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Somerset Pension Administration Strategy

April 2024

Table of Contents

Introduction	3
Compliance	3
Review	4
Regulatory Framework.....	4
Liaison & Communication	6
Administering Authority and Employer Responsibilities	8
Audit.....	9
Performance Monitoring.....	9
Under Performance of Scheme Employer	10
Actuary	11
Outsourcing	12

[Appendix A](#) – Peninsula Pensions Communications Policy

[Appendix B](#) – Performance Standards

[Appendix C](#) – Rechargeable Administration costs

Introduction

Peninsula Pensions is the operational name for the shared administration service of the Local Government Pension Scheme (LGPS) on behalf of the Devon and Somerset Administering Authorities.

Somerset Pension Fund (*"the Fund"*) is responsible for the administration of the Local Government Pension Scheme (*"LGPS"*) within the geographical area of Somerset. The service is carried out by Peninsula Pensions on behalf of Somerset Council (*"the administering authority"*) on behalf of qualifying employers and ultimately the LGPS members.

This document is the Pensions Administration Strategy statement outlining the policies and performance standards towards providing a cost-effective, inclusive, and high-quality pension administration service.

Delivery of such an administration service is not the responsibility of one person or one organisation. It is the joint working of a number of different stakeholders, which between them are responsible for delivering the pensions administration service to meet the diverse needs of the membership. As the cost of this service is borne by the Fund, and effectively recharged pro-rata to each employer via the contribution rate, it is in everyone's interests to ensure an efficient cost-effective provision.

Compliance

Developed in consultation with employers within the Fund, this statement seeks to promote good working relationships, improve efficiency, and ensure agreed standards of quality in delivery of the pension administration service amongst the employers and the Fund.

A copy of this strategy is issued to each of the relevant employers. The undertakings set out within this Pension Administration Strategy will be regularly reviewed by the Fund. In no circumstances does this strategy override any provision or requirement of the Regulations set out below, nor is it intended to replace the information provided in the Employers' Guide on the Peninsula Pensions [website](#).

Review

Peninsula Pensions and The Fund will review this policy statement and make revisions as appropriate following a material change in its policies in relation to

any of the matters contained in the strategy. Employers will be consulted and informed of the changes.

The administration strategy is linked to the following statutory documents of the Administering Authority which are located on the Somerset Pension Fund [website](#):

- Governance Policy and Compliance Statement
- Communications Strategy
- Funding Strategy Statement
- Investment Strategy Statement

Regulatory Framework

Regulation 59 of the LGPS Regulations 2013 enables an LGPS administering authority to prepare a document (*“the pension administration strategy”*) detailing administrative standards, performance measures, data flows and communication with employers.

Regulation 70 of the LGPS Regulations 2013 allows an administering authority to recover costs from an employing authority where costs have been incurred because of that employing authority's level of performance in carrying out its functions under these Regulations.

Regulation 71 of the LGPS Regulations 2013 allows an administering authority to apply interest to late payment of scheme contributions.

Regulation 72 of the LGPS Regulations 2013 sets out who is responsible for the decisions relating to a scheme member's rights and liabilities in the LGPS.

Regulations 79 of the LGPS Regulations 2013 permit the Administering Authority to appeal to the Secretary of State against an employer's decision or lack of decision.

This document has been presented, considered, and approved by the Somerset Pension Fund Board and the Pension Fund Committee and, as such, the contents of which apply to all existing and future employers of Somerset Pension Fund from 1 April 2024.

Record Keeping

Record-keeping is a fundamental part of managing a scheme such as the LGPS. Administering Authorities and employers have a legal obligation to collate and maintain accurate data records.

Each party shall duly observe all its obligations under all applicable laws which apply to the handling of personal data, including the General Data Protection Regulation (Regulation (EU) 2016/679) and the Data Protection Act 2018 as may be amended, extended, or replaced from time to time.

The Administering Authority and the employers agree to comply with the obligations set out in the 'Memorandum of Understanding' regarding Compliance with Data Protection Law between the Administering Authority and all employers within the Fund' (the "MOU"), a copy of which is published on the Peninsula Pensions [website](#). The Administering Authority reserves the right to amend, update or replace the MOU from time to time.

Peninsula Pensions must be able to demonstrate that records are accurate and up to date, within the parameters of data protection legislation, in order to govern and administer the pension scheme efficiently and effectively for scheme members.

Employers (and their delegated payroll providers) are responsible for providing the core data required by the Administering Authority. Employers need to ensure that legal obligations regarding the provision of timely and accurate information to the scheme are met. Please refer to link for more information [Pensions Line Special - August 2023 - Employer Duties \(govdelivery.com\)](#).

The Administering Authority has a legal duty to provide scheme members with accurate and timely information regarding their benefits. The use of electronic processes aides all parties to do this in a timely, secure, and efficient manner.

