clean data profile for onward submission to the Fund Actuary	To be reviewed by the Fund as appropriate
F 2.4	Monitor the payment of contributions.	Monthly reconciliations of both primary and secondary contributions in accordance with Rates and Adjustment Certificate and LGPS Regulations with any queries to be raised as required with employers.	Progress against KPI reported to Head of Finance & Risk on monthly basis
F 2.5	Carry out termination valuations on admitted bodies or scheme employers ceasing participation in the Fund.	Within 60 days of receipt of termination forms from exiting employer	Fund compliance subject to continual review

F 2.6	Notify scheme employer of decision to recover additional costs associated with the scheme employer's unsatisfactory performance	Within 10 working days of scheme employer failure to improve performance as agreed	Reviewed biannually alongside Fund's consideration of employer support & training programme
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<b>F3 Contracting of Services-New Employers</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
F 3.1	Arrange for the setting up of separate admission agreement/new scheme employers including the allocation of assets and notify the Pension Regulator	Within 90 days of all necessary information and deadline for submission of the Scheme Return	In line with the Funding Strategy Statement and revisions to legislation
F 3.2	Arrange for all new prospective admitted bodies/new scheme employers to undertake, to the satisfaction of the Fund, a risk assessment of the level of bond or guarantee required in order to protect other scheme employers participating in the Fund	To be completed prior to the body being admitted timings predicated on timely submission of staff profile for submission to the Fund Actuary	In line with the Funding Strategy Statement and revisions to legislation
F 3.3	Undertake a review of the level of bond/guarantee to protect other constituent employers	Annual review or upon material change in an employer's structure	Monthly review of employers engaging with the Fund as a result of the notifiable events policy

## F4 Employer Support

	Function / Task	Performance Target	Review
F 4.1	Dedicated Employer Website	Issue News alerts and keep up to date on topical issues and statutory actions issued as required.  Repository for factsheets and HR/Payroll guides.	At least monthly
F 4.2	Direct telephone access to experienced staff in all service areas Monday – Friday 9.00am - 5.00pm with direct dial information available on the Employer website	95% of calls received to be resolved at ‘first point of contact’	Monthly
F 4.3	Email enquiry support	Fund to support with general employer queries and respond within 10 working days from receipt of enquiry.	Fund compliance subject to continual review
F 4.4	Pension Liaison Officer Group	Biannual meeting between employer representatives of the largest employers, with at least four Fund Officers present	Format and scope of meeting reviewed prior to each meeting

F 4.5	Face-to-face meetings	Employer conference to be held annually.  One-to-one engagement with employers to discuss feedback and performance as required and appropriate	Review of post conference feedback  Continual review
F 4.6	Member presentations and roadshows	Regular presentations to be made available for employers to facilitate for members.	Annual Review
F 4.7	Organise and provide coaching events, including webinars on the roles and responsibilities of an employer in the Fund	An annual programme of prescribed coaching events and bespoke training as required by demand	Annual Review
F 4.8	Notify scheme employers and scheme members of changes to the scheme rules	As per disclosure requirements with inclusion of an overview via the Employers website	Continual review
F 4.9	Provide secure access to the Fund's pension administration system for the largest employers, to calculate benefit estimates and early retirement costs for active scheme members.	Provision to be available Monday to Friday, 8am to 6pm, with pre-agreed maintenance windows, as directed and monitored by Fund IT staff	Continual review
F 4.10	Production and maintenance of an IDRPs employer guide	On an ongoing basis	Annual review



<b>F5 General Administration and Member Communication</b>			
	<b>Function / Task</b>	<b>Performance Target</b>	<b>Review</b>
F 5.1	Produce annual benefit statements for active members as at 31 March and deferred members as at Pensions Increase date in April	By 31 August following the year-end	Annually
F 5.2	Produce and issue pension savings statements each year to members who have exceeded their annual allowance	By 6 October (provided receipt of all relevant information from scheme employer) following the year-end	Annually
F 5.3	Publish and keep up to date all forms required for completion by scheme members or employers	Within 30 days from any revision	As required
F 5.4	Provide feedback on errors contained in monthly data submission files	Within 15 working days of the later of the 22 <sup>nd</sup> of each month or the date the file is uploaded to i-Connect	Quarterly review of KPI reported Pension Board
F 5.5	Provide Feedback on errors contained within the McCloud data template submissions	Within 2 months of receipt of all the information and data required to enable detailed analysis to commence. Where data files are required from previous employment periods in order for analysis to commence, the issuance of queries may extend beyond this timeframe.	Progress reported quarterly to Pension Board

