

## Roles and responsibilities

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# 2.1

## Roles and responsibilities

### An overview

**2.1.1** You, as employer, are responsible for delivering Civil Service pensions to your staff. Your success in achieving effective administration hinges on:

- implementing the guidance you receive from Civil Service Pensions Division (CSPD), Cabinet Office;
- having clear in-house HR and payroll procedures. This includes your contractual arrangements with your payroll provider (if you contract this service out);
- your contractual arrangement with your Authorised Pensions Administration Centre (APAC).

**2.1.2** In turn, CSPD and your APAC also have roles and responsibilities in supporting you and the member. The member, too, has responsibilities in:

- choosing their pension scheme, and
- keeping in touch with how their benefits are developing

(principally through the annual benefit statement that your APAC will send to them)

**2.1.3** Capita Hartshead is also a stakeholder, and is the pensioner payroll provider.

**2.1.4** The tables on the following pages summarise your responsibilities and those of the other stakeholders'. Annex 2A gives the Minimum Service Standards you should aim to achieve. (This annex also details the Minimum Service Standards for APACs and for Capita Hartshead.) Areas of responsibility vary, but the common theme is communication. Your APAC's role and responsibilities to you may differ slightly from those listed in Table 2, according to your specific contractual arrangements with them.

**2.1.5** Your responsibilities are set out in more detail in other sections of this guide. We have referred you to these sections where possible. Otherwise, please refer to the Contents page of each section.

## Table 1 EMPLOYER Role and Responsibilities

### What HR staff need to know

- An understanding of the pension delegation route and reporting arrangements (see Section 2.2),
- An awareness of the service standards relating to Civil Service pensions (see Section 2.2)
- Which HR policies and actions impact on Civil Service pensions and an awareness of pension consequences resulting from employment decisions
- Awareness of the pensions and compensation schemes
- Up to date knowledge on HR policy/payroll/APAC contact points for pensions administration
- An understanding of the APACs role.
- Awareness of the Disclosure Regulations that require employers to send pension information promptly
- Procedure for collecting the necessary information (before the start date) to determine which pension choices are open to each person they appoint
- Communication routes with payroll, with APAC and between payroll and APAC

### Processes

#### *Recruiting and joining*

- When advertising jobs, include the offer of a Civil Service pension (where appropriate) as part of the overall reward package
- Establish employment status of the post as this affects eligibility. (see Section 4.1)
- Send Pensions Questionnaire on appointment (before start date) to establish the appointee's pension status. On its return, use Rejoiner Calculator, where appropriate to establish pension choices. (see Section 4.1)
- Order correct Starter Pack from St Ives (see website for address)
- Where the Rejoiner Calculator states,
  - carry out abatement action (form 'CSP13 estimate' before new entrant formally accepts post and 'CSP 13' when they have accepted it). See Section 4.3
  - Request 'quarantine' end dates from the APAC
- Insert standard text and details of contact point at APAC and quarantine end dates, where appropriate, in letters of appointment. See Section 4, Annex 4B.
- Notify APAC of new entrant details at the commencement of contract so that pensions record can be set up.
- Process *PensionChoices* form promptly (see Section 4.1)
- Pass *PensionChoices* form promptly to APAC and notify the APAC of appointee's circumstances that affect pensions but that are not passed over via PenServer interface, for example, Civil Partnerships.
- Give payroll appointee's details promptly, instructing them to default eligible staff into **nuvos** or **premium**, where appropriate.

- Where rejoiners return within 28 days or have an underlying right to join their previous scheme, default them into that scheme. (see Section 4.1)
- For **partnership**, ensure that the new entrant completes the application form; you then complete the 'employer' information and then send it promptly to the chosen pension provider. (see Section 4.2)
- For **partnership**, tell the APAC of the new entrant's choice so that they can note PenServer.

#### *On-going*

- Refer members to APAC for queries on pension arrangements
- Pass information affecting member's pension to APAC promptly
- Pass relevant information received from member to APAC promptly
- Forward 'pensions for partners' requests, gender recognition confirmations and Civil Partnership confirmations to APAC promptly
- Notify APAC of Sick Pay at Pension Rate (SPPR) cases
- Advise 'receiving' employer of staff who transfer from your employment – only applicable where staff move between employers who participate in the CSP arrangements (see Section 6, Annex 6A)
- Advise APAC of staff who transfer from your employment to another employer who participates in the CSP arrangements (see Section 6, Annex 6B)
- Provide information to APAC on inter-departmental transfers (see Section 6.1 for full process)
- Refer all Injury Benefit cases to APAC for handling
- Pass CSAVCs, Added Years and added pension instructions from APAC to payroll

#### *Payroll*

- Set up deductions of employer and employee contributions, as appropriate
- Initiate set up of **partnership** pension accounts (see Section 4.2)
- Initiate set up of CSAVCs on instruction from APAC
- Initiate Designated Stakeholder pension on instructions from member/Standard Life
- Pay over ASLCs, **partnership**/Additional Voluntary Contributions (AVCs)/stakeholder contributions within the regulatory standard, 19th of the following month, to CSPD or the relevant pension provider, where appropriate
- Ensure correctly completed schedules accompany **partnership**, AVC and designated stakeholder contribution payments

#### *When staff leave*

- Inform APAC of resignations and dismissal cases at the earliest opportunity (see Sections 6 and 7)
- Inform and consult APAC at an early stage when considering early leaver exercises
- Establish procedures for identifying members' intended retirement date
- Give APAC 3 months' notice of retirement dates, where known
- In cases of death in service, inform APAC and payroll immediately

You should aim to complete all actions in line with Minimum Service Standards (Annex 2A)

