



Report to:	Pension Committee	Date:	18 December 2017
Report title:	Pension Administration Strategy		
Report from:	Gerald Almeroth, Strategic Director - Resources		
Ward/Areas affected:	Borough Wide		
Chair of Committee/Lead Member:	Councillor Sunita Gordon		
Author(s)/Contact Number(s):	Sarah Spence, Sutton & Kingston Shared Pension Service Project Manager, 020 8770 6033		
Corporate Plan Priorities:	<ul style="list-style-type: none"> • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	06 December 2017

1. Summary

- 1.1 Following the recommendations in the Pension Committee governance action plan, this report presents the final draft of Pension Administration Strategy (PAS). The initial draft strategy was presented to the Pension Committee on 18 June 2017.
- 1.2 Regulation 59 of the Local Government Pension Scheme Regulations 2013 (LGPS 2013) enables the administering authority to prepare a document that details the administrative standards, performance measurements, data flows and communication channels with scheme employers.
- 1.3 As London Borough of Sutton (LBS) has the responsibility for pension administration of both Sutton and Kingston's pension funds, the PAS outlines the approach for the efficient administration of both pension funds; both funds' scheme employers; third party payroll providers; and the pension administration team.
- 1.4 The PAS details the main roles and responsibilities of both the pension administration team and scheme employers and summarises the agreed performance standards. It also includes a schedule of charges that allows the pension administration team to recover costs from the scheme employers.
- 1.5 The PAS was shared with scheme employers during September 2017 for comment and feedback before final sign off. There was limited comment back from scheme employers and all were in relation to the schedule of charges and whether the scheme employer or third party payroll provider were liable. Given that the administering authority has no contractual relationship to the third party payroll provider, charges must be levied against the employer.



- 1.6 Since the initial draft was presented, only cosmetic changes have been made to the document. In addition, the list of employers has been updated to reflect the most up-to date position.

2. Recommendations

The Pension Committee is recommended to:

- 2.1 Sign off the final version of the pension administration strategy.

3. Timescales

- 3.1 The proposed timescale sets out the milestones to sign off the strategy:

June 2017	Draft strategy presented to both Sutton Council and Kingston Council's Pension Committee and Pension Board
September 2017	Consultation with scheme employers
December 2017	Final draft strategy presented to both Sutton Council and Kingston Council's Pension Committee and Pension Board
January 2018	Implementation

4. Impacts and Implications

Financial

- 4.1 There are financial implications as per the charging schedule set out in Appendix A (section 9). [Regulation 70 of the LGPS Regulations 2013](#) states that administering authorities have the right to recover from employers any additional costs that it may incur because of an employer's poor performance in respect of its obligations to the LGPS, including the employer's inability to provide data in an accurate and timely manner to the administering authority.

Legal

- 4.2 The PAS has been produced within Local Government Pension Scheme Regulations 2013 and Public Service Pension (Record Keeping & Miscellaneous Amendments) Regulations 2014.

5. Appendices and Background Documents

Appendix letter	Title
A	Final draft of pension administration strategy



Background documents
None

Consultation with other officers		
Finance	No	N/A
Legal	No	N/A
Equality Impact Assessment required?	No	N/A

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