

Research Councils' Pension Scheme

Administration Standards

Purpose of this document

This document details the administration standards that JSS and employers adhere to.

The document is owned and approved by the RCPS Management Board who; act as managers of the scheme and applies to scheme employer and the administrator of the scheme; Joint Superannuation Services (JSS)

The Management Board responsibilities include:

- Ensuring that the scheme rules are adhered to
- Ensuring that the scheme is operated according to legislation
- Ensuring that the scheme is administered efficiently and effectively

JSS and employers must:

- Work effectively together to ensure that the scheme is administered and delivered to its statutory requirements
- Ensure that scheme stakeholders receive good value for public money

The scheme has specific requirements from employers and their organisations and this document explains what those requirements are (employer obligations).

Being a member employer of the RCPS automatically requires the employer to abide by these obligations.

JSS also have a set of obligations which set out the primary activities and services provided (JSS obligations).

The RCPS is governed by law laid before Parliament in The Superannuation Act 1972 and therefore failure to adhere to the obligations could have a detrimental effect on the scheme.

Research Councils' Pension Scheme

Administration Standards

1. Employer Obligations

General Principles

All employers or organisations that are members of the RCPS, past or present, are expected to follow these obligations at all times. Where the employer has outsourced / subcontracted the management of their HR, Finance and/or Payroll it is the employer's responsibility to ensure that the third party service provider meets these obligations.

Any non-compliance to these obligations will be escalated to and dealt with by the RCPS Management Board.

Employers must provide a named contact(s) within their organisation who is the point of contact for matters affecting their RCPS members. The contact details for this person must be provided to JSS and updated where appropriate. This also applies to any organisation that the employer has outsourced to.

JSS are dependent on scheme employers to provide accurate data at the right intervals as set out in the **Table of Responsibilities** and when requested.

The accuracy of this information is critical to ensuring that:

- Member's records are updated and correct
- Information can be provided to members quickly
- Pension benefits can be paid correctly and on time.

Research Councils' Pension Scheme

Administration Standards

Table of Employer Responsibilities

| Activity | What needs to be done | When it needs to be done |
|-----------------------------|---|--|
| Abatement | Manage additional hours worked to reduce risk of abatement of pension and inform employee | As appropriate |
| Added Pension | Payroll to set up contributions upon receiving notification from JSS that member wishes to purchase added pension | Effective from notification date; implement in next pay run |
| | Payroll to amend any added pension contributions as notified by JSS | Effective from notification date; implement in next pay run |
| Annual Benefit Statements | Provide JSS with accurate and complete information to specified criteria as requested to enable production of annual benefit statements; Pensionable salaries, allowances, earnings, change of hours, added pension contributions, normal working hours, unpaid absences and any other information as appropriate | Within deadline notified to employer by JSS |
| Attendance | Notify JSS of any changes to members contracted hours | Within 5 working days of receipt of change |
| | Notify JSS of any additional hours worked (for reckonable service and partial retirement abatement purposes) | Within 5 working days of change |
| | Notify JSS of any reckonable service absences (e.g. Unpaid leave, strike days, career breaks etc. | Within 5 working days of change |
| | Notify JSS of any sick leave that affects the members pay | Within 5 working days of change |
| Auto Enrolment / Re-Staging | Automatically enrol new starters that are eligible for membership in the RCPS | On Appointment / Re-Staging (every 3 years from original staging date) |
| Change of personal details | Notify JSS of a change of details e.g. name, address, | Within 10 working days of notification by employee |
| Contributions Pay Over | Pay over to JSS employer and employee contributions, including Added Years and Added Pension where applicable | By the 19 th day of the month following the pay run |
| | Submit supporting paperwork for contributions | By the 19 th day of the month following the pay run |

Research Councils' Pension Scheme

Administration Standards

| Activity | What needs to be done | When it needs to be done |
|---|--|---|
| Deaths | Notify JSS of death of a member | Immediately |
| Estimate Requests | Give clear instructions with estimate requests / or any exit with pensionable implications noting terms, authorisation numbers, last day of service, current salary/pay and Cabinet Office Approval code if applicable | Where possible provide 10 days notice to JSS |
| New Starters | Notify JSS of new starters enrolled and eligible for the RCPS | Within 10 working days after employees start date |
| Normal Resignations / End of Contracts | Notify JSS of any normal resignations or end of contracts exiting from the scheme | As soon as possible on receipt of notification |
| Opt Outs | Notify JSS of employee opting out of the scheme, including forwarding of opt out form to JSS. If member is opting out in first 3 months of membership advise payroll to arrange refund of contributions | Within 5 working days of receiving request from employee |
| Partnership Pension | Advise JSS and payroll of changes to Partnership contributions upon receiving request from the member | Implement from next available pay run |
| | Payroll to amend any Partnership contributions as notified by JSS | Effective from notification date; implement in next pay run |
| Pre-Retirement Courses | Inform JSS of any scheduled pre-retirement course that JSS attendance is required at | Within 3 months of the course being held |
| Redundancy | Inform JSS of any managed exits with pension implications (redundancy) | Where practicable 3 months before last day of service |
| Reservists (Members called up for duty with the armed forces) | Advise JSS of any member on reservist duties and inform payroll | At least 1 month before reservist duty commences |
| Secondments Out | Agree terms with the member, borrowing employer and JSS. Inform payroll if applicable | Notify before secondment commences, or as soon as possible afterwards |