## Managing delivery (specific responsibilities of HR operations managers)

- Ensure HR staff understand the recruitment process relating to pensions and that all staff who process pension choices have the most up-to-date version of the Pension Questionnaire and Rejoiner Calculator on their desk computers. (The questionnaire and calculator can be downloaded from CSPD website. See Section 1 for web address.)
- Ensure processes reflect Minimum Service Standards (see Section 2 Annex A)
- Ensure HR staff pass accurate data to payroll in a timely manner
- Ensure payroll administers the correct employer and employee contributions according to the scheme(s) each member belongs
- Ensure your payroll has a working interface to PenServer, the scheme software used by your APAC,
- Ensure your payroll takes account of pension requirements and, if you have contracted out this service, that you include these requirements in their contract. In particular, that data is passed in an accurate and timely manner, via interface, to PenServer
- Manage payroll contract, including monitoring performance and receipt of summary report of any internal audits carried out by them
- Consider implications to interface when changes to pensions policy or payroll systems occur
- Arrange for internal auditors to carry out periodic audits on pensions-related work carried out by HR (and in-house payroll staff, if applicable)
- Arrange with your APAC to issue Annual Benefit Statement to members
- Ensure that your contractual arrangements with your APAC regarding data include an assurance to comply with Data Protection Act
- Ensure that your contractual arrangements with your external payroll provider regarding data include an assurance to comply with Data Protection Act
- Make a 100% check of the names on the reconciliation statements that Capita Hartshead send you
- Meet costs relating to all aspects of administration, including costs relating to referrals to the scheme medical advisor
- Meet costs relating to early retirement. (see Section 6.3)
- Meet costs of injury benefits for injuries sustained on or after 1 April 1998
- Meet early departures not covered by Cabinet Office:Civil Superannuation (see Section 6)
- Reimburse Cabinet Office:Civil Superannuation for any loss caused by any error or omission by HR staff, payroll provider or APAC. (You may wish to include safeguards in your contractual arrangements with your APAC and payroll provider to protect your organisation from costs incurred by their errors or omissions.)
- Consider making ex-gratia payments in line with Government Accounting to members for late payment of benefits where you have caused the delay
- Advise CSPD and APAC at an early stage of any proposed bulk transfers and liaise with Government Actuary's Department (GAD) and Hewitt Bacon & Woodrow

*Managing your APAC (if you represent a Schedule 1 Body, please see the note at the bottom of this section)*

- Ensure you have an up-to-date contract or Service Level Agreement (SLA) with your APAC. You should have a contract if your APAC is in the private sector and a SLA if they are part of a government department. (see Section 2.3)
- Ensure your contract/SLA clearly states who meets the costs of errors or omissions, for example, unpaid Contribution Equivalent Premia (CEP)/compensation for causing late payment of awards
- Manage contract, including monitoring performance and receipt of summary report of any internal audits carried out by them
- Ensure that pay and service data held by your APAC is current and correct (through management reports and reconciliation checks) (see Section 2.2)
- Ensure your APAC issues Annual Benefit Statements in line with CSPD requirements
- Review/re-tender contract for administration to ensure value for money
- Agree with APAC how member records are retained. Retain records until last beneficiary dies, but in all cases until at least after age 72, or 5 years after last action date, if later unless your APAC keeps them (see Section 2.5)

*Reporting to CSPD*

- Organise the return of the Employer Annual Report and Accounting Officer's Certificate within the set timescales (see Section 2.4 for who should complete and when)
- Report to CSPD on other information when we ask you to do so
- You must tell CSPD when you change your APAC

*Communications*

- Ensure all relevant HR staff are aware of the Employers' Pension guide (EPG) and how they can access it whether through hard copy or via our website. Ensure hard copies hold up-to-date information
- Consider the impact of information released via Employer Pension Notices (EPNs) on your business processes and that of your payroll provider and APAC, and ensure the information reaches the correct people
- Be clear on where actions and responsibilities lie between HR staff, payroll and APAC to avoid confusion and duplication
- Ensure your organisation has robust two-way communication between :
  - the member and HR
  - the member and your payroll/payroll provider
  - the member and your APAC
  - HR and your payroll/payroll provider
  - HR and the APAC
  - HR and CSPD
  - you as sponsor (where applicable) and each of your Schedule 1 bodies
- Inform CSPD where key staff change (for example, HR people who receive CSPD communications) so that CSPD can update the distribution lists
- Respond to consultation with CSPD via relevant employer communication groups
- Consult CSPD about proposals to consolidate non-pensionable emoluments

into pensionable pay, or to increase the level of pensionable pay by more than general Civil Service levels, for example as a result of a pay restructuring exercise

- Consult CSPD about proposals to provide CSP benefits with an accelerated accrual rate or to provide employer-funded added pension.

*If you have sponsor responsibilities for a Schedule 1 body*

- Ensure your Schedule 1 body has processes in place to reflect the roles and responsibilities given in this guidance. Gain an agreement with each Schedule 1 body you are responsible for, to reflect the delegation conditions your organisation follows for its own delegation from the Minister for the Civil Service. In particular, you will need to consider who will pay the costs associated with the running of the scheme, including costs for errors and omissions by their HR staff, payroll provider and APAC.
- Agree a reporting process with each Schedule 1 body you sponsor so that you can give assurance to your Accounting Officer that they are fulfilling their role and responsibilities in line with Cabinet Office guidance
- You must ensure that the HR or Finance Director for each Schedule 1 body you are responsible for signs an Employer Annual Report and returns it to CSPD within the set time limits. (see Section 2.4)
- You must ensure your Accounting Officer signs an Accounting Officer's Certificate for each Schedule 1 body your organisation sponsors

**Note for Managers of Schedule 1 bodies**

The Delegation Instrument allows Schedule 1 bodies to participate in the CSP arrangements. However, the Delegation Instrument does not permit them to contract with an APAC independently of their sponsor department/organisation. Schedule 1 bodies must therefore involve their sponsor department/organisation when tendering for an APAC. Section 2.2 gives more details about the Delegation Instrument, and Section 2.3 explains roles and responsibilities when managing an APAC.



