



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

IMPACT OF ANNUAL ALLOWANCE CHANGES / JOINT ADMINISTRATION AND COMMUNICATIONS STRATEGY (SLA)

Report of the Chief Fire Officer

Date: 22 September 2017

Purpose of Report:

To update Members on the changes to the annual allowance and to seek approval for the discretion to use Voluntary Scheme Pays for scheme members and the introduction of the Firefighter's Pension Scheme Joint Administration and Communications Strategy (SLA).

CONTACT OFFICER

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1. BACKGROUND

- 1.1 Following a national review of pensions, the Public Services Pensions Act 2013 required the Authority to set up a Local Pension Board. The Board is responsible for assisting the Scheme Manager in ensuring the effective governance and administration of the Firefighter Pension Schemes.
- 1.2 The Pension Section has a statutory duty to write to scheme members who breach the annual allowance by 6 October each year – eg: 2016/17 breaches will be written to by 6 October 2017.
- 1.3 The Pension Regulator's Code of Practice outlines that a pension administration strategy should be introduced by public pension schemes setting out how that scheme is to be administered.
- 1.4 Leicestershire County Council (LCC) provide administration services for the firefighter pension schemes. In line with the Pension Regulator's Code of Practice the Pension Administrator has drafted an Administration and Communications Strategy in conjunction with Nottinghamshire, Derbyshire, and Leicestershire Fire and Rescue Services.
- 1.5 The Strategy sets out expectations in terms of quality and performance standards to improve efficiency and ensure good value for money. The Local Firefighter Pension Board considered both of these issues at its meeting on the 14 June 2017.

2. REPORT

ANNUAL ALLOWANCE – MANDATORY SCHEME PAYS

- 2.1 The annual allowance is the annual limit on pension savings that a scheme member can make in each year which will receive tax relief. If the value of pension benefit grows by more than this allowance, then the excess amount may become subject to a tax charge. Currently the annual allowance is £40,000.
- 2.2 The Pension Section has a statutory duty to write to scheme members who breach the annual allowance by 6 October each year – eg: 2016/17 breaches will be written to by 6 October 2017.
- 2.3 Scheme members who breach the annual allowance have options to pay the tax charge under the mandatory scheme pays rules. The options are set out below:
 - Make payment of the tax directly to HMRC; or
 - For tax charges over £2,000 opt for mandatory scheme pay. This means the Pension Fund pays the tax on the member's behalf, but then reduces

the member's future pension benefits. This is known as the "annual allowance debit";

- For tax charges under £2,000 the member has to make payment to HMRC directly.

TAPER ANNUAL ALLOWANCE – VOLUNTARY SCHEME PAYS

- 2.4 In tax year 2016/17 HMRC introduced a new annual allowance, this is known as the tapered annual allowance, and is aimed at higher earners. Scheme members with annual income (includes salary and other sources of income eg: rent) above £150,000 have their annual allowance reduced by £1 for each £2 they earn above £150,000. The maximum reduction is £30,000, which means that people with annual income of £210,000 or above have an annual allowance reduced from £40,000 to only £10,000.
- 2.5 Scheme members who breach the tapered annual allowance have options to pay the tax charge under the voluntary scheme pays rules:
- Make payment of the tax directly to HMRC; or
 - Opt for mandatory scheme pays for the non-tapered breach;
 - But the member cannot request voluntary scheme pays on the tapered breach unless the Pension Fund administrator allows this.
- 2.6 This change has added additional complexity to an already complex area of pension taxation. To try and simplify the process and to assist scheme members with a tapered annual allowance breach, it is proposed that the Nottinghamshire Pension Fund allows voluntary scheme pays but only in the circumstances shown below;
- If the total tax charge is over £2,000. If the total tax charge is under £2,000 the member will have to pay the tax to HMRC directly (as they do under mandatory scheme pays);
 - If the tapered breach is from the member's own Nottinghamshire Pension Fund Scheme benefits. If the tax charge is due to other pension benefits the member has elsewhere, then voluntary scheme pays is not available.
- 2.7 If the Nottinghamshire Pension Fund did not allow voluntary scheme pays, some higher earners with a tapered annual allowance breach could incur significant tax charges that would have to be paid directly to HMRC. Derbyshire and Leicestershire are also seeking approval from their Authorities to apply voluntary scheme pays discretions.
- 2.8 HMRC have also introduced different timelines for payment of the tax charges between mandatory and voluntary scheme pays. This adds further complexity so it is proposed that the Nottinghamshire Fund deals with all breaches using the earlier of the two deadlines, this being the voluntary scheme pays. There is no cost to the Authority from either the mandatory or voluntary scheme pays options as the tax charge is recovered from the individual on payment of pension.