Research Councils' Pension Scheme

Administration Standards

It is recognised that from time to time notifications to JSS will happen outside of the timescales stated above. It is expected that any such occurrences will be exceptional and will therefore be monitored accordingly and managed by exception.

Notifications that are identified to be falling outside of the specified timescale on a regular basis will be reviewed and appropriate action will be taken, for example review of timescales and update of existing processes.

JSS will carry out Assurance checks as identified on individual activities to ensure compliance.

Research Councils' Pension Scheme

Administration Standards

2. JSS Obligations

General Principles

- Phone calls will aim to be answered within 3 rings.
- Voicemails left for JSS will be retrieved at least daily.
- Where JSS cannot resolve the query within the expected timescales JSS will provide and update to explain what is happening and what they are doing to resolve the query.

In addition to these general principles, JSS will:

- Write to members confirming any changes made to their personal details or death benefit nomination
- Commit to developing their employees to ensure that they are equipped to deliver a pension scheme administration service that provides value for public money
- Undertake all practices and actions in accordance with the most recent legislation
- Not provide any financial advice to members nor should any information provided by JSS to be construed as recommendation or financial advice

JSS will provide accurate data at the right intervals as set out in the **Table of Responsibilities** and when requested.

Any non-compliance to these obligations will be escalated to and dealt with by the RCPS Management Board.

The accuracy of information is critical to ensuring that:

- Member's records are correct and updated
- Information can be provided to members quickly
- Pension benefits can be paid correctly and on time.

Research Councils' Pension Scheme

Administration Standards

Table of JSS Responsibilities

| Activity | What needs to be done | When it needs to be done |
|---|---|---|
| Abatement | Advise member on level of abatement and Annual Earnings Margin for: <ul style="list-style-type: none"> • Re-employment Or <ul style="list-style-type: none"> • Partial retirement | Within 5 working days of receipt of all details |
| Added Pension (KPI 11) | Notify payroll/employer of application to purchase added pension or notify payroll/employer of changes to any existing Added Pension Arrangements Deadlines for members <ul style="list-style-type: none"> • Lump sum salary deductions in current tax year – mid Feb • New or changes to monthly contributions – Mid Mar • Cheque payments to purchase Added Pension – early March | Within 10 working day of request and receipt of necessary forms |
| Added years contracts | Progress any changes to Added Years contracts due to changes in working hours or cancel contracts as applicable | Within 5 working days of receipt |
| Additional Voluntary Contributions (AVC) | Write to AVC provider when member leaves the scheme | Within 5 working days of notification of last day of service |
| | Send retirement illustration to member when received from AVC provider | Within 5 working days of notification |
| All Awards (except revised and death cases) | Process lump sum payment when all necessary documentation has been received | At least 3 working days before due date (due date is the first working day after Last Day of Service LDS) |
| | Process lump sum payment where all necessary documentation has been received less than 6 working days before LDS | Within 5 working days of receipt |
| | Process lump sum payment where all necessary documentation has been received no more than 15 working days after LDS | Within one month of LDS |
| | Issue first instalment of pension when all necessary documentation has been received | Within one month of LDS or date of receipt if received later than 15 working days after LDS |

Research Councils' Pension Scheme

Administration Standards

| Activity | What needs to be done | When it needs to be done |
|--|--|--|
| Annual Benefit Statements | Issue Annual Benefit Statements to 95% of members | 95% issued as per agreement with RCPS Management Board (normally July/August) |
| Attendance | Update the database for: <ul style="list-style-type: none"> Changes to contracted hours Any non-reckonable service Paid or unpaid leave that affects members pay/earnings | Within 5 working days of notification |
| Changes of Bank details | Notify payroll provider of change of bank details and inform pensioner if payment cannot be redirected before next pay run period | Within 5 working days of written notification or immediately if notification received by telephone |
| Death in Retirement | Send forms to widow(er) or eligible partner and request death certificate and marriage certificate if applicable | Within 2 working days of notification |
| | Process dependants' benefits, including lump sum where applicable | Within 5 working days of receipt of all necessary documentation |
| Death in Service | Acknowledge death and write to next of kin for copies of the death certificate | Immediately upon notification |
| | Calculate and notify dependants of death benefits on receipt of all relevant information | Within 5 working days of receipt of notification |
| | Process payments on receipt of death certificate and valid beneficiary nomination | Within 2 working days of receipt of notification |
| | Notify AVC provider of death of member | Within 2 working days of notification |
| Divorce Information | Provide Cash Equivalent Transfer Value (CETV) and statement of benefits for divorce proceedings | Within 10 working days of request (if Guaranteed Minimum Pension GMP is required this may take longer) |
| Estimate Requests (Group and Individual) (KPI 6) | Provide estimate for: Age, Early (ARR), Ill Health, Preserved Awards, and Redundancy Exits | Within 10 working days of receipt of all information. Major exercises will be managed on a case by case basis |
| Injury Benefits | Obtain all information from the employer and decide whether it is a qualifying injury or submit to scheme medical adviser and inform member | Within 10 working days of receipt of full information |

