

London Pensions Fund Authority

Pensions Administration Strategy Statement

The statement sets out the aims and objectives of the Pensions Administration Strategy of LPFA and gives a summary of the major elements contained in the other documents which together make up this strategy.

Legislative context

Regulation 65 of the Local Government Pension Scheme (Administration) Regulations 2008 allows for administering authorities to create a Pensions Administration Strategy (PAS) which sets out the roles and responsibilities of the administering authority and the scheme employers in administering the LGPS. Regulation 43 allows for administering authorities to vary employer contribution rates to reflect the performance of employers in carrying out their functions.

Aims

In making this strategy LPFA aims are:

- To clarify the roles and responsibilities of LPFA and scheme employers in administering the Local Government Pension Scheme.
- To ensure the services provided by LPFA are equitable and transparent
- To assist employers in the effective provision of necessary data

Objectives

The strategy will meet those objectives by introducing:

- A Service Level Agreement (SLA) between LPFA and scheme employers
- A clear and regularly reviewed range of fees and charges for services outside of the SLA
- A comprehensive range of web enabled services for employers
- A clear and fair scheme to vary contribution rates in line with performance against the SLA

Documents which make up the strategy

Together with this statement the strategy is set out in the following documents

Pensions Administration Strategy – Service level agreement (SLA). The SLA sets out the roles and responsibilities of the LPFA and the scheme employers together with the Key Performance Indicators (KPI's) and the methods of monitoring and reporting performance against those KPI's. The SLA will also define those services for which additional charges will be made and the extent of those charges.

Pensions Administration Strategy – Employer guide. The guide sets out the processes and procedures employers should follow in order to comply with their responsibilities under the LGPS regulations. A summary guide will be also be produced to assist employers in meeting these responsibilities

Pensions Administration Strategy – Variation of contribution rates. This document sets out the trigger points, extent and manner in which employer contribution rates will be varied under the strategy.

Introduction and review

The strategy will be introduced in 2009-10 and take effect from 1st April 2010.

Reviews of performance will take place annually with LPFA reporting via the Performance Report element of the Pension Fund Annual Report.

Reviews of the SLA and Employer Guide will take place as required but at least annually.

LPFA Board
9th October 2009