ADMINISTRATION AND COMMUNICATIONS STRATEGY

- 2.9 The administration and communication strategy is designed as a framework document which can assist with the delivery of a high-quality administration service to the scheme member and other interested parties. A copy of the Strategy is attached to this report at Appendix A.
- 2.10 The joint strategy sets out the quality and performance standards expected of Leicestershire County Council in its role as the administering authority as well as those of the Nottinghamshire, Derbyshire and Leicestershire Fire Authorities.
- 2.11 The Strategy seeks to promote effective working relationships and improve efficiency by promoting consistent approaches of administration and promote value for money for the Fire Authorities
- 2.12 The Strategy covers the following areas:
- The procedures in place for liaison and communication with the Fire Authorities;
 - The establishment of levels of performance which LCC and the Fire Authorities are expected to achieve in carrying out their functions by the setting of performance targets and the making of agreements about levels of performance and associated matters;
 - Procedures which aim to secure that LCC and the Fire Authorities comply with the statutory requirements in respect of those functions and with any agreement about levels of performance;
 - Procedures for improving the communication by LCC and the Fire Authorities of information relating to those functions.
- 2.13 The Strategy sets out that LCC will work closely with the Fire Authorities to ensure compliance with all statutory requirements and to seek service improvement. This will be measured through a formal audit process, performance monitoring, communication with the Fire Service and through the exchange of information at regional pension meetings.

3. FINANCIAL IMPLICATIONS

The financial implications are set out in full within this report

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

The Human Resources Department is fully involved in pension issues to ensure that any human resource implications are taken into account.

5. EQUALITIES IMPLICATIONS

There are no equality implications arising from this report

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report

7. LEGAL IMPLICATIONS

There are no legal implications arising directly from this report

8. RISK MANAGEMENT IMPLICATIONS

The Administration and Communications Strategy is a tool which can be used to support the efficient and effective administration of the fire pension schemes. This will help to manage any risks associated with process failure or claims of maladministration.

9. COLLABORATION IMPLICATIONS

Leicestershire County Council administer the Fire Pensions for Nottinghamshire, Leicestershire and Derbyshire Fire and Rescue Services. The Administration and Communications Strategy has been drawn up on a regional basis in conjunction with all three Services.

10. RECOMMENDATIONS

It is recommended that Members approve:

- 10.1 The discretion to use Voluntary Scheme Pays for affected members of the Pension Scheme.
- 10.2 The introduction of the Firefighters Pension Scheme Joint Administration and Communication Strategy (SLA).

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

**LEICESTER, LEICESTERSHIRE & RUTLAND
COMBINED FIRE AUTHORITY**



Derbyshire
Fire & Rescue Service
Making Derbyshire Safer



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Fire-fighters Pension Scheme
Joint Administration and Communication
Strategy (SLA)

Sections

- 1. Administration Strategy**
- 2. Communication Strategy**
- 3. Performance Targets**
- 4. Service Level Agreements**

This document details two strategies, the administration and communication strategies for the Fire-fighters Pension Scheme for Leicestershire, Derbyshire and Nottinghamshire Fire authorities.

It also details the Pension Section performance targets and service level agreement for the Fire Authorities.

SECTION 1

ADMINISTRATION STRATEGY

INTRODUCTION

An administration strategy is seen as one of the tools which can help in delivering a high quality administration service to the scheme member and other interested parties. Delivery of a high quality administration service is not the responsibility of one person or organisation, but is rather the joint working of a number of different parties.

This is the proposed pension administration strategy statement of the Fire-fighters Pension Scheme for Leicestershire, Derbyshire and Nottinghamshire Fire Authorities, administered by Leicestershire County Council (LCC). The Fire Authorities will be consulted on regarding this document before the final version is prepared.

The aim of this strategy statement is to set out the quality and performance standards expected of Leicestershire County Council in its role of administering authority, as well as the Fire Authorities. It seeks to promote good working relationships, improve efficiency by promoting consistent approaches of administration and provide good value for money for the Fire Authorities.

