

Meeting:	Pensions Committee
Date:	21/01/2019
Title:	Pension Administration Unit Staffing
Author:	Nicholas Hopkins – Pensions Manager
Recommendation:	Approve additional resources to enable the Finance Department to establish a more resilient staff structure for the Pensions Unit

Background

- 1 As reported to previous Pensions Committee meetings, due to the increasing complexity of administering the Local Government Pension Scheme, there is increasing pressure on the staffing resources. This report seeks the Pensions Committee's approval of additional resources to enable the Pensions Administration Unit to efficiently cope with the level of work that is now required.
- 2 Pressure of work has increased continuously, due to –
 - the ever increasing complexity of introducing the CARE scheme from 1/4/2014,
 - the problems of Assumed Pensionable Pay and the final salary link retaining the old meaning of pensionable pay under the regulations prior to April 2014,
 - the increasing pressure from various departments, such as MHCLG, the Pensions Regulator, Government Actuaries Department, LGA, and all the Actuarial consultants for accurate data,
 - the challenge of obtaining accurate, timely data from employers.
- 3 Meanwhile, the resources of the Pensions Administration Unit has been largely unchanged for several years, other than the temporary 'GMP' staff.

Review of Staffing of the Pensions Unit

- 4 To improve the efficiency of the Pensions Administration Unit, a structural adjustment to the section's staff structure is proposed.
- 5 Also, to deal with the additional work pressure, it is proposed to increase the section's staff resources, by establishing 4 permanent new posts.
- 6 The new posts include a Systems Assistant (presumed at the S1 grade, salary £23,013 pa, subject to pending job evaluation) to assist the Systems Officer with all data input queries from employers, and 3 new Pension Assistant posts (presumed at the GS5 grade, £18,592 pa, again subject to job evaluation).
- 7 Further, it is proposed to permanently retain the temporary grades of the 3 staff that were previously seconded to higher salaries whilst the GMP reconciliation process was in place. These postholders will all continue to do higher tariff work within the section. Two posts that were previously both GS5 (£18,592 pa) would be regraded upwards to S1 (£23,013 pa), while one post that was previously S1 (£23,013 pa) would be regraded upwards to S2 £25,355 pa.
- 8 Following the recent resignation of the current Systems Officer, it is also proposed to down grade that post from S4 (£30,624 pa) to S3 (£28,101 pa), in line with the current Senior Pensions Officer's post, saving £2,523. That requires a Senior Communications Officer post to be regraded to grade PS1 from S3 at a cost of £6,665, to reflect the additional overall systems management responsibility taken from the Systems Officer post.
- 9 The proposed structure is shown in Appendix 2 (for information the current structure is shown in Appendix 1).
- 10 It should be noted that within the revised total cost of £121,120, an ongoing amount of £65,628 is included for temporary staff since the 1st January 2016.
- 11 The revised total costs also includes the £15,231 that the Fund has been paying to the seconded staff since the 1st January 2016.

Resources Required

12 The proposed costings are as follows and includes the employer's on-costs (NI and pension contributions).

13 Create 4 new posts as follows:-

Details of post	Proposed scale	Full time annual pay	On cost
1 Systems Technician	S1	£23,013	£7,168
3 Pension Assistants (£18,592)	GS5	£55,776	£16,704
Annual total			£102,661

14 Keep seconded staff on permanent grade as follows:-

Details of post	Proposed scale	Full time annual pay	On cost
2 GS5 to S1 Pens technician	S1	£8,842	£3,200
1 S1 to S2 Pens Officer	S2	£2,342	£847
Annual total			£15,231

15 Senior Communications Officer post to be regraded from S3 to grade PS1

Details of post	Proposed scale	Full time annual pay	On cost
S3 to PS1 Senior Comms Officer	PS1	£4,893	£1,772
Annual total			£6,665

16 Downgrade Systems Officer post to S3 from S4

Details of post	Proposed scale	Full time annual pay	On cost
S4 to S3 Systems Officer	S3	(£2,523)	(£914)
Annual total			(£3,437)

Recommendation

17 Members are requested to approve the increase in budgeted expenditure to enable the Finance Department to establish a more resilient staff structure for the Pensions Unit at a cost of £121,120 and ask the Head of Finance to implement an appropriate revised staffing structure for the Pensions Unit as soon as practically possible, in order to manage business risks and pressures.

Appendix 2 – New Structure