## Table 2 APAC Role and Responsibilities

### Administration

#### *General*

- Apply the rules of the schemes and implement rule changes, exercising discretions as delegated using properly trained staff
- Comply with the Pensions Administration Control Framework Document, in particular discharge corporate governance arrangements to a high standard and maintain security of systems and processes
- Implement decisions given by CSPD under the second stage of IDR

#### *New Appointments*

- Set up new member records on PenServer
- Action re-employment cases
- Action new entrant *PensionChoices* form by sending acknowledgement letter to member and informing payroll of contribution rates (as directed by employer)
- Follow up any requests on pension transfers and linking

#### *While the member is in service*

- Handle AVCs/Added Years/Added Pension applications and liaise with employer to effect deductions
- Ensure instructions issued to employer in required format to payroll for AVC and Added Years/Added Pension deductions etc,
- Action Sick Pay at Pension Rate (SPPR) cases
- Provide estimates on request
- Process transfers in
- Handle transfers of records for staff transferring between departments where there is a change of APAC
- Pay incoming transfer value payments to the CS Vote
- Handle actions on Divorce (including provision of information for deferred pensioners)
- Handle opting out/opting in enquiries
- Update records on receipt of Civil Partnership and gender recognition information
- Process Bulk Transfers in
- Handle all Injury Benefit work
- Process death-in-service cases
- Handle IDR first stage cases (see Section 9)

#### *When the member leaves or retires*

- Process early leavers
- Notify CEPs to HM Revenue & Customs NICO for members leaving with under 2 years' service
- Process retirements
- Notify awards (current and preserved) to Capita Hartshead
- Process transfers out, including Bulk Transfers
- Handle actions on divorce if deferred member has not reached pension age

- Liaison with employer, member and AVC service provider in respect of AVC awards

#### *Records*

- Maintain member records including death benefit nominations and partner declarations
- Maintain member database (actives)

#### *Software*

- Install and test releases of PenServer software at the earliest practicable date after release
- Appoint System Manager with appropriate skills and expertise
- Work with employers and their payroll providers in the building of PenServer interface

#### *Compliance requirements*

- Comply with scheme service standards
- Comply with IT security requirements

## **Communications**

#### *with members*

- Provide contact point for member on all enquiries (ideally with helpline)
- Produce annual benefit statements for issue to active members
- Provide scheme booklets and leaflets to members on request
- Communicate with staff on any matter relating to pensions (Employer and APAC to agree distribution method for personal letter/office notice/others)
- Provide pre-retirement communications and pre-retirement course arrangements, where requested by the employer and agreed by the APAC. (Employers and APACs need to agree the processes for handling. See Section 7)

#### *with employers*

- Provide support as required by employer in discussions with employee representatives / trade unions
- Report to employer for the purposes of contract monitoring
- Report to employer to enable completion of Annual Report and Accounting Officer's Certificate
- Contribute to preparation of first draft of Ministerial correspondence as required by employer. (The employer must ensure that the scope and division of responsibility for activities such as this are agreed and documented in the APAC contract/SLA)
- Provide support to HR staff on pensions issues
- Provide a Lifetime Allowance (LTA) champion to support HR staff and members on LTA issues

#### *with CSPD*

- Provide required data with Quarterly Assurance Reports (QAR)
- Advise CSPD of employer instructions that go beyond normal Civil Service pensions

## Quality Assurance

- Maintain and, where necessary, improve standards by commitment to effective training, (including recognised qualifications as appropriate)
- Membership of APAC Board to deal with strategic and corporate governance issues
- Participate in APAC Business Liaison Team to develop and improve scheme administration
- Develop staff through appraisal, career planning, IIP or Charter Mark as relevant
- Perform a 100% check of the names on the reconciliation statements provided by Capita Hartshead
- Check the reconciliation statements from Capita Hartshead to confirm the amounts are correct
- Undertake post-award checks on statistically valid sample of awards each month
- Provide appropriate assurance reports to CSPD
- Make awards and other relevant records available to NAO, employer's internal auditors and CSPD on request
- Establish regular audit programme of systems and provide copy reports to CSPD, and copy of executive summary to employers

<b>Table 3 CIVIL SERVICE PENSIONS DIVISION (CSPD) Role and Responsibilities</b>
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**Scheme management**

- Manage the CSP arrangements. Set and develop policy.
- Ensure delivery of policy in line with Minimum Service Standards
- Set ASLCs and employee contributions on the advice of scheme actuary and in consultation with Treasury and departments. Similarly, set **partnership** employer and employee contributions
- Collect ASLCs and employee contributions relating to **classic, classic plus and premium, Nuvos** and the mini-ASLC for **partnership**
- Design and implement Corporate Governance framework to manage risk
- Communicate policy developments and rule changes through established routes to all stakeholders
- Monitor APACs' effectiveness, ensure their corporate governance responsibilities are carried out, and provide them with the necessary tools to carry out their pension functions on behalf of employers and members
- Manage pensioner payroll contract
- Manage Cabinet Office: Civil Superannuation
- Investigate second stage IDR cases and respond to all Pensions Ombudsman referrals and enquiries
- Present accounts and AOC assurances to Cabinet Office Audit and Risk Committee, through Cabinet Office's Accounting Officer, and publish accounts
- Undertake functions reserved for the Minister for the Civil Service (see Annex 2B – Matters not for delegation to Employers)

## Communications

### *with employers*

- Provide employers with information via EPG and EPNs to enable them to fulfil their delegated responsibilities
- Maintain the Employers' Pension Guide
- Offer support via a dedicated Employer Helpdesk (see Section 1 for details)

### *with APACs*

- Liaise with APACs via APAC Board, site visits and ad hoc working level groups
- Communicate policy changes with impact on administration to APACs via Pension Circulars
- Maintain administration manuals and guidance for APACs
- Maintain and develop the pensions administration software
- Offer support via a dedicated APAC Helpdesk

### *with members*

- Deliver Communication Strategy working with Employers via the Pensions Communication Network
- Notify active members of policy changes affecting their pensions (via Office Notices)
- Oversee communications to pensioners