IMPLEMENTATION

The Pension Section proposes for this strategy to the Fire Authorities from 1 April 2017. This strategy statement sets out the expected levels of performance of LCC and the Fire Authorities, as well as details on how performance levels will be monitored and the action that might be taken where persistent failure occurs.

Any enquiries in relation to this pension administration strategy statement should be sent to:

Ian Howe - Pension Manager

Leicestershire County Council Pension Fund

County Hall

Glenfield

Leicester LE3 8RB

ian.howe@leics.gov.uk

Telephone: 0116 305 6945

FRAMEWORK

The Administration Strategy covers.

- Procedures for liaison and communication with the relevant Fire Authorities.
- The establishment of levels of performance which LCC and the Fire Authorities are expected to achieve in carrying out their functions by-
 - (i) the setting of performance targets;
 - (ii) the making of agreements about levels of performance and associated matters;
or
 - (iii) such other means as LCC consider appropriate;
- Procedures which aim to secure that LCC and the Fire Authorities comply with the statutory requirements in respect of those functions and with any agreement about levels of performance.
- Procedures for improving the communication by LCC and the Fire Authorities of information relating to those functions.
- Such other matters as appear to LCC to be suitable for inclusion in that strategy.

In preparing or revising the pension administration strategy, LCC will consult with the Fire Authorities.

Fire-fighters Local Pension Boards

Pension governance rules introduced Pension Boards from April 2015.

Each Fire Authority is required to have a Local Pension Board with trained members. Training for members should be provided by the Fire Authorities, LCC Pension Section, the LGA and external providers as required. However, members should complete The Pensions Regulator knowledge and understanding public service tool kit to ensure they have the necessary knowledge and understanding to fulfil their role on the Board.

Each Fire Authority needs to establish its own Local Board and the governance arrangements of their Board.

There may be potential for a joint East Midlands Fire-fighters Pension Board, replacing the three Local Boards, should a successful bid be accepted by DCLG.

RESPONSIBILITIES AND PROCEDURES

PROCEDURES FOR LIAISON AND COMMUNICATION WITH THE FIRE AUTHORITIES

The delivery of a high quality administration service is the responsibility of LCC and the Fire Authorities.

This strategy statement is being developed with consultation with the Fire Authorities. It takes account of scheme employers' current pension knowledge, perception of current administration standards, position of the new scheme changes and specific training needs to ensure the level of service can be delivered to the required standard.

Internal standards

LCC and the Fire Authorities will ensure that all functions/tasks are carried out to agreed quality standards. In this respect the standards to be met are:

work to be completed in the required format and/or on the appropriate forms;

information to be legible and accurate;

communications to be in a plain language style

information provided to be checked for accuracy by an appropriately trained member of staff;

information provided to be authorised by an agreed signatory; and

actions carried out, or information provided, within the timescales set out in this strategy document.

PROCEDURES FOR ENSURING COMPLIANCE WITH STATUTORY REQUIREMENTS AND LEVELS OF PERFORMANCE

Ensuring compliance is the responsibility of LCC and the Fire Authorities. We will work closely with the Fire Authorities to ensure compliance with all statutory requirements, whether they are specifically referenced in the Regulations, in overriding legislation, or in this Administration Strategy. We will also work with the Fire Authorities to ensure that overall quality and timeliness is continually improved. Various means will be employed, in order to ensure such compliance and service improvement, seeking views from as wide an audience as possible. These include:

Audit

It is proposed that LCC internal audit will provide assurance to the Local Pension Boards by auditing LCC's pension administration for all three Fire authorities.

Any subsequent recommendations made will be considered by LCC Pensions and where appropriate duly implemented (following discussions with the Fire Authorities where necessary).

Performance monitoring

The Fire Authorities will monitor administration performance against specific tasks set out in the service level agreement and may choose to provide the information to their Local Pension Board on a quarterly basis.

LCC will monitor its own performance in carrying out its responsibilities in relation to the scheme.

Employer liaison meetings

Quarterly meetings will take place with representatives of the Fire Authorities and LCC to monitor and review performance against targets, the quality of information exchange and ensure compliance with statutory obligations.

Employer liaison

Each Fire Authority will designate a named individual to act as a scheme liaison officer; being the main contact with regard to any aspect of administering the Fire-fighters pension scheme. Similarly, LCC will designate named individuals within the pension services fire team for each Fire Authority, to act as the pension liaison officers.

