



**Pensions Board**  
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Item

Public

# Pensions Administration Monitoring Report

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## 1. Synopsis

The report provides the Board with monitoring information on the performance of and issues affecting the pensions administration team.

## 2. Executive Summary

- 2.1. Detail is provided on team workloads and performance, and projects currently being undertaken, including valuation 2025, Annual Benefit Statements and Pension Dashboards.
- 2.2. Information is also included regarding regulatory changes and the work undertaken by the Scheme Advisory Board.

# Report

## 3. Risk Assessment and Opportunities Appraisal

- 3.1. Risk Management  
 Performance is considered and monitored to ensure regulatory timescales and key performance indicators are adhered to. Administration risks are identified and managed and are reported to committee on an annual basis.
- 3.2. Human Rights Act Appraisal  
 The recommendations contained in this report are compatible with the Human Rights Act 1998.

### 3.3. Environmental Appraisal

There is no direct environmental, equalities or climate change consequences of this report.

## 4. Financial Implications

- 4.1. Managing team performance, collaborating with other administering authorities, and making best use of the technology that is available to use ensures costs to scheme employers for scheme administration are kept to a minimum.

## 5. Climate Change Appraisal

- 5.1. Energy and fuel consumption: No effect  
Renewable energy generation: No effect  
Carbon offsetting or mitigation: No effect  
Climate Change adaptation: No effect

## 6. Performance and Team Update

- 6.1. The team's output and performance level for the period 1 April 2025 to 30 June 2025 (Q1) is attached at **Appendix A**. The chart shows that **9** of the 16 KPIs are achieving at least 95% of cases being completed by the legal timeframes.
- 6.2. Through the summer the team have been extremely busy working through several projects, this can impact on the business-as-usual work as we must prioritise certain areas of work that need to be completed for the projects to succeed.
- 6.3. However, from the KPI chart you will see that the team will always prioritise retirement and death cases so that members do not see any delay in receiving payment of their benefits.
- 6.4. We are currently not achieving the KPI target for early leavers, these are members leaving before retirement. To address this, we expanded our team earlier in the year, as new staff complete their training, we can see that is improving processing speed. We have also implemented bulk workflows to manage multiple cases simultaneously.
- 6.5. We are also not quite meeting the target for member estimates (93.6%); to help with these, members have access to process estimates through 'my pensions online' and the team will signpost members to process their own estimates where appropriate.
- 6.6. We have 5 members of the team who have now commenced their studies, with 3 undertaking the level 2 Award in Pensions and 2 taking the Level 3 Certificate in Pensions Administration.

## 7. Communications

- 7.1. The following chart shows statistics on the work undertaken by the helpdesk team not covered by the workflow system or reported with the wider team statistics in Appendix A.

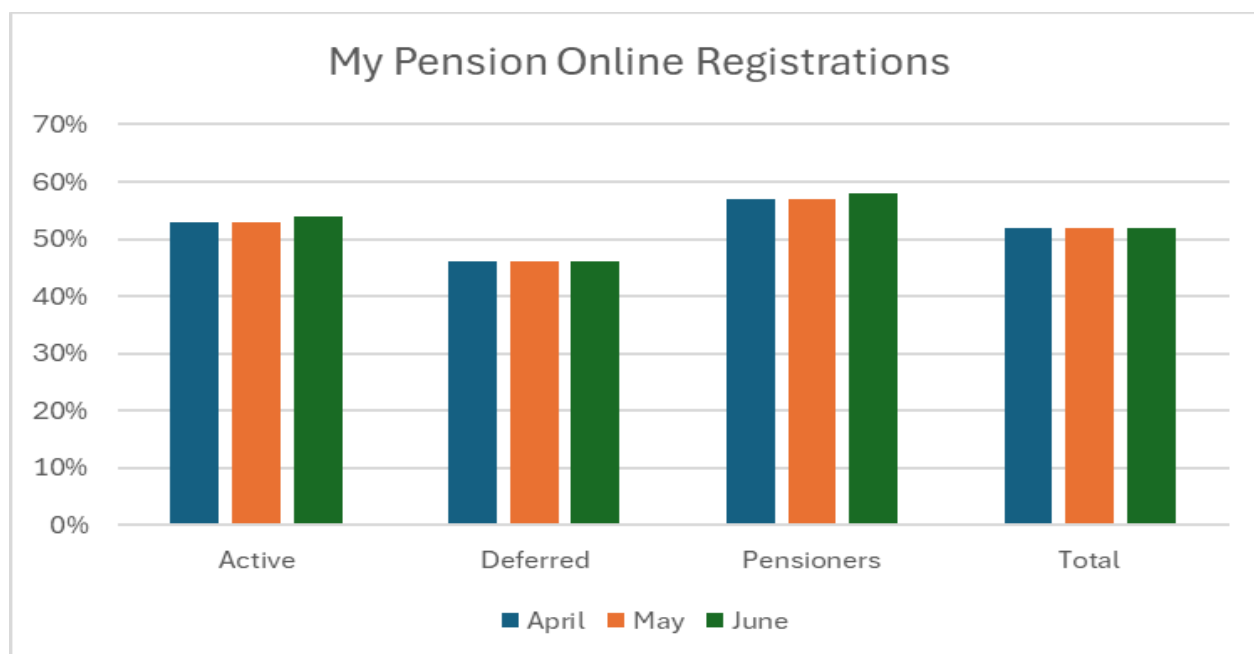
	April 2025	May 2025	June 2025
Telephone calls received to helpdesk team	696	618	552
% of calls answered	94%	96%	97%
Contact us forms/Emails received to <a href="mailto:pensions@shropshire.gov.uk">pensions@shropshire.gov.uk</a>	681	814	680
% responded to within 10 working days	681	814	680
My Pension Online activation keys issued	70	102	67
Incoming post received and indexed to the pensions administration system	103 pieces per day	102 pieces per day	109 pieces per day
1-2-1 video appointments held with scheme members	11	5	4
Users visiting the website*	3,759	758	797