### *Consultation*

- Consult with Ministers, Civil Service senior management and unions when making policy changes and scheme developments
- Communicate and consult with APACs on PenServer operation and development

### *General*

- Produce scheme material (booklets and leaflets) and post these on website for employers, APACs, members and the public to access (APACs to hold hard copies for distribution to employers and members)
- Maintain and develop CSPD website including employer and APAC site

## Administration

- Assess eligibility and admit new bodies to the CSP arrangements
- Issue Delegation Instruments
- Facilitate electronic collection and collation of data by maintaining and developing scheme software (PenServer)
- Maintain stocks of material at printers
- Provide training materials for employers and APACs, where possible
- Collate reports from employers and APACs on performance of pensions delivery
- Collate Accounting Officer's Certificates on behalf of the Minister for the Civil Service
- Provide ongoing support on novel and contentious issues to employers and APACs via the Employer, APAC and PenServer helpdesks

## Quality Assurance

- Monitor performance via Annual Report and Accounting Officer's Certificate from employers and QARs and PenServer data from APACs
- Support APAC Best Practice Club to take forward improvements in scheme administration
- Review performance standards regularly
- Review service standards in light of policy developments
- Monitor nature of second stage IDR cases
- Provide standard scheme letters to APACs and keep under review
- Retain editorial responsibility for content of PenServer standard letters
- Provide PenServer support through Helpdesk arrangements
- Regular review of Capita Harthead's performance against service standards

#### **Table 4 SCHEME MEMBERS Responsibilities**

- Member must complete, where appropriate, a pension questionnaire and return it within an appropriate timescale, set by the employer
- Member must make sure that they have received their Starter Pack, and chase up if not received
- Make choice of pension arrangement within 3 months
- Complete pension choices form and return it to employer or APAC as directed
- Apply for transfer-in of service if required, within scheme deadlines
- Provide relevant personal data to employer and to APAC and keep it up to date
- Advise employer/APAC of any changes in personal circumstances. (Employers and APACs need to agree the processes for handling information from members)
- Provide information on past membership of Civil Service pension scheme or other pension scheme, if applicable
- Complete death benefit nomination and keep under review, notifying APAC of any changes
- Where applicable, complete partner declaration form
- Make a 'reasonableness check' on their annual benefit statement information and raise any queries with APAC
- Complete and return Personal Details Form to APAC within specified time limits

#### *Deferred members*

- Apply for pension from Capita Hartshead 3 months before retirement date
- Notify Capita Hartshead of any change of address

#### *Pensioners*

- Contact Capita Hartshead with any pensions issues
- Notify Capita Hartshead with any changes in their circumstances that impact on their pension

**Table 5 PENSIONER PAYROLL (CAPITA HARTSHEAD) –  
Role and Responsibilities**

### **Administration**

- Pay lump sums, pensions, death benefits and compensation benefits promptly in accordance with scheme rules and contract standards
- Calculate and pay Pensions Increases
- Handle divorce actions for pensioners under the Welfare Reform and Pensions Act 1999
- Take action to recover overpayment of benefits
- Maintain records of pensioners
- Calculate and apply abatement for re-employed pensioners

### *Deferred pensioners*

- Maintain records of deferred pensioners
- Implement pension sharing awards on divorce for deferred pensioners
- Issue annual benefit statements for all deferred pensioners leaving after 1 October 2002, and earlier leavers where Capita Hartshead hold a valid address
- Contact deferred pensioners before pension age to arrange to set up pension
- Maintain website to include information for deferred pensioners

### **Quality Assurance**

- Ensure that IT systems interface with PenServer
- Make awards and other relevant records available to NAO, employer's internal auditors and CSPD on request
- Establish regular audit programme of systems and provide copy reports to CSPD, and copy of executive summary to employers and client
- Monitor and improve standards, when necessary, by commitment to effective training (including recognised qualifications as appropriate)
- Membership of APAC Board to deal with strategic and corporate governance issues
- Develop staff through appraisal, career planning, IIP or Charter Mark

### **Reporting / accountability**

- Account to CSPD for all pensioner payroll and associated services
- Provide accounting and banking services for Cabinet Office Civil Superannuation
- Provide regular management information to CSPD
- Produce and distribute monthly reconciliation statements to APACs and employers



### **Communication**

- Provide contact point to pensioners and deferred pensioners for all enquiries
- Provide contact point to APAC for all enquiries
- Deal with all correspondence and enquiries relating to pensioners and deferred pensioners, including liaison with APACs
- Issue annual newsletter to all pensioners
- Maintain website for pensioners

## Duty of Care

**2.1.6** Duty of Care is a legal concept, which applies to all areas of pension administration. It includes:

- providing correct information at the appropriate times to members and others affected by the Civil Service schemes; and
- making sure that the correct benefits are paid to the right people at the right time, in accordance with the scheme service standards.

**2.1.7** When you give your staff information about the Civil Service pension schemes you must record this on the individual staff members' pension/personnel file, as appropriate. This includes the issue of the Letter of Appointment and the Starter Pack.

**2.1.8** You must issue office notices on the request of CSPD within the timelines set, and keep copies of these notices centrally so that you have your own audit trail.

**2.1.9** Our scheme rules encompass the Disclosure Regulations 1996. These set out the type of pension information that must be provided to particular categories of scheme member at particular times.

# Roles and responsibilities

## Delegation to administer pensions

### Mandated responsibilities and control frameworks

**2.2.1** The Minister for the Civil Service may delegate responsibility for administering Civil Service pension arrangements to other Ministers or Officers of the Crown. In practice, this means that organisations headed up by a Minister or Officer of the Crown have primary responsibility for administering the CSP arrangements. CSPD retain the management of the CSP arrangements, as laid out in Table 3 in Section 2.1.