A strong working partnership between the Administering Authority and employers is key in delivering a successful administration service. This document describes how the Administering Authority provides support to employers in meeting their responsibilities.

Peninsula Pensions will notify employers in advance of any proposed changes in systems, processes, legislation, and data requirements, and will provide sufficient time, support and guidance for employers to implement any changes.

Full details covering the processes for employers, including the procedures for the escalation of outstanding requests for information, can be found within the employer's section of our website.

If employers have concerns about the data required, they should contact Peninsula Pensions without delay. This will allow Peninsula Pensions to work with employers to resolve any issues and enable both parties to meet their requirements for the benefit of scheme members.

Where an employer does not actively engage with Peninsula Pensions to resolve issues and/or consistently fails to meet its responsibilities under the

LGPS Regulations, the Administering Authority (or stakeholders such as the Pension Board) has a statutory duty to report any breach to The Pensions Regulator. Similarly, stakeholders (such as the Pension Board) may report Peninsula Pensions to The Pensions Regulator if it is believed that a breach has occurred in respect of its duty as scheme administrator.

If deemed to be materially significant, The Pensions Regulator has the authority to take prompt and effective action to investigate and correct the breach and its causes, and, where appropriate, to notify any members whose benefits have been affected.

The Pensions Regulator may impose a penalty under section 10 of the Pensions Act 1995. At the time of creating the PAS, the maximum amount of a penalty in relation to a breach is £5,000 in the case of an individual and up to £50,000 in any other case.

Penalties may be imposed on any party who has legal requirements or responsibilities relating to the management or administration of the scheme, and anyone else who could be subject to any of The Pensions Regulator's statutory powers of investigation and enforcement, such as employers and professional advisers.

The Pensions Regulator's compliance and enforcement policy for public service sector schemes can be accessed via the following link:

<https://www.thepensionsregulator.gov.uk/-/media/thepensionsregulator/files/import/pdf/compliance-policy-public-service-pension.ashx>

More information about the work of The Pensions Regulator can be found via the following link:

<https://www.thepensionsregulator.gov.uk/en>

Liaison and Communication

The delivery of a high quality, cost-effective administration service is not only the responsibility of the Administering Authority, but it also depends on them working with several individuals in different organisations to ensure that members and other interested parties receive the appropriate level of service and that statutory requirements are met.

Peninsula Pensions has a dedicated Employer & Communications Team who will work with employers to ensure they are equipped to meet their responsibilities in line with the LGPS Regulations.

Every employer will have access to a dedicated Member Services Team who will assist employers with queries relating to individual members.

Each employer will designate a named individual(s) to act as a **Pension Liaison Officer**, who will serve as the primary contact regarding any aspect of administering the LGPS.

Peninsula Pensions will employ a multi-channel approach in liaising and communicating with employers to ensure that all requirements are consistently met. This is set out in the Peninsula Pensions Communication Policy set out in [Appendix A](#).

Employer Training / Meetings

Employer focus sessions are arranged throughout the year. They cover employer responsibilities including:

- Starter and leaver processes
- Final Pay
- LGPS Discretions
- End of Year requirements
- Internal Dispute Resolution Procedure

Peninsula Pensions hold annual Pension Liaison Officer Group (PLOG) meetings.

The Somerset Pension Fund holds an annual employers' meeting where officers provide information on Fund Finances, Investment Performance, and topical issues for the Fund.

Attendance to these meetings by each employer's main contacts and Senior Management is actively encouraged and will be recorded and form part of each Employers Performance Report to confirm active engagement.

Employer Discretions Policy

Each employer is required to produce, publish and maintain a statement of policy regarding the exercise of certain discretionary functions available to them within the LGPS regulations. The policy statement must be kept under review and where revisions are made; the revised policy statement must be sent to the Fund and made readily available to all employees within the employing authority within one month of the effective date. Examples can be found on the Peninsula Pensions webpage [Employer discretions - Peninsula Pensions](#).

Notification of employee's rights

Any decisions made by an employing authority affecting an employee's rights to membership or entitlement to benefits must be notified to the employee electronically or in writing.

Internal Dispute Resolution Procedure

Each employing authority is required to nominate and name the person to whom applications under Stage 1 of the Internal Disputes Resolution Procedures should be made. The name, job title and contact details of this nominated person must be kept current with the Fund.