\* We have recently updated the analytical reports for the use of the website. The numbers being reported from May 2025 will be where a person has accessed information on the site, previously the numbers being reported were for where a person had landed on the website home page but then not moved around the site.

- 7.2. The team is working to streamline how the helpdesk receives and triages member queries. The new 'contact us' form helps reduce unnecessary emails by collecting all required information upfront. We are removing the email address from member communications and the website so that we can channel more enquiries via the contact us form.
- 7.3. We are also implementing a process where members are asked to upload documents to the 'my pension online' portal instead of emailing them to the helpdesk, as this method is more secure and efficient. A long side this we will be publishing information to members to their online account and sending an email notification when there is something available for them to read and forms to be completed.
- 7.4. Penny the Pensions Bot which can be accessed via our website, continues to support members by answering questions, the chart below shows the accuracy rate for the responses provided. We continue to review the knowledge bank and add information to this to support members using this tool.

	Apr 2025	May 2025	June 2025
<b>Questions submitted</b>	96	99	116
<b>Asked an expert</b>	6	5	10
<b>Accuracy %</b>	83%	79%	83%

7.5. The table below shows the percentage of members who have registered for 'My Pensions online' by the different member types in the fund.



7.6. We are implementing a rolling schedule of communications to promote the online portal with pension scheme members. The timing of these messages will align with projects we are working on, for example from June to August we send out annual benefit statements and so members will receive communications to remind them to create their account or log on if they have not logged on recently so that they can see their statement.

7.7. We are also analysing information that tells us if our contact information for members may be out of date, for example email bounce backs where an email address is no longer used. We can then look to contact that member to request that the details are updated.

7.8. Website Review and Update – We have recently conducted a comprehensive review of the fund's website with an external provider. Based on the feedback received, we will be updating the design and user experience of the web pages. While the site contains a wealth of valuable information, enhancements to navigation and overall functionality are planned to further improve accessibility and usability.

## 8. Employer Performance

- 8.1. In line with the Shropshire County Pension Fund administration strategy, employers must pay their contributions and lump sum deficit payment by the 19th of the month. Accompanying data must also be submitted via i-Connect by this date. The below table shows the percentage of employers who have made payments by the deadline over this quarter.
- 8.2. This table also includes information about employers who make monthly deficit lump sum payments. Information about employers who did not meet these deadlines is covered in the governance update under Breaches.
- 8.3. The low percentage in June for the lump sum deficit payments was due to one Multi Academy Trust with several schools who make separate payments. The 19th fell at a weekend which makes the due date the Friday, but payment was made on the Monday after the due date.

	April 2025	May 2025	June 2025
i-Connect data received on time	99%	97%	99%
Monthly contributions received on time	99%	100%	99%
Monthly deficit lump sum payments received on time	96%	98%	80%

## 9. Projects

- 9.1. The fund's business plan for 2025/26 with comments on activities undertaken in Q1 is available at Appendix B. Good progress is being made on planned work and further details are provided below on specific projects we have on the plan.
- 9.2. **Valuation** - Fund officers have now collated all membership and cashflow data and provided this to the fund's actuary so that they can calculate the funding levels and employer contribution rates that will be payable from 1<sup>st</sup> April 2026.
- 9.3. There are also several fund policies that will be reviewed and updated as part of the valuation process, these include the funding strategy statement, investment strategy and employer events policy which will be presented to committee for approval later in the year.
- 9.4. A training session for committee and Board members is scheduled on 17 October which will provide information on the valuation process and the fund's overall results.