**2.2.2** The Minister for the Civil Service can allow non-Civil Service organisations, such as Non-Departmental Public Bodies (NDPBs) and Office Holders, to join the arrangements as long as they fit the relevant criteria and either a Government Department or an organisation headed by an Officer of the Crown 'sponsors' them. This places certain on-going responsibilities on the Sponsor Department/organisation. Please see Section 2.1, Table 1.

**2.2.3** Where the Minister for the Civil Service directly delegates to another Minister or Officer of the Crown, we regard that organisation as being a 'delegated employer/authority'. This term also applies to those organisations that have 'sponsor' responsibilities for an NDPB or Office Holder.

### The Delegation Instrument and its purpose

**2.2.4** CSPD formally acknowledges an organisation's admittance to the CSP arrangements by issuing a Delegation Instrument (DI). Attached to the DI is a set of conditions, laying out the financial and administrative responsibilities which the delegated employer must meet.

**2.2.5** Under the conditions, the delegated employer must enter into an agreement with an Authorised Pensions Administration Centre (APAC) to carry out the activities of pensions administration for which they - the delegated employer - is responsible. The type of agreement depends on whether the APAC is part of a Government Department or a private sector provider. With a public sector APAC, you will need to have in place a Service Level Agreement (SLA) with them. If you are entering into an agreement with a private sector APAC you should contract them formally.

**2.2.6** NDPBs/Office Holders do not have the authority to enter into an agreement with an APAC independently of their Sponsor Department. This is because the Superannuation Act 1972, which allows for the provision of the CSP arrangements, restricts the authority to contract out pensions administration to a delegated employer only. Their Sponsor Department must, therefore be involved in the agreement. Section

2.3 gives more information on contracting an APAC and Section 2.1 tells you about the role and responsibilities of an APAC.

**2.2.7** Each year the delegated employer must return an Accounting Officer's Certificate (AOC), signed by their Accounting Officer confirming that they have met the conditions of the Delegation Instrument. Delegated employers with sponsor responsibilities must return an AOC for each NDPB they sponsor. The AOC must be signed by the delegated employer's Accounting Officer, not the NDPB's Accounting Officer. Section 2.4 tells you more about the AOC.

**2.2.8** CSPD also issue a DI to each APAC within Government to allow them to exercise certain discretions under the various schemes' rules. For external APACs, we send a letter setting out the same conditions as in the DI.

**2.2.9** You can find copies of the employers' and the APACs' DI and the AOC in Annex C and F at the end of this section.

## The Control Framework

**2.2.10** The Control Framework underpins the Delegation conditions and governs the management and administration of the CSP arrangements. It aims to make sure that the pensions administration duties that have been formally delegated are carried out professionally, efficiently, effectively and with proper financial controls.

**2.2.11** The framework incorporates:

- the Rules of the Civil Service Pension Schemes and Compensation Arrangements
- the Pensions Manual, APAC Guidance notes, Pension Circulars and other APAC guidance
- procedures governing pensions spending and receipts
- arrangements for monitoring how the Civil Service schemes are administered
- the software used in administering the schemes, including benefit calculation. Your APAC can only use software approved by the Cabinet Office for calculating benefits
- this guide and supporting Employer Pensions Notices
- contracts/SLAs between APACs and employers covering services to members
- the DI and its conditions.

**2.2.12** The DI lays the conditions for you to establish effective internal control systems within your organisation. Annex 2C contains a copy of the Delegation conditions. The framework minimises risk and supports corporate governance. It will also assist Accounting Officers in their annual checking process. Annex 2D sets out a summary of the mandatory controls you and your APAC must have in place. We include this document in the paperwork we send when we issue the DI to employers.

**2.2.13** If you are a delegated employer with responsibility for one or more NDPB/Office Holder, you should, as a minimum, seek assurance that they in turn have established effective internal controls.

## Key risks

**2.2.14** Not having controls in place can mean:

- the member does not receive the payments they are entitled to under the scheme rules. This can result in financial hardship for them, or lost investment opportunities which could lead to their making a claim for compensation;
- that personal information is not kept up to date and is inaccurate;
- fraud;
- the scheme does not receive the correct amount of employer and employee contributions (relating to each of the schemes); and
- that scheme members are not aware of their options and entitlements. This means that members:
  - are financially disadvantaged if they cannot take action when necessary;
  - undervalue the pensions element of the remuneration package

In addition, the scheme may not meet its statutory obligations under the Disclosure Regulations.

**2.2.15** To reduce the risk of your organisation failing to meet the conditions of the DI, you should:

- ensure your staff understand their role (see Section 2.1 for an overview) and are aware of the Minimum Service Standards set by CSPD – as laid out in Annex 2A
- ensure your APAC understands contract requirements you have agreed with them. The contract/SLA should reflect your

business needs, ensuring that the Minimum Service Standards set by CSPD are met – as laid out in Annex 2A

- get your internal auditors to carry out regular audits on your HR pensions-related work as well as auditing your payroll. (It is a requirement of the DI that your organisation has regular audits.)
- ensure you have processes in place to check that accurate information is being passed from HR to payroll provider (where applicable)
- ensure that your payroll interface is set up correctly so that information is not corrupted when it passes through the interface to PenServer
- ensure your organisation has proper financial controls in place so that the correct amount of employer and employee contributions is paid to the appropriate body promptly. See Section 3.5 for further information.
- keep all relevant information on personnel records to support pension details. When you give your staff information about the CSP arrangements, you must record this on individual staff member's personnel/pension file, as appropriate. (This, for example, includes the issue of the Letter of Appointment and the Starter Pack.)
- consider your 'duty of care.' See paragraph 2.1.6.

## Minimum Service Standards

**2.2.16** Annex 2A contains the Minimum Service Standards that apply to the administration of the CSP arrangements. Where appropriate, they also apply to the Civil Service Compensation Scheme (CSCS).

**2.2.17** The Minimum Service Standards underpin delivery. They set the minimum level of service delivery to members and provide you with a measure of performance. CSPD have agreed the Minimum Service Standards with APACs, and with employers through the Employer Support Groups.