The Pensions Manager will meet with each Scheme Manager/Fire Authority quarterly to discuss any specific issues relating to the individual Fire Authority. More frequent meetings will be arranged if necessary (particularly if issues around the performance and statutory deadlines).

Improving employer performance (where necessary)

LCC Pension Section will seek, at the earliest opportunity, to work closely with Fire Authorities in identifying any areas of poor performance, provide the opportunity for necessary training and development and put in place appropriate processes to improve the level of service delivery in the future.

LCC Pensions often rely on timely and accurate data from the Fire Authorities. Where persistent and ongoing failure occurs and no improvement is demonstrated by a Fire Authority to improve the timeliness and quality of the data provided the Pension Manager will escalate this to the Scheme Manager and the Local Board.

- Initially LCC Pensions will liaise with the Fire Authority, setting out the area(s) of poor performance and how they can be addressed.
- Where no improvement has been demonstrated by the Fire Authority, or where there has been a failure to take agreed action by the Fire Authority, LCC Pensions will write to the Scheme Manager setting out the area(s) of poor performance that has been identified and the steps taken to resolve those area(s).
- Where no improvement continues by the Fire Authority, or where there has been ongoing failure to take agreed action by the Fire Authority, LCC Pensions will write to the Local Board setting out the area(s) of poor performance that has been identified and the steps taken to resolve those area(s).

Circumstances where LCC may levy costs associated with the FIRE authorities poor performance

LCC charge the Fire Authorities for the administration service. If additional costs are associated with the administration of the scheme because of the poor level of performance of that Fire Authority LCC Pensions will discuss this with the Scheme Manager and detail this in writing, stating:-

The reasons in their opinion that the Fire Authorities poor performance contributed to the additional cost;

The amount of the additional cost incurred;

The basis on how the additional cost was calculated.

REVIEW PROCESS

We will review our administration strategy with the Fire Authorities to ensure it remains up to date and meets the necessary regulatory requirements at least every two years.

CONSULTATION

In preparing this pension administration strategy we will consult with the Fire Authorities. Where it is necessary to revise the pension administration strategy the Fire Authorities will be notified in writing of the final changes.

SECTION 2

COMMUNICATION STRATEGY

Introduction

This is the Communications Policy Statement of the LCC Pension Section for the Fire-fighters Pension scheme.

LCC Pensions provide the Fire-fighters pension administration for three Fire Authorities, Leicestershire, Derbyshire and Nottinghamshire. Total scheme numbers for active, deferred and pensioners are approximately;

Leicestershire Fire Authority 1,421

Derbyshire Fire Authority 1,608

Nottinghamshire Fire Authority 1,830

The delivery of the benefits involves communication with a number of other interested parties. This statement provides an overview of how we communicate and how we intend to measure whether our communications are successful.

It is intended to implement this from April 2017. Any enquiries in relation to this Communication Policy Statement should be sent to:

Ian Howe - Pension Manager

Leicestershire County Council Pension Fund

County Hall

Glenfield

Leicester LE3 8RB

ian.howe@leics.gov.uk

Telephone: 0116 305 6945

Responsibilities and Resources

The LCC Pensions are responsible for communication material for the Fire-fighters pension scheme.

LCC Pensions will write all communication, web based or electronic material. However, where there are significant changes LCC Pensions will try (wherever possible) to liaise with the three Fire Authorities to agree the communication e.g. the new CARE annual benefit statement. LCC Pensions will also liaise with the Fire LGA Team to try and use nationally agreed wording, layouts and web developments wherever possible.

Communication with key audience groups

Our audience

We communicate with a number of stakeholders. For the purposes of this communication policy statement, we are considering our communications with the following audience groups:

active members;

deferred members;

pensioner members;

prospective members;

Local Board members;

In addition there are a number of other stakeholders with whom we communicate on a regular basis, such as Her Majesty's Revenues and Customs, the Home Office and other pension providers.

General communication

General day to day communication will continue to use paper based, for example, by sending letters to the scheme members. However, we will complement this by use of electronic means such as e-mail and our website;

http://www.leics.gov.uk/index/pensions/firefighters_pension_scheme.htm

Accessibility

We recognise that individuals may have specific needs in relation to the format of our information or the language in which it is provided. Demand for alternative formats/languages is not high enough to allow us to prepare alternative format/language material automatically.