<b>F6 General Administration and Member Communication</b>			
<b>Function / Task</b>		<b>Performance Target</b>	<b>Review</b>
<b>New Joiners/Change of Particulars</b>			
F 6.1	Set up a new starter and provide statutory notification to the member	Within 40 days of receipt of correct notification from a scheme employer	Quarterly Review to Pension Board
	Process changes in employees' circumstances which may impact on pension benefits	Within 40 days of receipt of correct notification from a scheme employer	Quarterly Review to Pension Board
<b>Transfers</b>			
F 6.2	Transfer in quotations processed and paperwork issued	Within 15 working days of receipt of all the required information	Quarterly Review to Pension Board
F 6.3	Transfer notification of transferred in membership to be notified to the scheme member	Within 15 working days of receipt of payment	Quarterly Review to Pension Board
F 6.4	Transfer out quotations processed	Within 15 working days of receipt of all necessary information	Quarterly Review to Pension Board
F 6.5	Transfer out payments processed	Payment made Within 15 working days of receipt of all necessary information	Quarterly Review to Pension Board
F 6.6	Determine necessary category in relation Aggregation/Interfund cases and issue notification to member of service credit and accrued pension account.	Within 10 working days of receipt of all necessary information	Continual Review
F 6.7	Process Divorce Valuation	Within 45 working days of receipt of all necessary information	Quarterly Review to Pension Board

<b>Additional contributions</b>			
F 6.8	Notify the scheme employer of any scheme member's election to pay additional pension contributions (APCs), including required information to enable deductions to commence	Within 10 working days of receipt of election from a scheme member	Continual Review
F 6.9	Process scheme member requests to pay/ amend/ cease additional voluntary contributions (AVCs)	Arrange deduction/cessation of member payments with employer within 7 working days of receipt of request from scheme member	Continual Review
<b>Leavers</b>			
F 6.10	Deferred benefits calculated and confirmed to member	Within 30 working days of receipt of all necessary information	Quarterly Review to Pension Board
F 6.11	Refund payments	Within 10 working days of receipt of all necessary information	Quarterly Review to Pension Board
<b>Deferred into payment</b>			
F 6.12	Provision of deferred retirement options to member	Deferred retirement quotation issued to member within 30 working days of the members eligible payment date or receipt of request from member	Quarterly Review to Pension Board
F 6.13	Deferred retirement benefits processed for payment following receipt of election	Within 15 working days of receipt of election and all necessary information	Quarterly Review to Pension Board
<b>Retirements</b>			
F 6.14	Provision of estimate of Pension Benefits	Within 15 working days of receipt of all necessary information	Quarterly Review to Pension Board
F 6.15	Provision of retirement options to members	Within 15 days of receipt of all necessary information	Quarterly Review to Pension Board

F 6.16	New retirement benefits processed for payment following receipt of election	Lump sum payment plus first payment of pension within 15 working days of receipt of all necessary documentation  Thereafter pension payment on monthly payroll cycle.	Quarterly Review to Pension Board
F 6.17	Provision of bulk estimate data including both member pension details and employer strain costs	Within the timescales mutually agreed between the Fund and employer to inform the workforce planning exercise	Continual review of resource and employer demand
<b>Deaths</b>			
F 6.18	Acknowledgement of a death	Appropriate acknowledgement issued within 5 working days of receiving the notification	Quarterly Review to Pension Board
F 6.19	Notification of benefits payable to dependents	Confirm benefits payable within 10 working days of receiving the required information	Quarterly Review to Pension Board
F 6.20	Payment of death lump-sum	Within 10 working days of receipt of necessary information	Continual Review
<b>General Correspondence / Emails</b>			
F 6.21	Provide an answer or acknowledgement to an enquiry from a scheme member/personal representatives/dependants and other authorised persons	Appropriate response issued within 15 working days from receipt of enquiry	Continual Review
<b>Complaints</b>			
F 6.22	Acknowledge member complaints on initial receipt	Formally acknowledged within 3 working days of receipt	In Line with review of Fund Complaints Policy

F 6.23	Issue full response to member complaints	If the initial complaint has not been resolved within 7 working days or receipt, a Service Area Manager will take appropriate action within 14 days of the initial complaint.	In line with review of Fund Complaints Policy
F 6.24	Monitor IDRPs cases and target completion of stage 1 and stage 2 reviews	Within two months. For further information, please see the Fund's IDRPs policy	In Line with Regulatory Time Frame and requirements of TPRs General Code of Practice

## Feedback from employers on Fund performance

Employers who wish to provide feedback on the performance of the Fund against the standards in this administration strategy should contact the appropriate Service Area Manager in the first instance. If no resolution can be reached, this can be escalated in line with the Funds published Complaints Policy [or](#) by directing the feedback to appropriate employer representative on the [Local Pensions Board](#) (contact details can be obtained from Democratic Services at Wirral Council).

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