## Monitoring performance of your Payroll Provider and APAC

**2.2.18** You, as employer, are responsible for ensuring that your personnel and payroll systems contain accurate members' personal information. To ensure that you pass correct data to your APAC, you must carry out regular checks on these systems. You must ensure that your payroll applies, for example, the correct employer contributions percentage to each of the salary bands – CSPD will give you this information via yearly EPNs for you to pass to your payroll provider. You should also ensure that your payroll deducts appropriate contributions relating to specific elements of pensionable pay; for example, to the 'premium' element on overtime pay. You should ask your payroll provider for management information which allows you to check such details as:

- monthly breakdown of pay
- members' personal information, such as name, NI Number,

- last activity or activities carried out during the month
- whether contributions were paid over to the respective pension providers within the scheme standard of 3 days.

This list is not exhaustive.

**2.2.19** Your APAC is responsible for correctly calculating members' awards using the information you/your payroll provider have sent them via the interface and any other information you may have had to give them by way of written notification; for example, informing them of a Civil Partnership.

**2.2.20** APACs carry out the bulk of administration, using the scheme software PenServer. They manage casework through PenServer 'workflows' which incorporate many individual tasks involved in completing a particular type of case.

**2.2.21** You are not responsible for checking the calculations carried out by your APAC, other than a sensibility check. By this, we mean that you should check such things as whether or not there should have been an award in the first instance. If you should have doubts regarding the validity of a calculation, you should ask your APAC to re-check. If you continue to have doubts, we advise you carry out a data accuracy check on the member records you/your payroll provider hold and ask your APAC to compare the details of that check against those held on PenServer. This detailed check will highlight where a mistake has happened in the first place and where the responsibility for it lies. Exceptionally, it could highlight an error in the interface mapping. Should this happen, you must rectify the matter without delay.

**2.2.22** Your APAC can, on request, provide you with a 'Member Data View'. This record is a printed view of a member's details, including name, date of birth, NI Number, and service history. You may want to request these 'views' as part of a spot check on the accuracy of member information. Your APAC may charge you for this service.

**2.2.23** APACs have to provide CSPD with two management information reports every quarter. These are called the Quarterly Assurance Report (QAR) and the Quarterly Assurance Report Compliance Statement. In part, these reports ask the APAC to list their activities and to show how many activities were achieved within the Minimum Service Standards. You may wish to ask your APAC to provide you with copies if you are interested in using them as part of your monitoring. Please note, however, that they are listed by workflow so do not necessarily show the total length of time it has taken to complete a whole case. You can find a copy of these reports on the Employer pages of our website.

**2.2.24** You can ask your APAC to provide you with information that reflects your own particular agreement with them. To do this, we suggest you use a layout similar to the 'time-lined' report format of the QAR, linked to the Minimum Service Standards. Whatever you agree with your APAC, they will most likely have to extract information from PenServer manually and you will be charged accordingly. You must ensure any Management Information requirements you decide to have are included in your contract.

**2.2.25** APACs are audited on a regular basis; in line with the DI conditions you should ask, as part of your monitoring,

to see an executive summary of the audit reports.

# Roles and responsibilities Administration by APAC

## Appointing an APAC

**2.3.1** Under the Delegation Instrument you must appoint an Authorised Pensions Administration Centre (APAC) to carry out day-to-day pension administration. If the APAC is a private sector provider you will need to have in place a contract. If the APAC is a public sector provider you will need to have a Service Level Agreements (SLA) with them. Contracts or SLAs should be let for a fixed period and you will need to review and re-tender them when the period expires.

**2.3.2** There are currently 10 APACs, 8 in the public sector and 2 private sector companies. Details and contact points are on the CSP website (See Section 1). You will find them under Guidance for employers>Employers' pension guide>Section 2 Further information on roles and responsibilities.

**2.3.3** You must comply with HM Treasury guidance on procurement:

<http://www.ogc.gov.uk/SDToolkit/workbooks/procurement/index.html>

**2.3.4** The guidance in this EPG section is to assist you in the process of re-tendering for your pensions administration, but should not be taken as exhaustive. A checklist to assist you is provided at Annex G. You should take advice from your procurement advisers.

**2.3.5** The Office of Government Commerce website: [www.ogc.gov.uk](http://www.ogc.gov.uk) also contains a wide range of guidance

on all stages of the procurement process.

## What is a contract?

**2.3.6** A contract is a legal agreement with a private sector company.

## What is a SLA?

**2.3.7** A SLA is an agreement between public sector organisations. The Crown cannot contract with itself. A SLA is not a legal agreement but the organisations that sign it operate as if it is.

**2.3.8** The contract/SLA must contain:

- a detailed statement of the service that the APAC will provide; and
- details of performance measures and cost.

**2.3.9** If you have a direct delegation (see 2.2.4 onwards) you must have your own contract or SLA with your APAC. You are responsible for managing these arrangements.

**2.3.10** Sponsor Departments have responsibility for the pensions administration for bodies and Office Holders admitted to the PCSPS under Schedule 1. As the Sponsor Department is accountable for pensions administration for their Schedule 1 bodies, they must be involved in any tendering process. As a minimum, the Sponsor Department must be a signatory to the contract/SLA.

**2.3.11** Where the contract is for pensions administration for a Schedule



1 body only, you need to specify the Parties to the Agreement as:

- The Sponsor Department/body
- The Schedule 1 body
- The APAC

**2.3.12** You may need to customise the wording of your standard contract to reflect the extra signatory to the agreement, but the service delivery is between the APAC and the sponsored body defined as the Authority in the Invitation to Tender and Statement of Service Requirements.

**2.3.13** The Sponsor Department may want to become involved in the contract management and/or to receive monitoring information directly from the APAC. If they do so, they must be prepared to pay any additional charges that arise from their involvement.