POLICY ON COMMUNICATION WITH ACTIVE, DEFERRED AND PENSIONER MEMBERS

Our objectives with regard to communication with members are:

for the Fire-fighters pension scheme to be used as a tool in the attraction and retention of employees.

to better educate and explain to members the benefits of the Fire-fighters pension scheme.

to provide more opportunities for face to face communication.

to reassure stakeholders.

Our objectives will be met by providing the following communications, which are over and above individual communications with members (for example, the notifications of scheme benefits or responses to individual queries).

Type	Media	Frequency	Method of Distribution	Audience Group (Active, Deferred, Pensioner or All)
Scheme information	Paper based and on website	As required	Posted to home address or on-line	Active
Annual Benefit Illustrations	Paper	Annually	Posted to home address	Active and Deferred
Additional Estimates	Paper	Once annually, others charged at £ 75 plus VAT each	Posted to home address	Active
Divorce – Additional CEV within 12 months	Paper	As required, charged at £175 plus VAT	Posted to home address	All
Divorce – Provision of other information	Paper	As required, charged between £150 and £725 plus VAT	Posted to home address	All
Divorce – Receipt of pension sharing order or consent order and to establish a new or prospective pensioner record	Paper	As required, charged at £725 plus VAT	Posted to home address	All

Type	Media	Frequency	Method of Distribution	Audience Group (Active, Deferred, Pensioner or All)
Roadshows	Face to face	Annually (new concept - frequency will be monitored)	Advertised by the Fire Authorities	All
Pensions Increase	Paper	Annually	Posted to home address	Pensioners

*Excludes employer driven estimates – e.g. redundancy, ill health, retirements within 12 months of leaving and estimates for divorce.

*The charge also excludes estimates for 92 scheme members when 30 years is attained.

POLICY ON PROMOTION OF THE SCHEME TO PROSPECTIVE MEMBERS

Our objectives with regard to communication with prospective members are:

to improve take up of the Fire-fighters pension scheme.

for the Fire-fighters pension scheme to be used as a tool in the attraction of employees.

As LCC, do not have direct access to prospective members, we will work in partnership with the Fire Authorities to meet these objectives. We will do this by providing the following communications:

Method	Media	Frequency	Method of Distribution	Audience Group
Scheme Guides	Website	On commencing employment	On-line	New employees
New starter forms	Paper	On commencing employment	Posted to home address by the Fire Authority	New employees
Statutory notice	Paper	Commencement in the scheme	Posted to home address by Pensions	New joiners

Method	Media	Frequency	Method of Distribution	Audience Group
Auto enrolment information	Template letters for the Fire Authorities to use for auto enrolment	Employers trigger points	Letters from employers	Non pensionable employees
Roadshows	Face to face	Annually (new concept - frequency will be monitored)	Advertised by the Fire Authorities	All

POLICY ON COMMUNICATION WITH THE FIRE AUTHORITIES

Our objectives with regard to communication with employers are:

to continue strengthening relationships ensuring communication is accurate and timely between LCC and the Fire Authorities.

to ensure work together to maintain accurate data.

to ensure LCC are informed of any changes that may impact on pension administration e.g. discretionary areas.

Our objectives will be met by providing the following communications:

Method	Media	Frequency	Method of Distribution	Audience Group
Guidance	Pensions website	Whenever new information or changes are made to guidance	Web site	Scheme Managers
Administration meeting	Face to face	Quarterly	Invitations by e-mail	All Fire administration contacts
Pension Manager meeting	Face to face	Quarterly or as required	E-mail	Scheme Managers

Method	Media	Frequency	Method of Distribution	Audience Group
Fire Officer Group or LGA updates	Face to face or electronic	Quarterly	Verbal or electronic	Scheme Managers

POLICY ON COMMUNICATION WITH PENSION BOARD MEMBERS

Employee and Employers representatives sit on the Pension Board.