Research Councils' Pension Scheme

Administration Standards

| Activity | What needs to be done | When it needs to be done |
|---|--|--|
| | Where case has been referred to the Scheme Medical Adviser make decision about qualifying injury based on advice received from Scheme Medical Adviser and available evidence. Notify member and employer of decision | Within 5 working days of receipt of medical adviser's advice |
| | Calculate injury benefit award and notify beneficiary of injury benefit payable | Within 17 working days of decision |
| | If beneficiary is awarded a damages settlement, recalculate award | Within 10 working days of receipt of figure from scheme actuary following notification of settlement |
| National Fraud Initiative (NFI) | JSS will provide data to the NFI every 2 years or as requested for inclusion in the NFI exercise | By the agreed date |
| New Starters (KPI2) | Enter new starters to the JSS database and send out new starter paperwork following notification to JSS by the employer: <i>Pension choices and questionnaire including any other associated documents</i> | Within 10 working days of notification |
| Normal Leavers (before pension age) (KPI 5a/5b) | Provide early leavers with less than two years' service with quotation of CETV and refund of contributions | Within 20 working days of receipt of leaving date notification |
| | Provide early leavers with two or more years' service with details of preserved benefits | Within 40 days of receipt of leaving date notification |
| Opt Out | Write to members to confirm opt out and update database | Within 10 working days of notification |
| Partnership Pension Scheme | Advise HR/payroll of change of age related contributions Advise member of change of age related contributions | Within 10 days of contracted change |
| Personal information and DBN | JSS will keep their records up to date and update personal information and DBN's on the database and files | 10 Working days following receipt of all information to be updated |
| | Acknowledge a request to update personal details | 10 working days following receipt of all information to be updated |
| Pre-Retirement Courses | JSS will attend pre-retirement courses and where required present on pension related topics | At least 3 months' notice to be provided by the employer |

Research Councils' Pension Scheme

Administration Standards

| Activity | What needs to be done | When it needs to be done |
|--|--|---|
| Preserved Awards | Send Preserved in to Pay forms and information to member <i>Including Statement of Lifetime Allowance where applicable</i> | 12 Weeks / 60 working days before pension due date |
| | Process Preserved in to Pay forms | Within 10 working days of receipt of all necessary information |
| | Issue first instalment of pension | By due date, or, in subsequent payroll payment period if information is returned late |
| Post-retirement actions (KPI 12) | Revisions to awards to be made and processed | Within 10 working days of receipt of details from employer or payroll |
| | Revisions to preserved awards to be made and processed | Within 2 months of receipt of details from employer or payroll |
| Queries | Acknowledge queries | Within 48 hours of receipt |
| | Respond to queries by phone, email or letter | Within 10 working days |
| Redundancy | JSS will assist employers as required on large scale redundancy / managed exit exercises | As required |
| Reservist (members called up for duty with the armed forces) | JSS will invoice Payroll/HR in respect of employer and employee (if applicable) contributions to the scheme | Twice yearly |
| | JSS will agree with the member how employee contributions to the scheme will be paid for | Prior to leaving |
| Risk Register | JSS will review the JSS risk register on a quarterly basis and refer any need to make changes to the RCPS Management Board for discussion and/or approval | Quarterly |
| Secondments Out | JSS will invoice the seconded employer in respect of employee and employer contributions to be paid | Invoiced twice yearly and in accordance with the scheme rules |
| Transfers in (KPI 3a/3b) | Acknowledge request for a transfer in from a member and write to the previous scheme (where necessary send reminder letter to scheme if not reply in six weeks and inform member) | Within 10 working days of receipt of all information |

