



Pensions Committee

18 March 2015

Report title	Local Government Pension Scheme 2014	
Originating service	Pension Services	
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Recommendations for noting:

The Committee is asked to note:

1. The activity and progress to date of the implementation of the Local Government Pension Scheme (LGPS) 2014.

1.0 Purpose

- 1.1 The purpose of the report is to provide Pensions Committee with an update on the progress to date of the implementation of the LGPS 2014.

2.0 Background

- 2.1 Due to the delays with the regulations, the software provider was unable to fully specify the changes required to the pension calculations in time for 1 April 2014 implementation. The changes to the live pension administration system were initiated from September 2014.
- 2.2 The Fund is continuing to work closely with the software provider to specify and develop the remaining calculations. The Fund continues to minimise the impact on members to ensure they get accurate information as quickly as possible.

3.0 Progress

- 3.1 Following the implementation of the priority system changes, retirement, early leaver and death calculations, the transfer calculation has now been implemented. Work continues on testing the remaining calculations and the resolution of minor calculation issues as they occur in the live UPM environment.
- 3.2 The final phase of the project is the development of the bulk calculations, such as pensions increase, CARE revaluation, and annual benefit calculations which are in the process of specification and testing. All of the bulk calculations are scheduled to be delivered by 31 March 2015.
- 3.3 The previously reported backlog of work for processing retirements is now returned to business as usual. However, there are a number of areas of processing which are still to be managed manually, these include divorce calculations. Further guidance on how transfers into the Fund from other local government pensions schemes is still being produced by government, therefore this area of work is currently on hold or being processed manually for priority cases.
- 3.4 Regular meetings are held with managers across the pension administration service to review the progress of the system changes and the impact on workload.
- 3.5 Employers are updated through the Employer Briefing Note, Employer Peer Group and any further updates are provided when appropriate.

4.0 Financial implications

- 4.1 The project has been managed with existing Fund resources and budget.

5.0 Legal implications

5.1 The report contains no direct legal implications for the Council.

6.0 Equalities implications

6.1 This report has no implications for the Council's equal opportunities policies.

7.0 Environmental implications

7.1 This report contains no direct implications for the Council's environmental policies.

8.0 Human resources implications

8.1 Due to not having a fully operational pension administration system some manual intervention is still required. These are resource intensive for operational staff which limits capacity to drive forward other key priorities for the Fund.

9.0 Corporate landlord implications

9.1 This report contains no corporate landlord implications for the Council.

10.0 Schedule of background papers

10.1 There are no background papers for this report.