

	<p>Pension Fund Committee</p> <p>26 Febuary 2018</p>
<p style="text-align: center;">Title</p>	<p>Referral from Local Pension Board – Local Pension Board Performance Overview</p>
<p style="text-align: center;">Report of</p>	<p>Head of Governance</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Urgent</p>	<p>No</p>
<p style="text-align: center;">Key</p>	<p>No</p>
<p style="text-align: center;">Enclosures</p>	<p>Annex A – Local Pension Board Performance Overview, 14 February 2018</p> <p>Appendix A – Capita Employee Benefits Performance Report – Nov to Dec 2017</p> <p>Appendix B – Audit Report</p> <p>Appendix C – Service Improvement Plan</p> <p>Appendix D – Pensions Administration Risk Register</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Paul Frost, Governance Officer 020 8359 2205, paul.frost@barnet.gov.uk</p>

<p>Summary</p>
<p>The Local Pension Board at their meeting held on 14 February 2018 agreed to refer the Local Pension Board Performance Overview to the Pension Fund Committee to make the Committee aware of the current issues with the performance of Capita Employee Benefits in respect of administration of the London Borough of Barnet Superannuation Scheme.</p>

Recommendations

That the Pension Fund Committee note the performance issues reported to the Local Pension Board in respect of the administration of the London Borough of Barnet Superannuation Scheme.

1. WHY THIS REPORT IS NEEDED

1.1 The Local Pension Board at their meeting held on 14 February 2018 agreed to refer the Local Pension Board Performance Overview to the Pension Fund Committee to make the Committee aware of the current issues with the performance of Capita Employee Benefits in respect of administration of the London Borough of Barnet Superannuation Scheme.

1.2 A draft minute extract from the Local Pension Board is set out below and the Committee are requested to take this into account when receiving the referral:

“The Assistant Chief Executive and HR Strategic Lead presented a report which provided an overview of the performance of Capita in respect of the administration of the London Borough of Barnet Superannuation Scheme. Officers reported that there were issues with legacy data, communications and a lack of reporting of breaches to the Pensions Regulator all of which required redress via the Service Improvement Plan.

Board Members recommended that Capita Employee Benefits (CEB) should:

- Produce a monthly employer compliance report;
- Articulate to employers the risks, potential penalties and consequences for failing to submit accurate information to CEB on time; and
- Encourage employer participation in the Employer Forum;

The Board noted that data cleansing was on-going and it was questioned whether this would be completed in time for the issuance of the 2018 Annual Benefits Statements. Officers reported that a plan was in place for the data cleanse and progress would be reported to the Board at the next meeting.

RESOLVED that:

- 1. The Local Pension Board note the performance concerns in relation to Capita’s administration of the Barnet Pension Fund as set out in the Local Pension Board Performance report and associated appendices.**
- 2. The Local Pension Board are requested to note the progress made against the Service Improvement Plan.**
- 3. The Local Pension Board receive a copy of the draft Communications Plan by the end of February.**

4. **The Local Pension Board requests to receive a detailed project plan from Capita by the end of February in relation to the process that leads to the issuing of benefit statements to satisfy itself that sufficient resources and planning are in place to ensure the mistakes of 2016 are avoided**
5. **The Local Pension Board note the risks identified on the Pensions Administration Risk Register.**
6. **The Local Pension Board refer the Local Pension Board Performance and issues detailed in the preamble above to the next meeting of the Pension Fund Committee and request that the Board Chairman be given an opportunity to address the Committee on the issues raised.”**

2 REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the report attached at Annex A.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 As set out in the report attached at Annex A.

4 POST DECISION IMPLEMENTATION

- 4.1 This report will be included on the agenda for the next Pension Fund Committee. The Board will be informed of responses from the Committee.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Pension Fund Committee supports delivery of Council’s strategic objectives and priorities as expressed through the Corporate Plan 2015-2020 by assisting in maintaining the integrity of the Pension Fund by monitoring the administration and compliance of the Fund.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 As set out in the report attached at Annex A

5.3 Social Value

- 5.3.1 As set out in the report attached at Annex A.

5.4 Legal and Constitutional References

- 5.4.1 The Public Service Pensions Act 2013 and the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 required the Council to establish a Pension Board by 1 April 2015.

5.4.2 Constitution – Article 7 details the terms of reference of the Pension Fund Committee and Local Pension Board.

5.5 Risk Management

5.5.1 As set out in the report attached at Annex A.

5.6 Equalities and Diversity

5.6.1 As set out in the report attached at Annex A.

5.7 Consultation and Engagement

5.7.1 As set out in the report attached at Annex A.

5.8 Insight

5.8.1 As set out in the report attached at Annex A.

6. BACKGROUND PAPERS

6.1 None