**2.3.14** If your organisation has been admitted into the CSP arrangements under Schedule 1 through a Sponsor Department or if you are an agency of a larger Department you may be covered by your Sponsor Department's or parent Department's contract arrangements. In this case the contract will be managed centrally. If in doubt, check with your Sponsor/parent Department contact.

## EC Directives

**2.3.15** Running the CSP arrangements is not classified as a 'priority service' under EC procedures so you do not need to put adverts in the EC official journal for your pensions administration service. CSP administration is classified under 'Residual category 27, CPV code 75320000-5 'Government Employee Pension Schemes'.

**2.3.16** If your total contract value will be higher than the current EC Services threshold, you must put an award notice in the official journal within 48 days of awarding the contract. (To find out the most recent EC Services threshold, please visit: [www.publictender.co.uk/legislation.](http://www.publictender.co.uk/legislation.))

**2.3.17** You can find a model Invitation to Tender (ITT), including a statement of service requirements (SOSR) for CSP administration on the CSP website, (See Section 1) under Employers' pension guide>Section 2 Further information on roles and responsibilities. If you do not have web access please ask the CSPD employer helpdesk for a word copy.

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### Important note

Model ITT - Optional text is shown in blue to be deleted or amended to suit your circumstances. Notes in purple are provided to assist you in customising the ITT. These can be deleted in the final document.

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**2.3.18** You must let each contract for a fixed period. This means that you will have to re-tender from time to time.

**2.3.19** You must begin your review of pensions administration twelve months before the end of the contract/SLA. Your review must start from first principles, not the assumption that the same contract will do for the same service with just a change of dates.

## How to manage the contract/SLA

**2.3.20** Having a contract/SLA in place will not by itself improve your pensions service. You need to manage the contract/SLA actively to make sure that it meets your specification. To do this

you will need to appoint a contract manager.

**2.3.21** Your contract manager will need to build a constructive relationship with your APAC contact. Each must understand their role. (See Roles and Responsibilities Tables - Section 2.1) The APACs role is to provide the service specified. Your contract manager's role is to monitor the service the APAC provides to make sure it meets the agreed requirements.

**2.3.22** Key areas of effective contract management are:

- good communication;
- suitable resources — the contract manager needs time to be able to carry out the role;
- planning - from the procurement stage through implementation of the service to re-tendering towards the end of the contract;
- a clear specification of requirements including delivery of the mandatory controls from the Delegation Instrument (See Annex 2D);
- regular formal monitoring including reports and review meetings;
- prompt action to solve any problems or meet any shortfalls in service; and
- agreed mechanisms for change.

**2.3.23** The level of resources you use to manage your contract/SLA will depend on its value and complexity. However, even for the smallest employer, contract management plays an important role in providing value for money.

## What happens when things go wrong?

**2.3.24** By monitoring the APACs performance regularly, you can pick up problems quickly before they become too serious.

**2.3.25** Your contract/SLA must contain clauses covering poor service and mistakes. If the APAC is wholly responsible for a mistake that results in a cost (for example, an overpayment), you should be able to claim this cost from them under the terms of your agreement with them.

**2.3.26** Your contract/SLA must also have a termination clause. This will allow you to break the contract/SLA if your APAC does not provide the agreed service.

## Providing information

**2.3.27** The APAC administers the CSP arrangements using members' data, which you have provided. To ensure that our members receive a good accurate service, this data must be correct and you must take care at all stages of collecting and providing it to make sure it is accurate. Where data is provided directly from payroll, payroll data must be updated promptly and accurately.

**2.3.28** Sections 4-7 of this EPG underline the importance of collecting the information you need and passing it to your APAC.

**2.3.29** If there are gaps in the member's data, the APAC will need you to provide information from the personnel file.

### Important note

You must provide this information quickly. If you do not, it will lead to a delay in taking the correct action for the member.

**2.3.30** You must let your APAC know immediately about any changes to the members' details, such as marital status, changes of address, leaving or transferring information. You should do this using the method you have agreed in advance with the APAC (on paper or electronically). If you do not keep the APAC records up-to-date, members may not receive the correct information or payments.

# 2.4

## Roles and responsibilities Reporting format for employers

### Introduction

**2.4.1** Section 2.2 of this guide tells you about the Delegation and Control Framework, which forms the basis of Civil Service pensions' management. As a condition of the delegation, you must report to CSPD when required to do so.

**2.4.2** The two annual 'reports' that we require from you and that underpin our control framework are the Employers' Annual Report and the Accounting Officer's Certificate.

**2.4.3** You also have a duty to reply to any ad hoc information requests we may make.

### Employers' Annual Report (EAR)

**2.4.4** The purpose of the EAR is twofold:

- to enable us to monitor standards of pensions delivery, and
- to help identify potential problems; this allows us to offer appropriate guidance and support.

**2.4.5** The Annual Report covers the period from 1 January to 31 December. You must return completed reports to CSPD by no later than 31 January of the new year. Annex 2E shows a template of the report and gives guidance for completion.

**2.4.6** Every delegated employer and sponsored body must complete an EAR. Delegated employers must also complete an EAR for any agency and ancillary department that falls under its

remit which has either a separate payroll or APAC (or both).

**2.4.7** About six weeks before the end of the calendar year, we will issue a reminder for all delegated employers and Schedule 1 bodies to complete the EAR. We expect our delegated employer contacts to identify which of their agencies and ancillary departments have either a separate payroll or APAC and organise the return of the EARs.

**2.4.8** We are content to receive reports directly from Schedule 1 bodies and agencies/ancillary departments. However, if you are a delegated employer, you may wish to see the reports in the first instance or ask for copies to be sent to you so that you can also monitor their administrative arrangements.

**2.4.9** The HR or Finance Director of the body concerned must sign the report for reasons of accountability.

### Accounting Officer's Certificate (AOC)

**2.4.10** The Accounting Officer for each delegated employer has a responsibility to send a certificate to the Cabinet Office Secretary confirming that the organisation covered by the Delegation Instrument has met its responsibilities in delivering Civil Service pensions. In practice, CSPD collate these certificates on the Cabinet Office Secretary's behalf.