Administering Authority and Employer Responsibilities

The LGPS Regulations identifies a number of responsibilities for the Fund and Employers which will enable us, together, to move forward for the benefit of the Fund and our Scheme members. We will achieve this by:

- Clearly defining the respective roles of employers and the Administering Authority
- Setting clear and achievable standards of service levels for the functions carried out by employers and the Administering Authority
- Setting out clear procedural guidance for the secure and effective exchange of information between employers and the Administering Authority
- Monitoring service delivery, identifying poor performance and establishing a platform for the provision of support to improve performance where required
- Continuous development of resources via the use of digital technology and staff training for both the Administering Authority and employers
- Applying charges where an employer consistently fails to meet deadlines to ensure that scheme members are not disadvantaged, and in addition, that the resulting additional administrative strain is not a burden on all employers.

Note: Peninsula Pensions are not responsible for verifying the accuracy of any information provided by the employer for the purpose of calculating benefits under the provisions of the Local Government Pension Scheme and the Discretionary Payments Regulations. This responsibility rests fully with the employer.

Payroll providers – for employers who have delegated the responsibility to a payroll provider, for the provision of information direct to Peninsula Pensions, a delegation form will need to be completed confirming the areas for which they are permitted to act on your behalf. If information, or lack of information,

received from the payroll provider results in incorrect or no information being issued, or incorrect, or no benefits being paid to scheme members, the responsibilities under the Local Government Pension Regulations lie fully with the employer.

A complete breakdown of responsibilities and expected performance levels can be found in [appendix B](#).

Audit

The Fund is subject to an annual audit of its processes and internal controls. Employers are expected to fully comply with any requests for information from both internal and approved external auditors. Any subsequent recommendations will be considered and where appropriate implemented with Employing authority cooperation.

Part of the annual audit will also involve contact and visits with Employers, to ensure pension responsibilities including monthly data provided meets LGPS regulatory requirements.

Performance Monitoring

The Strategy recognises that there is a shared responsibility for ensuring compliance with the LGPS regulations and the PAS. Below we have set out the ways in which performance and compliance will be monitored:

- The Administering Authority and employers must aim to ensure that all functions and tasks are carried out to the agreed quality standards set out in this Strategy.
- The Administering Authority will regularly monitor, measure and report on compliance with the agreed service standards outlined in this document.
- The Administering Authority will undertake a formal review of performance against this strategy on an annual basis and liaise with employers in relation to any concerns on performance.
- The Administering Authority monitors its own performance against internal key performance indicators and the Disclosure Regulations 2013. Formal monitoring is carried out on a monthly basis and is reported to the Pension Board on a quarterly basis.
- The performance of employers against the standards set out in this document will be reported to the Investment and Pension Fund Committee and Pension Board, as appropriate, and will include data quality.
- The Administering Authority will also regularly report to employers regarding individual performance, identifying any areas for improvement including outstanding data items.

Under performance of Scheme Employer

Employers are responsible for the submission of accurate data and to pay the correct amount of pension contributions within the specified timescales. When there is **late or inaccurate submission of data or late payment** of contributions, the scheme member will likely be impacted, and the administering authority may subsequently be unable to perform their duties within the statutory timescales. In addition, consequent costs to the fund would be met from *all* employers' contributions.

Regulations 70 and 71 of the LGPS 2013 regulations gives administering authorities the ability to recover any administration costs incurred as a result of the underperformance of an employer, from the employer responsible for the underperformance.

In order to promote efficiency, reduce costs and better target the costs of non-compliance to those employers identified as underperforming, and who are unwilling to engage with Peninsula Pensions, the **additional** charges in [appendix C](#) will be applied,

From April 2024 Peninsula Pensions will use an employer database to monitor performance. Any additional costs incurred in the administration of the scheme as a direct result of individual underperformance, will be highlighted with a view to recovering these costs from the responsible employer.

Peninsula Pensions will:

- write to the employer, setting out area(s) of non-compliance with performance standards, offer support and, where applicable, request attendance at a training/coaching session
- where the underperformance is in respect of an admitted body, the originating employer will be informed and will be expected to work with Peninsula Pensions to resolve the issue(s)

If no improvement is seen within one month, or the employer is unwilling to attend a meeting to resolve the issue, Peninsula Pensions will issue a formal written notice, setting out:

- the area(s) of non-compliance that has/have been identified
- the steps taken to resolve this area(s)
- how the underperformance has contributed to the additional costs of administration and the amount of the additional cost incurred

Peninsula Pensions will also provide notice that the additional costs incurred as a direct result of the employer's poor performance will now be reclaimed.

A breaches report will be presented to the Pension Board on a quarterly basis. This report will include the nature of the breach, the party responsible for the breach and details of any action taken to address the breach.

The report will also include a recommendation for the Board to consider whether a breach is significant enough to warrant reporting to The Pensions Regulator.

In the event of a levy being issued to the Administering Authority by The Pensions Regulator, the levy will be passed on to the relevant employer where it can be demonstrated that the employer's action or inaction is responsible for the levy.