Our objectives with regard to communication with Pension Board members;

for the Pension Manager to attend Pension Board meetings by invitation, as required

to assist with training as required

to assist with pensions metrics data

to assist the Scheme Manager as required – reports, Board comments, SAB feedback, and other areas as necessary

Our objectives will be met by providing the following communications:

Method	Media	Frequency	Method of Distribution	Audience Group
Pension Board meetings	Face to face	As required	Face to face	All members of the Pension Board
Pension Board training events	Face to face	As required	Face to face	All members of the Pension Board
Pre Pension Board meetings	Face to face, e-mail, phone as required	As required	Face to face, e-mail, phone as required	Scheme Manager.

SECTION 3

Performance TARGETS

So as to measure the success of our communications with active, deferred and pensioner members, we will use the following key performance indicators:

Timeliness

We will aim to meet the following target delivery timescales:

Communication	Audience	Target delivery period
Active Member Annual Benefit Statements as at 31 March	Active members	31 August each year
Preserved Member Annual Benefit Statements as at 31 March	Preserved members	31 August each year
Pension Saving Statements as at 31 March	Active members who breach the Annual Allowance pension growth tax threshold	6 October each year
Issue of retirement benefits	Active members retiring	92% of retirement benefits to be issued within 10 working days of receiving all the necessary information.
Payment of pension benefits	Active members retiring	92% of payments will be provided to the Fire Authority to proceed with payment, within five working days of receiving election.
Notification of death related benefits	Dependants of scheme members	90% within 10 days of death notification paperwork.
Payment of death related benefits	Dependants of scheme members	92% of payments will be provided to the Fire Authority to proceed with payment, within five working days of receiving all information.

Customer experience

Feedback media	Perspective	Target
Paper questionnaire issued	Establish members understanding of information provided – rated at least mainly ok or clear	95%
Paper questionnaire issued	Experience of dealing with Section – rated at least good or excellent	92%
Paper questionnaire issued	Establish members thoughts on the amount of info provided – rated as about right	92%
Paper questionnaire issued	Establish the way members are treated – rated as polite or extremely polite	97%

Results

We will provide the results at the quarterly administration meetings. Scheme Managers may choose to take the results to their Pension Boards

Review Process

We will review the performance targets annually with the Fire Authorities.

SECTION 4

SERVICE LEVEL AGREEMENTS

BY LCC PENSION SECTION

Function / Task	Performance target
LIAISON AND COMMUNICATION	
Keep under review the administration and communication strategy	Within one month of any changes being agreed with the Fire Authorities
Issue and keep up to date web based information	30 working days from the date of change/amendment (will use LGA information for national scheme changes)
Issue and keep up to date scheme guidance	30 working days from the date of the change/amendment (will use LGA information for national scheme changes)
Issue and keep up to date all forms required for completion by either scheme members, prospective scheme members or scheme employers	30 working days from the date of the change/amendment (will use LGA information for national scheme changes)
Notify Fire Authorities of changes to the scheme rules	Within 30 working days of the change(s) coming into effect
Notify the Scheme Manager of issues relating to Fire Authorities poor performance (including arranging meeting if required)	Within 10 working days of performance issue becoming apparent
Notify the Scheme Manager of a decision to charge additional costs associated with the Fire Authorities poor performance where there has been no improvement demonstrated	Within 30 working days of discussion with the Scheme Manager about the Fire Authorities failure to improve performance.
Issue annual benefit statements to active and preserved members as at 31 March each year	By the following 31 August
Issue pension saving statements to active members who breach the Annual Allowance pension growth tax threshold and incur a tax charge as at 31 March each year	By the following 6 October

SCHEME ADMINISTRATION	
Provide responses to scheme members and their personal representatives/Fire Authority and other authorised persons	10 days from receipt of all necessary information
Provide transfer-in quote to scheme member	1 month from receipt of all necessary information
Confirm transfer-in payment and membership change to scheme member	10 days from receipt of all necessary information
Provide requested estimates of benefits to employees	1 month from receipt of all necessary information
Notify leavers of deferred benefit entitlements	Within 2 months of receipt of all necessary information
Provide details of estimated Transfers Out (to public sector arrangements)	Within 1 month of receipt of all necessary information
Payment of Transfers Out	10 working days of receipt of all necessary information
Notify retiring employees of options, enclosing appropriate forms	10 working days of receipt of all necessary information KPI
Payment of retirement Lump Sum and pension	5 working days from receiving the members retirement election to inform the Fire Authority to proceed with payment KPI
Death notifications – issue initial letter requesting certificates	5 working days following notification of death
Notification of death related benefits	10 working days of receipt of all necessary information KPI
Payment of death related benefits	5 working days of receipt of all necessary information to inform the Fire Authority to proceed with payment KPI