- 9.5. The individual employer results will be shared with employers towards the end of October and a meeting for employers will be held on 24 November with the fund's actuary, where information will be shared on updates to the funding and investment strategies.
- 9.6. **Annual Benefit Statements** – Each year the team must produce a statement for all active and deferred pension scheme members by 31 August; this provides information on the value of benefits as of 31 March and projections for active members to their normal retirement age.
- 9.7. This year we have produced 16,167 active statements and 18,466 deferred statements. Most statements are made available to members via 'my pensions online.' However, we do also send out a small number of statements to members who have requested to receive a paper statement.
- 9.8. **Pension Dashboards** – The latest project report is available at **Appendix C**. We have now completed the second phase of implementation and will be testing this to ensure we are fully connected, and the correct data is available for our members.
- 9.9. As part of the next steps to prepare for dashboards we will consider the need for additional resources within the team, to help manage member enquiries that may come via the Dashboards. There are strict timescales for responding to confirm that a pension is held in the fund when a member submits a request for further information. Currently it is difficult to gauge how much work this may create for the team. However, pension awareness and engagement are becoming increasingly important for individuals in general and funds must be able to produce and manage communications that help members to make good decisions about their pension benefits.
- 9.10. For members who contribute to an 'Additional Voluntary Contribution' funds must decide whether the information for this will be included with their main scheme benefit or separately

## 10. Regulatory updates

- 10.1. On 21 July 2025, HM Treasury (HMT) published its response to the consultation on inheritance tax (IHT) changes.
- 10.2. At the Autumn Budget 2024, the Government announced that for deaths after 5 April 2027:
  - most unused pension funds and death benefits will be included in the value of a person's estate for IHT purposes
  - pension scheme administrators (PSA) will be responsible for reporting and paying any IHT due on pensions to HMRC.

10.3. HMT consulted on the processes for these changes between 30 October 2024 and 22 January 2025. Following significant concerns raised by the LGA and the pensions industry, HMT has amended its proposals. The key changes are:

- all death-in-service benefits from registered pension schemes will be excluded from the value of an individual's estate for IHT purposes, regardless of whether the scheme is discretionary or non-discretionary – currently non-discretionary death-in-service benefits are included in the value of an individual's estate for IHT purposes
- personal representatives (PRs), and not PSAs, will be responsible for reporting and paying any IHT due on pension benefits
- PSAs will have new duties to support PRs in paying IHT on pension benefits
- to support PRs and beneficiaries who may struggle to pay IHT on pensions, the Government will offer multiple payment options. These include allowing pension beneficiaries to instruct PSAs to pay IHT in respect of pensions on their behalf – though the pension beneficiaries remain liable for the IHT.

10.4. On 21 July 2025, the Government revived the Pensions Commission to address a growing retirement crisis.

The original Commission was established in 2002 and made several recommendations, including individuals being automatically enrolled into workplace pension schemes.

The new Commission aims to build on the work done by the original Commission. It will take a broader view – reviewing the UK pension system, along with the outcomes it delivers and the barriers stopping people from saving enough for retirement.

It will consider outcomes and risks for future cohorts of pensioners on current trajectories through to 2050 and beyond and how to improve retirement outcomes, especially for those on the lowest incomes and at the greatest risk of poverty or under saving.

10.5. The Government launched the third review of the State Pension Age (Spa). This review will consider whether the rules around SPa remain appropriate, using the latest life expectancy data and other evidence. Under the Pensions Act 2014, the Government must regularly review the SPa. The first review concluded in 2017, and the second in 2023. The report for the third review must be published before 30 March 2029.

10.6. The next government budget will be held on 26<sup>th</sup> November, there is speculation that there may be potential impact on pensions. An update on this will be provided following the budget.

## 11. Scheme Advisory Board (SAB)

11.1. SAB issued a statement following the Government's response to Fit for Future consultation:

"The Government's response to the fit for the future consultation provides welcome clarity on the direction of reform and the commitment to implementing the Good Governance recommendations made by the Board in 2021. However, as the Board highlighted in its earlier letter to the Minister, the scale and pace of the proposed changes carry significant risks if not managed with care. The current timetable places considerable pressure on funds to balance these reforms with other critical responsibilities, including the development and approval of key policies that require thoughtful planning and robust governance"

11.2. The full response to the Pensions Minister can be seen here: [May 2025 letter on pooling.pdf](#)

11.3. Further information on the impact of this is included in the Investment update report.

11.4. On 18 August, the Board sent a brief survey out to funds to request information on, the diversity of representation on both committee and Boards and views on peer support within the Scheme.

11.5. Diversity and representation are recognised as key factors in ensuring governing bodies reflect the communities they serve and benefit from a wide range of skills and experience. The survey also aligns with good practice expectations set out by The Pensions Regulator's General Code. Responses will help inform the Board's ongoing work to promote best practice and develop guidance for funds. Information provided will be held securely and only reported in aggregate at Scheme level.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Pensions Board: Administration and Regulatory Update May 2025

**Local Member:**

**Appendices**

**Appendix A – KPI tables Q1 2025**

**Appendix B – Business Plan**

**Appendix C – Dashboard Project update**