Any disagreement regarding the amount of the levy will be decided by the Secretary of State who will have regard to:

- the provisions of the pension administration strategy that are relevant to the case
- the extent to which the Administering Authority and the employer have complied with those provisions in carrying out their functions under these regulations

Actuarial work

The Administering Authority will appoint an actuary, who will conduct a valuation of the pension fund, as appropriate. The actuary will determine the assets and liabilities in respect of each employer and will calculate the appropriate contribution rate to be applied for the subsequent three-year period.

The costs associated with the administration of the scheme are charged directly to the pension fund, and the actuary takes these costs into account in assessing the employers' contribution rates.

In the event that an employer elects to outsource a service, the actuary is required to produce a report in respect of those scheme members involved in the outsourcing. The outsourcing employer will be liable for any actuarial costs arising from the outsourcing of a service, including the production of the report.

Guidance regarding the outsourcing of a service is located within the employer's section of our website as below.

An employer may also commission the actuary to undertake additional work, the costs of which will be charged to the individual employer. Please note that these costs will also include an element of the cost of any administration work involved in liaising with the actuary.

Outsourcing a service

Peninsula Pensions webpage TUPE [and admitted bodies - Peninsula Pensions](#) holds information to be followed in connection when an outsourcing is being considered and when it has occurred. This includes the requirement of a rates and adjustment actuarial certificate to be issued for the new admitted body. This provides the employer contribution rate and associated bond/guarantor amount.

From the Transfer Date, the Administering Authority shall permit the Eligible Employees to be or to remain members of the Scheme and to participate as active members of the Fund. From that date the Admission Body shall operate as if it were an employing authority for the purpose of the Regulations and shall exercise the responsibilities provided for in the Regulations.

Please note the Fund will expect contribution payments to be made *from the Transfer Date* even if the admission agreement has not been sealed and executed at Transfer Date. (The LGPS 2013 regulations do permit admission agreements to be completed after a TUPE has occurred).

If at the time of the outsourcing an employer rate is not known the outsourcing employer will work with Peninsula Pensions to expedite the actuarial certificate required by the admitted body. If contributions are not paid the fees for late payment as set out in appendix C will apply.

Pension Fund Committee
Somerset County Council

Date.....

Appendix A – Peninsula Pensions Communication Policy (to be viewed alongside the Somerset Pension Fund Policy)

1. Introduction

Peninsula Pensions (PP) was formed in 2013 as a shared pension administration service, with Devon County Council acting as lead authority, for the provision of the Local Government Pension Scheme (LGPS) administration for the Devon County Council and Somerset Council administering authorities.

Peninsula Pensions also administers the Police Pension Schemes for Avon and Somerset Police and the Firefighters Pension Schemes for Gloucestershire Fire and Rescue Service.

This communication policy outlines the guidelines and procedures for effective communication by PP with its stakeholders, including scheme members and employers, through its [online Scheme Member Self Service portal](#) and [website](#). The goal is to ensure transparent, timely, and reliable dissemination of information while safeguarding data privacy and security.

2. Objectives

The objectives of the communication policy are as follows:

- To provide accurate and up-to-date information on pension schemes administered by Peninsula Pensions.
- To enhance stakeholder engagement and satisfaction through responsive and user-friendly communication channels.
- To maintain data privacy and security in all communication processes and interactions.
- To comply with relevant laws, regulations, and best practices governing communication in the public sector.

3. Communication Channels

PP shall use the following communication channels to interact with stakeholders:

- **Online Portal:** Member Self Service (MSS)/Transformational Member Experience (TME) is the primary source of communication with members. It allows them to check information; produce their own estimates – including a wider financial projector; process certain benefits, for example refunds, transfer out quotations, and deferred retirement options; update personal information; upload documents; and ask us questions.

- **Website:** The website will hold information on all the pension schemes administered by PP. It will include details on latest updates, processes and timescales for the varying functions administrators carry out. There will also be details of how to contact PP and sign up to our Member Self Service portal.
- **Email:** Following Devon County Council's policy relating to emails, as required, secure and official email communication shall be employed for personalised and confidential interactions.
- **Member support team** – a dedicated team to help and support members with both telephone enquiries and responses to enquiries raised within the MSS/TME online portal in an understandable, efficient, and timely manner. Telephone calls may also be recorded for training purposes with the intention of constantly reviewing and improving the service provided through feedback.
- **Newsletters** – yearly updates to pensioners, and regular updates sent to both scheme members and employers.
- **Employer Meetings** – full employer meetings will occur annually, in addition to focus sessions and training events held throughout the year as required. These events can be online and / or in person events.
- **Member and scheme literature** – personal benefit statements, pensioner newsletters and P60s provided on a yearly basis. P60s are also available via MSS/TME online portal as are pensioner pay advices. When material changes occur, newsletters will be issued accordingly, and information placed on MSS/TME online portal and / or our website.