BY THE FIRE AUTHORITY

Function / Task	Performance Target
LIAISON AND COMMUNICATION	
Formulate policies in relation to all areas where the Fire Authority may exercise a discretion within the scheme	Within 30 working days of policy being formally agreed by the employer. Review these annually by 30 June.
Respond to enquiries from administering authority	10 working days from receipt of enquiry
Provide year end information required by LCC Pensions for valuation purposes, IAS19 individual scheme members annual benefit statements, annual allowance and lifetime allowance calculations, in a format agreed with LCC Pensions	By 19th May following the year end. In valuation years – by 30 th April following the year end
Distribute any information provided by LCC Pensions to scheme members/potential scheme members	Within 30 days of its receipt

FIRE AUTHORITY ADMINISTRATION	
New Starter Make all necessary decisions in relation to new scheme members in the Fire-fighters pension scheme (contribution rate band, etc)	10 working days of scheme member joining
New Starter Provide LCC pensions with scheme member details on appropriate form/via electronic interface. Issue starter form to new employee.	10 working days of scheme member joining/from month end of joining
Pension Contributions Arrange for the correct deduction of employee contributions from a scheme members pensionable pay on becoming a scheme member	Immediately on joining the scheme, opting in or change in circumstances
Pension Contributions Ensure correct employee contribution rate is applied	Immediately upon commencing scheme membership
Pension Contributions Ensure correct rate of employer contribution is applied	Immediately following confirmation
Pension Contributions Ensure correct employee contribution rate is applies for purchase of service in the 92 and 06 scheme and APC for 15 scheme.	Immediately following confirmation

<p>Pension Contributions Refund any employee contributions when employees opt out of the pension scheme before 3 months</p>	Month following month of opt out
<p>Pension Contributions Cease deduction of employee contributions where a scheme member opts to leave the scheme</p>	Month following month of election, or such later date specified by the scheme member
<p>End of year Send a completed end of year detailed contribution spreadsheet used for valuation purposes, IAS19, individual scheme members annual benefit statements, annual allowance and lifetime allowance calculations, in a format agreed with LCC Pensions</p>	By the 19 th May of each year In valuation years – by 30 th April following the year end
<p>Change of details Provide administering authority with details of all material changes in employee's circumstances (e.g. marital or civil partnership status), contractual changes to a scheme member</p>	By the 10 th of the month following the change
<p>Change of details Leave of absence with permission (maternity / paternity / secondment/sickness) without pay etc. (communications with employee and confirmation to LCC pensions)</p>	Within 10 working days of notice from employee / HR / payroll
<p>Leavers and Optants Out Determine reason for leaving and provide fully completed EPEN3 notification to LCC Pensions</p>	By the end of the month the member left scheme
<p>Retirement / Deaths in Service Determine reason for retirement and provide fully completed EPEN3 notification to LCC Pensions</p>	Within 10 working days of retirement or death
<p>Estimate Determine reason for estimate and provide fully completed EPEN3 notification to LCC Pensions</p>	Within 10 working days of estimate request
<p>Employer appointments Appoint an independent medical practitioner qualified in occupational health medicine, in order to consider all ill health retirement applications</p>	Within one month of commencing participation in the scheme or date of resignation of existing medical adviser
<p>Employer appointments Appoint person for stage 1 of the pension dispute process and provide full details to LCC Pensions</p>	Within 30 working days following the resignation of the current "appointed person"
<p>Change of Address Provide LCC Pensions with address changes for pensioners</p>	Within 10 working days following receipt of the information



**SERVICE LEVEL AGREEMENT
PENSIONS ADMINISTRATION**

This service level agreement has been produced by Leicestershire County Council Pension Section for the administration of the Fire-fighters Pension Scheme.

It is an agreement between the Leicestershire County Council and the Fire Authority.

It is hereby agreed that both parties shall abide by the requirements of this agreement.

Signed as a deed by the parties hereto:

.....Leicestershire County Council

.....
Name (Scheme Manager)

.....
Fire Authority

Please return to: The Pensions Manager
Leicestershire County Council, County Hall, Glenfield
Leicester, LE3 8RB

Your signed agreement will then be counter signed by The Pensions Manager and returned to you to add to your file.