

Agenda Item 4



Regulatory and Other Committee

Open Report on behalf of Pete Moore - Executive Director of Finance and Public Protection

Report to:	Lincolnshire Pension Board
Date:	15th January 2018
Subject:	Employer issue – LCC Improvement Plan

Summary:

The Pension Board have previously been made aware of an issue with an employer in the Fund, LCC, in providing certain required information to the Fund's administrator, WYPF. This report introduces a presentation from LCC, on how they are addressing this issue.

Recommendation(s):

That the Board consider the improvement plan and note the report.

Background

- 1 It has previously been brought to the attention of the Board that the Fund's largest employer, LCC, had developed a backlog in providing detailed leaver information to the Fund's administrator, WYPF. At the last Board meeting in October, it was agreed that the Pension Fund Manager would organise a meeting with all parties (LCC, Serco, WYPF and the Fund) to discuss the issue and for LCC to draw up an improvement plan to address the backlog.
- 2 A meeting was held in November with all parties. It was agreed that Serco, as the outsourced payroll provider for LCC, would work with WYPF to ensure that current leavers were dealt with correctly at the point of leaving, and that they would produce an improvement plan to address the backlog. LCC agreed to improve their monitoring of the situation, and update reports would be sent monthly once the plan was in place.
- 3 The issue was logged on the breaches register, but not reported to the Pensions Regulator at that point, on the understanding that an improvement plan would be put in place to the agreement of all parties, and that the situation would be monitored to ensure that the plan was kept on track.
- 4 Representatives from LCC and Serco will today present to the Board to provide assurance that the situation is improving and that LCC are monitoring the performance across all areas of the payroll contract to ensure

that the statutory responsibilities of the employer are being met. The improvement plan offered is shown below:

Based on keeping in line with WYPF, the maximum number of cases that can be submitted through the backlog process is 200 cases per week. We are therefore proposing to provide information on the 200 cases per week via this process.

*From 1/1/2018 this gives us 17 weeks until the end of April 2018.
200*17= 3,400. The current outstanding total is 3,111 (as at 22/12/2017).*

This will be based on the information we have available to us at this point in time. Any resulting queries we will have to work through accordingly.

In addition we will be completing current leavers, opt outs and urgent cases as agreed with the early leavers team.

- 5 LCC will be required to report monthly on progress.

Conclusion

- 6 The Pension Fund monitors the performance of the scheme employers against their statutory responsibilities, and ensures that the Pension Board is made aware of any issues. The Board will consider whether any action is required, and will look to work with the Fund, WYPF and the employer to address any concerns.

Consultation

a) Have Risks and Impact Analysis been carried out?

Yes

b) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the author of this report.

Background Papers

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