4. Content Guidelines

- **Accuracy and Timeliness:** All information shared on the online portal and website must be accurate, kept up-to-date, and reviewed regularly to reflect any changes in regulations, policies, or procedures.
- **Clarity and Simplicity:** Communication content should be clear, concise, and easily understandable, avoiding technical jargon where possible.
- **Accessibility:** The online portal and website shall be designed to meet accessibility standards, enabling easy access for individuals with disabilities.

5. Stakeholder Engagement

- **Feedback Mechanism:** The online portal and website include a feedback mechanism, enabling stakeholders to provide suggestions, report issues, and seek clarifications.
- **Response Time:** PP shall endeavour to respond to stakeholder enquiries and feedback promptly, setting specific service level standards for each type of communication.

6. Data Privacy and Security

- **Confidentiality:** PP shall handle all personal and sensitive data in strict confidence and comply with relevant data protection laws in line with our [privacy statements](#).
- **Secure Channels:** Communication channels that involve the transmission of sensitive information shall be encrypted and secured.
- **Authentication:** To ensure data security, stakeholders may be required to verify their identity through secure authentication methods when accessing certain information or services.

7. Review and Updates

The communication policy shall be reviewed annually or whenever there are significant changes in regulations, technology, or communication practices.

8. Policy Dissemination

This communication policy shall be made accessible to all employees, stakeholders, and the public through our website.

By adhering to this communication policy, PP aims to foster transparency, trust, and accountability while effectively serving its stakeholders in matters related to pensions and related services.

Appendix B – Performance standards

Performance standards are expressed as targets (i.e. the level of performance expected in normal circumstances). It is accepted that there may be occasions where it may not be possible to achieve the target indicated and a pragmatic approach will be adopted, subject to employers using their best endeavours to meet expected standards wherever possible.

Employer Responsibilities

1. Communication

Function/Role	Performance Target
Primary contacts - Nominate and keep under review named contacts including main contact and HR and payroll links.	Within 1 month of employer joining the Pension Fund or change to nominated representative
Stage 1 Appeals (IDRP) Officer - Appoint a person to consider appeals under Stage 1 of the Applications for the Adjudication of Disagreements Procedure (AADP) and provide full, up to date contact details to Peninsula Pensions.	Within 1 month of employer joining the Pension Fund or 1 month of a change in Appeals Officer
Independent Registered Medical Practitioner (IRMP) - Appoint an IRMP qualified in occupational health medicine, or arrange with a third party, and seek approval of the appointment from Peninsula Pensions, for the consideration of all ill-health retirement applications from active and deferred members.	Within 1 month of employer joining the Pension Fund or within 1 month of a change in IRMP(s)
Employer Discretions - Formulate and publish policies in relation to all areas where the employer may exercise a discretion within the LGPS (including providing a copy of the policy document to Peninsula Pensions).	Initial policy and subsequent revisions to be provided within 1 month of publishing
LGPS content in Contracts – Ensure that Fund-approved LGPS content is included in all contract / appointment / adjustment communications for LGPS-eligible positions including direction to Peninsula Pensions website .	Review LGPS content annually or within 1 month following receipt of information regarding adjustment to Fund approved wording
Communicate any information provided by Peninsula Pensions to scheme members/potential scheme members.	Within 1 month unless an alternate timeframe is set by Peninsula Pensions

	due to statutory requirements
Refer new / prospective scheme members to Peninsula Pensions' website.	Within 1 month of commencement of employment or change in contractual conditions
Outsourcing – Notify Peninsula Pensions of contracting out of services which will involve a TUPE transfer of LGPS eligible staff to another organisation to enable LGPS information to be provided to potential contractors.	Within 1 week following Committee approval
Work with Peninsula Pensions to arrange for the admission of a contractor as a new employer.	A minimum of 2 months in advance of the date of contract
Notify Peninsula Pensions of changes / extension / cessation of arrangements with a contractor.	Within 1 week of decision being made
Assist Peninsula Pensions in ensuring that the terms of the contractor's admission as an employer (Admission Agreement) are complied with.	Notify Peninsula Pensions immediately if the terms of the Admission Agreement have been breached
Respond to enquiries from Peninsula Pensions and representatives from the Administering Authority.	Within 2 weeks from receipt of the enquiry
Respond to enquiries from Peninsula Pensions and representatives from the Administering Authority in respect of Breaches of the Law.	Within 1 week of the request

