



Local Pension Board Friday, 7 April 2017

ADDENDA

8. Employer Management (Pages 1 - 4)

Please find attached a copy of the action plan, as requested by the Pension Regulator, following the Fund's second self-referral for non-compliance with the regulatory requirement to issue benefit statements to all active and deferred scheme members.

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Action	Comment	Date for Completion	Achieved Y / N	Impact / Risk / Mitigation	KPI / Measure of Success
The establishment of the employer team to provide a clear focus for the work on data returns and working with individual scheme employers.	This team has not been fully operational due to long term sickness and maternity leave of key team members since it was established.	01.03.2017	N	If staffing issues are not resolved this team will be unable to deliver work to the required deadlines. Consider transferring staff from other team areas	Team is fully staffed

Backlog of Returns - Monthly and Annual

Clear the outstanding data queries and / or outstanding returns in previous years	TPR is aware of numbers of ABS issued in 2015 and for 2016 to date. Actions for the employer team are: Review previous years to identify missing / incorrect returns. Get and process these missing returns For current year 2016/2017 identify and chase any missing or incomplete monthly returns	30.04.17		Missing or incorrect monthly returns will mean that the end of year will not be able to be processed for that scheme employer until the correct data is received. This is being impacted by long term absence of key team members in that there are some employers where no progress can be made.....subject to weekly review.	Identify number of missing / incomplete returns - request these from scheme employer
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Monthly Data Returns:

Short term improvements in the monthly data return to take account of concerns raised by scheme employers	A group of employers were consulted and gave feedback on the form used - these were incorporated and the revised form will be in full use from April 2017	28.02.17	Y	Improved return should reduce the number of outstanding forms, as well as improving the quality of the data on forms.	Number of returns received by deadline / number of queries being raised
Clear rules about what checks should be applied by the employers to their data to ensure it is accurate before submission.	A document was produced at the same time as the revised return setting out what checks will be applied / cause return to sent back to scheme employer	28.02.17	Y	Clearer expectations on employers should allow greater self-vetting of forms, improving the quality of data received.	Number of returns received by deadline / number of queries being raised
A clear vetting process to be applied by the employer team to returns submitted to check the completeness of the return, the fact it has been submitted in the correct format, and the reasonableness of the data	A document was produced at the same time as the revised return setting out what checks will be applied / cause return to sent back to scheme employer	28.02.17	Y	Quicker turn round of inaccurate returns, with clearer messages to employers about corrections required.	Number of returns sent back to employer / time taken for return to be re-submitted.

A clear process for returning submissions which fail the vetting process, which includes clear information on what has caused the fail, and the action required by the employer to correct the submission.	This is being used.	31.03.17	Y	Escalation process for non response to queries needs to be fully developed. Experience indicates that senior staff within employers are unaware of outstanding issues and therefore unable to identify resources to expediate resolution.	Specify response times / monitor against these
End of Year 2017:					
Send out return and covering email to all scheme employers		20.03.17	Y		
Scheme employers to make return by 30 April 2017	Contact main employers in advance of 30 April to ensure process for delivering return is on track, and provide additional advice/assistance as necessary.				Monitor: number of returns - both as % of employers and % of scheme
Identify and chase any missing returns		15.05.17			Monitor: number of returns - both as % of employers and % of scheme
Using vetting process - review all returns received then:	Within 5 working days				Number vetted - passed / failed
a) return to scheme employer for amendment	Request return within 5 working days - note: currently setting up new ERM module to allow team to set up "tasks to do" for employer so that they will be reminded if we do not update system as task				Number of re-submissions - time taken
b) process return by:					Numbers - broken down in to categories below:
balancing contributions provisional posting resolving queries actual posting resolving any further queries					
Issue ABS		31.08.17			

<ul style="list-style-type: none"> Application of the current administration strategy and in particular the use of fines to employers for continued non-compliance with the Fund's requirements. 	<p>Fines to be used as a last resort, where employer fails to respond to requests for initial information or for clarification on queries, unwilling to accept additional support/training, or where data quality standards consistently poor.</p>	31.08.17		<p>Link employers with outstanding returns/queries to attendance reports at training sessions and employer forums.</p>
<ul style="list-style-type: none"> A review of the training programme for both new and established employers to support them in delivering their responsibilities. 	<p>This is an on-going process which incorporates any key points arising from employer queries / returns.</p>	31.03.18	<p>The challenge is to reach employers who are not performing / not engaging in any of the training or communications from the fund.</p>	<p>Implementation of automatic process, with reduced level of data returns to employers.</p>
<ul style="list-style-type: none"> A longer term review of the returns required by scheme employers, including examining the scope for moving towards a more standard set of returns whereby employers/payroll providers in more than one Fund can develop a single set of returns and the scope for automating the returns process through i-connect. 	<p>A number of comments received from employers who are struggling to complete our returns which differ from returns they are asked to provide to other Funds.</p>			<p>Implementation of automatic process, with reduced level of data returns to employers.</p>
<p>Review and update the Administration Strategy</p>	<p>Specifically to address issue of non engaged / non performing employers by offering training rather than a fine in the first instance.</p>	30.06.2017		

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