Research Councils' Pension Scheme

Administration Standards

| Activity | What needs to be done | When it needs to be done |
|--------------------------|--|---|
| | Provide member with RCPS service credit / transfer in quote <i>Following receipt of the transfer value from the previous scheme</i> | Within 10 working days of receipt of all information |
| | If member accepts service credit / quote 1. write to previous scheme to request payment 2. chase payment if not received | 1. Within 10 working days of acceptance 2. Within 20 working days of payment request |
| | Confirm to member completion of transfer in and process payment | Within 10 working days of receipt of payment |
| Transfers Out (KPI 4) | Acknowledge members request for transfer value on receipt of all information and provide transfer value quotation | Within 10 working days of request |
| | Notify member and/or scheme that transfer value has lapsed if transfer is not progressed | Within 3 months of quote |
| | Process payment if transfer quote is accepted and write to member to notify them of transfer completed | Within 10 working days of necessary documents being received (Payment may take longer if it is more than £75,000 due to Government cash flow forecasting requirements) |

Research Councils' Pension Scheme

Administration Standards

Other Activities

The following are the other activities that JSS undertake as required, or those that happen at irregular intervals:

| Activity | What needs to be done |
|--|---|
| Added Pension Estimates | Provide the estimated cost of buying Added Pension on request from member |
| Annual and Lifetime Allowances | Provide members with Annual Allowance calculations on request and in line with legislation. Provide members with Lifetime Allowance information upon benefit crystallisation |
| Employer Pension Notices (EPN) | On receipt of Civil Service employer Pension Notices JSS will decide if additional communication is needed to RCPS members or employers; if needed these will be prepared and shared with the RCPS Management Board to review and cascade within their organisations as appropriate |
| Providing information to the Government Actuary Department (GAD) | JSS will calculate and provide annual Pension Disclosure information to employer/organisations within agreed timescales for inclusion in their annual accounts |
| Website | JSS will keep the website up to date and add news items and updates as appropriate. The RCPS final accounts will be made available through the JSS website (these are stored on the BBSRC publications page) |

Research Councils' Pension Scheme

Administration Standards

Management Resource

JSS will provide a Management Resource for giving policy advice to RCPS member organisations for current and future legislation as well as providing advice on any scheme changes.

JSS will also assist employers in major redundancy exercises including calculating and supplying group pension liability information.

Audit

JSS will proactively assist internal and external Auditors, ensuring that are provided with the data/information needed as far as is practically and reasonably possible so that a full and accurate audit of JSS and the RCPS accounts can be completed.

The RCPS Management Board and JSS Management Team will review any recommendations made by the Auditors.

JSS Managed Projects

As and when required, JSS will provide project management resource to formally manage projects affecting the RCPS, its employers or its members.

These will typically be large scale projects that affect multiple employers or activities that have an assurance requirement to follow defined project methodology.

Research Councils' Pension Scheme

Administration Standards

3. Member Obligations

General Principles

All RCPS members are expected to commit to a number of obligations; these are detailed in the **Table of Responsibilities**. JSS are dependent on members providing accurate information and for keeping their personal information up to date

The accuracy of member information is critical to ensuring that:

- Member's individual records are updated and correct
- Information can be provided to members quickly
- Pension benefits can be paid correctly and on time

Table of Member Responsibilities

| Activity | What needs to be done | When it needs to be done |
|--|---|--|
| Change of bank details | Notify JSS as well as your payroll provider | As soon as possible |
| Changes to personal details | If you have a preserved award you must tell JSS about any changes to personal details e.g. name, address | As soon as possible |
| | Ensure that your personal details are kept up to date e.g. name | As soon as possible |
| Death Benefit Nomination Form | Ensure that the DBN is kept updated and sent to JSS It is important that this is kept up to date, forms can be downloaded from the JSS website | As soon as possible |
| New starter pension choices form and questionnaire | Complete and return to JSS | Within one month of receipt of documents |

Research Councils' Pension Scheme

Administration Standards

4. Glossary of Terms / Abbreviations Used

| | |
|-----------------|---|
| Auto Enrolment | Legislation that requires employers to automatically enter new employees in to a work place pension scheme |
| Abatement | What will happen if a partial retiree earns more than their AEM; their pension will be reduced – abated |
| AEM | Annual Earnings Margin (see Abatement) |
| CETV | Cash Equivalent Transfer Value: The value of pension benefits accrued in a scheme, this is calculated using factors provided by GAD |
| DBN | Death Benefit Nomination |
| Employer | The organisation which employs/employed the member and pays/has paid contributions to the RCPS for the member |
| GAD | Government Actuary Department |
| GMP | Guaranteed Minimum Pension |
| JSS | Joint Superannuation Services |
| Member | A person who is currently employed by an RCPS employer/organisation and is contributing towards an RCPS pension |
| NFI | National Fraud Initiative |
| PCSPS | Principal Civil Service Pension Scheme |
| Preserved award | A pension (and retirement lump sum) that is due to be paid at a later date; normally the scheme pension age |
| RCPS | Research Councils Pension Scheme |