2. Payments to the Fund

Function/Role	Performance Target
The Employer's Rate - Apply the employer contribution rate and deficit sum agreed with the Administering Authority on becoming an employer and adjust as instructed by the Administering Authority from a date determined by the Administering Authority.	Apply as instructed by the Administering Authority following advice from the scheme actuary
The Employee's Rate - Calculate and review the correct employee contribution rate for all members at commencement and on 1st April each year. Also, to be	On 1st April each year and as per the employer's

reviewed at intervals during the year at the employer's discretion.	discretionary policy on adjusting the employee's contribution rate at intervals during the year
Assumed Pensionable Pay (APP) - Ensure the correct application of APP during periods of reduced/nil pay in accordance with the LGA's HR & Payroll Guides.	Review of eligibility for APP immediately upon a member moving to reduced/nil pay
Monthly Payment to the Pension Fund - Remit employee, employer and any additional contributions and submit the online contributions form to the Administering Authority.	By the 19th of the month after deduction from pay or date specified by the Administering Authority.
Payment of AVCs - Remit Additional Voluntary Contributions (AVCs) to the AVC provider(s).	By the 19th of the month following the deduction from pay
Make strain/shortfall payments to the Administering Authority in respect of early payment of benefits from flexible retirement, redundancy, or business efficiency retirement, or where a member retires early with employer's consent.	Within 4 weeks of receipt of invoice from Peninsula Pensions or the Pension Fund
Remit recharge payments in respect of pension members – e.g. Discretionary Compensation/Enhancement.	Within 4 weeks of receipt of invoice from Peninsula Pensions or the Pension Fund
Payments in respect of FRS102 and IAS19 work carried out on behalf of employers by the Administering Authority and the Actuary.	Within 4 weeks of receipt of invoice from Peninsula Pensions or the Pension Fund
Payments in respect of all other work carried out on behalf of the employer by the Actuary and connected data quality assurance undertaken by the Administering Authority.	Within 4 weeks of receipt of invoice from Peninsula

	Pensions or the Pension Fund
Prompt payment of invoices issued by the Administering Authority for specific services provided e.g. admission agreement work.	Within 4 weeks of receipt of invoice from Peninsula Pensions or the Pension Fund
Make payment of additional costs to the Administering Authority associated with non-compliance with performance standards of the scheme employer.	Within 4 weeks of receipt of invoice from Peninsula Pensions or the Pension Fund

3. Year-End Return

Function/Role	Performance Target
Completing the Year-End Return - Provide a fully reconciled and completed Year-End Return to Peninsula Pensions in the format stipulated in the instructions issued each February.	By 30 April following the year-end
To resolve all queries returned from the Year-End Return.	To respond fully to all queries from Peninsula Pensions within 3 weeks of receipt of the query. In circumstances where an employer submits a late year-end return, limiting the time that Peninsula Pensions must complete its duties, the timescales may be reduced, as

	advised by Peninsula Pensions
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4. Scheme Members Information

Function/Role	Performance Target
<p>To notify Peninsula Pensions of all new scheme members, changes in personal details, e.g. name, working hours via Interface or Employer Self Service.</p> <p>* Where an employer provides employees with a link, (included as part of documentation provided with new contracts), to relevant PP website page, a fee will not be invoked at the 1-month date, assuming full starter information is received by PP within 2 months of the start date. The website page will include all information required to satisfy disclosure regulations.</p> <p>NB Ideally full details would be received within 1 month, to enable PP to add the scheme member record to our database and allow them access to the online portal.</p>	<p>1 month*</p>
<p>On cessation of membership determine the reason for leaving, final pay for calculating pre 2014 benefits and CARE pay for post 2014 benefits as appropriate.</p> <p>NB Where an employee is suffering from a Terminal Illness and limited life expectancy, employers should contact Peninsula Pensions for guidance without delay.</p> <p>Final Pay Period – this is the pay period the scheme member was made a leaver on your payroll.</p> <p>** To enable employers to automate information via their payroll system following their ‘final pay period’, in addition to satisfying the regulatory timescales as administrators, a fee will not be invoked, provided that earlier notification of basic leaver information is given by the employer, to enable PP to provide key information to scheme members ahead of their leaving date.</p> <p>Alternatively, if employers can action interim ‘payroll runs’ as opposed to one single monthly pay run, information</p>	<p><u>Leavers under age 55</u> within 1 week following final pay period</p> <p><u>Leavers age 55+</u> For members in receipt of regular pay, where the employer can accurately project pay to the date of retirement, up to 1 month prior, or within 1 week following final pay period**</p>

could potentially be automated earlier for provision to PP in line with timescales.	
<p>Apply a scheme members election to opt out of the LGPS to the member's payroll record.</p> <p>Notify Peninsula Pensions in line with the process for leavers, as stated above.</p>	<p>Election applies from the 1st of the month for the next available payroll, except where an opt-out is made within 3 months of an employee joining the scheme. In such cases the opt-out is backdated to the joining date and all contributions refunded by employer's payroll</p>
Where a member dies in service - determine final pay for calculating pre 2014 benefits and CARE pay for post 2014 benefits as appropriate.	<p>Inform Peninsula pensions within 2 weeks of employer being notified.</p> <p>Provide full leavers notification within 1 week of final pay period.</p>
Provide monthly CARE data within required format.	Within 2 weeks of pay period it is paid in.
Ensure members are notified of the option to pay Additional Pension Contributions following absences not covered by APP.	Within 2 weeks of the return to work, or as set out in the employer's discretion policy
Apply/adjust/cease the deduction of Additional Pension Contributions following an APC application from a scheme member and forward information via Interface to Peninsula Pensions.	In the month following receipt of election from scheme member
Notify Peninsula Pensions of periods of unpaid absence not covered by Assumed Pensionable Pay (APP).	Within 1 month of return to work.
Arrange for the deduction of AVCs from scheme member's pay following election.	Commence deduction of AVCs in month following the month of

	election, as advised by AVC Provider
In line with General Data Protection Regulations (GDPR) an employer will protect information relating to a member contained in any item issued by Peninsula Pensions from improper disclosure. They will only use information supplied or made available by Peninsula Pensions for the LGPS	Ongoing requirement

Administering Authority Responsibilities

1. Peninsula Pensions

To complete cases in line with the [Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations](#), with at least 90% of cases completed within the statutory targets.

Peninsula Pensions Responsibility	Disclosure regulations / Legal Requirement	Internal Targets
To accurately record and update new member records on pension administration systems.	Within 2 months of effective date of change	On receipt of interface information from employer
To produce a statutory notification and forward to member's home address, together with information relating to the LGPS including how to request a transfer, inform us of previous service, and complete an expression of wish form.	Within 2 months of joining the scheme or within 2 months of request being made	To assist in meeting the statutory deadlines, data reports required for production of statutory notifications are scheduled to run every 2 weeks.
To process employer year-end contribution returns and provide consolidated and grouped error reports for action by employers.	Various timescales impacted – examples below:	To meet statutory deadlines relating to annual benefit statements /

	<ul style="list-style-type: none"> - 31st August Annual benefit statements - 6th October Annual Allowance statements 	triennial Fund valuations/ annual allowance calculations
To produce annual benefit statements for all active members as at the preceding 31 st March and notify electronically or by post to member's home address.	31 st August	31 st July
To produce annual benefit statements for all deferred benefit members, as at the preceding 31 st March, and notify electronically or by post to member's home address.	31 st August	30 th June
To provide information and quotations to scheme member about additional voluntary contribution (AVC) options.	Within 2 months of request being made	
To provide information and quotations to a scheme member on the option of making Additional Pension Contributions (APCs).	Within 2 months of request being made	
To accurately record and update member records on pension administration systems for those members leaving the scheme, with entitlement to a 'frozen' refund of contributions as opposed to deferred benefits or immediate payment of benefits. Provide them with the options available and refund benefit entitlement.	Within 2 months of receiving notification that pensionable service has ended or within 2 months of a request	Within 2 weeks
To accurately record and update member records on pension	Within 2 months of receiving notification	

administration systems for those members leaving the scheme, with entitlement to deferred benefit as opposed to immediate payment of benefits. Provide them with the options available and deferred benefit entitlement.	that pensionable service has ended or within 2 months of a request	
To accurately calculate and inform the member of the options available to them upon retirement.	Within 1 month following date benefit becomes payable (2 months if retiring before normal pension age)	On receipt of information from employer within statutory timescales
Upon receipt of members completed payment option and other required retirement forms, finalise pension records and authorise payment of lump sum and set up of pensioner payroll record.	n/a	Within 2 weeks
Upon receipt of members completed documentation relating to refund of contributions, arrange payment of refund		Within 2 weeks
Upon receipt of a member general enquiry, including a first stage complaint, or enquiry relating to the member online portal, provide response		Within 2 weeks
Upon receipt of pensioner 'payroll' information relating to a member's pension in payment, update member record		Within 2 weeks or sooner if payroll pay run impacting
To produce retirement estimates for employers, once in receipt of all the necessary information.	Within 2 months of request being made	Within 2 weeks
Upon receipt of notification of change to existing member's personal details, update member record		Within 2 weeks

Upon receipt of members completed documentation relating to transfer of benefits, arrange payment		Within 2 weeks
Each Administering Authority is responsible for exercising the discretionary powers given to it by the regulations. The Administering Authority is also responsible for publishing its policy to its members in respect of the key discretions as required by the regulations.		Peninsula Pensions will maintain links to these discretions on their website and review every 3 years or sooner if required
Under the General Data Protection Regulations 2018 Peninsula Pensions will protect information relating to a member contained on any item issued by them or received by them from improper disclosure.	n/a	Ongoing requirement, online security within databases regularly reviewed
Notification of Pension Fund Triennial Valuation results including contribution rates – assuming information provided by Actuaries as agreed		Provisional results December following valuation, with final results the following March

Appendix C

Our aim is to work with employers for the benefit of scheme members in a timely manner and in line with the [Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations](#). However, where underperformance has arisen and there is lack of engagement, we will look to charge employers as set out below.

Discretion for avoidance of charges will be limited, and only considered when full engagement with employer and Peninsula Pensions has taken place, and on completion of form of agreement confirming steps being taken and timetable agreed to correct the position.

Description of Failure	Fee
Failure to notify Peninsula Pensions with full information relating to new starters joining the LGPS within 1 month of their start date	£50 per member plus an additional £50 per member for each subsequent month late
Failure to notify Peninsula Pensions of other changes relating to an active member of the LGPS within 1 month of the change - this will include all changes outlined in the Pension Admin Strategy (for example, hour changes / additional pension contributions)	£50 per member plus an additional £50 per member for each subsequent month late
Failure to submit requested pay data relating to Annual Allowance by the 5 th July	£100 per day from date specified, up until the date the data is received
Failure to submit monthly data match files eg CARE pay by last day of the following month or, provide them outside of the Peninsula Pensions template	£100 per day from the day after the last day of the following month, up until the date return is received / received in correct format
Failure to notify Peninsula Pensions of member leaving the LGPS (as opposed to potential retirement - relating to either termination of employment or opting-out) within 1 month of the event	£50 per member plus an additional £50 per member for each subsequent month late
Failure to notify Peninsula Pensions of any retirement within 1 week following final pay period.	£200 per member plus an additional £200 per member for each subsequent month late
Whereas a result of the Employer's failure to notify Peninsula Pensions of a retirement, interest becomes payable on any lump sum or death grant paid, Peninsula Pensions will recharge the total amount of interest to the Employer (in addition to any late payment fees stated)	Interest calculated in accordance with Regulation 71 of the LGPS Regulations 2013
Failure to notify Peninsula Pensions of the death in service of a member within 2 weeks of the Employer receiving notification	£200 per member plus an additional £200 per member for each subsequent month late

Failure to pay over the monthly contributions to the Fund by the 19th of the month following deduction of the contributions	Interest calculated on a daily basis equal to the Bank of England Base Rate plus 1%
Failure to provide the monthly contribution forms	£50 per occasion plus an additional £50 per occasion for each subsequent month late
Failure to provide Peninsula Pensions with the End of Year return by 30th April	£100 per day from 1st May to date return is received
Failure to respond to requests to resolve member queries (for example queries related to annual returns or leaver forms) within 2 weeks of request	£50 per member request plus an additional £50 per member for each subsequent month late
1 estimate per year per employer led retirement 'type' There is also the strain calculation report for employers which can be provided by PP, to help when looking at potential costs.	£100 per estimate request plus VAT per additional request (assuming same reason for leaving requested)
Failure to pay invoices from Peninsula Pensions within the prescribed payment period	Interest calculated on a daily basis equal to the Bank of England Base Rate plus 1%
Consistent failure to engage with Peninsula Pensions when contacted / to provide accurate data / or with attendance at training /focus sessions without advising/notice.	£50 per occasion plus an additional £50 per occasion for each subsequent month late
Any other failure to comply with the employer duties included in either the 'Communication' section, the 'payments to Fund' section, or the 'scheme members information section' of the Pension Administration Strategy within the prescribed timescales, where not specifically mentioned separately above.	£50 per occasion plus an additional £50 per occasion for each subsequent month late
Admission Agreements - We require contributions to be deducted from the TUPE date and paid across by 19th of following month. This applies even if admission agreement documentation not completed. If an actuarial report not requested/received at TUPE date,	Interest calculated on a daily basis equal to the Bank of England Base Rate plus 1%

contributions to be paid within 2 weeks of admitted body receiving report.	
Fines received by either Peninsula Pensions or the LGPS Fund from regulatory bodies eg HMRC, TPR, ICO due to an employer breach	Amount of the fine will be fully recharged
Additional ad-hoc work caused to Peninsula Pensions by late and/or inaccurate submissions of data due to underperformance of employer.	This work will be charged in line with the average staff daily rate of £200, <i>in addition</i> to relevant fee quoted above where appropriate.

Notes to Charging Schedule

- Notifications of new starters, changes, absences, leavers, retirements, and death in service must give full and accurate information as detailed in the Employer's Guide.
- Regulation 71 of the LGPS Regulations 2013 states that interest must be calculated at one per cent above base rate on a day-to-day basis from the due date to the date of payment and compounded with three-monthly rests. If late payment of a lump sum or death grant occurs as a result of a failure by the scheme member or scheme member's representative to provide the information to the Fund, the Fund will be liable for the payment of any interest due.