**2.4.11** Your Accounting Officer is your Permanent Secretary or Chief Executive. If you represent a Schedule 1 body, the Accounting Officer of your Sponsor Department must sign the AOC.

April – 5 April, in line with the financial year. CSPD must receive these certificates no later than 30 April of the new financial year.

**2.4.12** There are two versions of the AOC; 'direct delegation' and 'sponsored body.'

- AOC 'direct delegation'. The Accounting Officer of each organisation with delegated responsibility must sign this version. The certificate covers the parent organisation as well as all agencies and ancillary departments that fall within the organisation.
- AOC 'Schedule 1 body'. The Accounting Officers who have sponsor responsibilities for Schedule 1 bodies must sign this version. They must sign a separate AOC for each Schedule 1 body. Annex 2F shows examples of both certificates.

**2.4.13** You will need to supply the Accounting Officer with whatever assurances they require in order to be able to sign the AOC with confidence. In practice, this is most likely to be information about:

- your contractual and monitoring arrangements with your APAC and payroll provider, and performance details of HR administration in relation to the Minimum Service Standards
- your contractual and monitoring arrangements for each agency (if applicable) that has its own payroll and/or APAC services, and performance details of their HR administration in relation to the Minimum Service Standards.

**2.4.14** The Accounting Officer's Certificate covers the period from 6

# Roles and responsibilities

## Keeping records

### Retention of personnel records for pension purposes

**2.5.1** Personnel, payroll and pension files are a major source of evidence for such information as reckonable service and pensionable pay, which form the basis of a pension calculation.

**2.5.2** Proper record retention reduces the chance of you having to make pension awards from your own resources if you have to accept a claim without the documentary evidence normally required. It will also help to make sure that scheme members receive their correct entitlement to benefits under the scheme rules.

**2.5.3** DEO(PM)(98)(1) gives guidance to departments on the personnel records that you must keep for pension (and other) purposes. It:

- says that you must retain papers to whichever is the later of age 72 or 5 years from the date that the papers were last actioned;
- provides departments with the discretion whether to destroy relevant papers beyond age 72; and
- makes it clear to departments that where papers are destroyed and a claim for pension benefits is subsequently accepted without documentary evidence, the cost will fall on departmental funds and not Civil Superannuation provision.

**2.5.4** The best evidence of a document has traditionally been the paper version. However, for business

reasons, a number of employers are increasingly moving to electronic records with paper documents scanned in and the original destroyed. The Courts or the Pensions Ombudsman are likely to accept electronically stored copies of original paper documents as evidence. These copies are therefore usually as effective as the original for such purposes.

**2.5.5** You should take particular note of documents containing a signature, for example the Death Benefit nomination form. Section 7 of the Electronic Communications Act 2000 enables an electronic signature to be used in evidence to prove the authenticity of a document. Our view, based upon legal advice, is that our Death Benefit nomination form is covered by the definition of an electronic signature given under this section.

**2.5.6** Our legal advice also suggests that certification would add weight to the authenticity of the document. Such a certificate would simply say that the scanned in signature was indeed the signature on the original document and the certificate should be signed and dated.

**2.5.7** You should seek your own legal advice before embarking on a programme of electronic storage. The quality of the scanned documents may become an issue. This will vary between employers because of the hardware involved. Your legal adviser

will probably want to see the original and the scanned document.

**2.5.8** Any data stored electronically will be subject to the provisions of the Data Protection Act 1998.

## Data Protection Act 1998

**2.5.9** You, as a Civil Service employer, are bound by the provisions of this Act. It covers both manual and electronic data. The Act imposes obligations on employers to make sure that their members' data is up-to-date, accurate, and secure, and is processed in accordance with the Act's provisions. You must ensure that your APAC contract/SLA includes a commitment by your APAC to follow the provisions of the Act.

**2.5.10** You should contact CSPD if you have concerns or questions about the data you hold or which is processed on your behalf.

# 2.6

## Roles and responsibilities Communication materials for you and your staff

### Your responsibilities in communicating pensions

**2.6.1** As employer, you have a duty to communicate pensions information to your staff. Table 1 in Section 2.1 tells you about your responsibilities and the routes you need to have in place with your staff, payroll provider (if applicable) and APAC.

**2.6.2** Where CSPD need to tell members about changes to the CSP arrangements, we will draft a Model Office Notice (and/or Newsletter) and send it via an EPN for you to issue. You must issue the Office Notice or Newsletter in accordance with the instructions given in the EPN. You can 'top and tail' the Office Notices with your own organisation's logo/letter head but you must not change the wording of the notice. If in doubt, please contact the Employer Helpdesk (see Section 1 for details).

**2.6.3** There is strong anecdotal evidence from the pensions industry that, where members know what their total reward package is - as opposed to just knowing what their annual salary is - they are less likely to leave.

It therefore acts as a good retention tool for you. To help members appreciate their total reward package, we advise you to include employer pension contributions on salary slips.

### Scheme communications material

**2.6.4** We have a good range of information booklets and leaflets for members. They are all available to read or download from our website. Hard copies are available from your APAC.

**2.6.5** Our website also contains scheme administration material for employers and APACs. Click on the 'Guidance for employers' tab to access employer targeted information.

**2.6.6** We can provide our material in large print, audio or braille on request. Please contact Employer Helpdesk if you require material in these formats.

### Pension information for job advertisements

**2.6.7** Pension provision forms part of



the total reward package you offer your staff. It is in your interests to promote the value of the pension arrangements in recruitment material and job advertisements. We suggest that you use one of the following examples in recruitment material and job advertisements:

- 'Benefits include a choice of valuable pension arrangements.'
- '£[salary] plus Civil Service pension.'
- 'We offer you the opportunity to join the Civil Service pension arrangements, which include a valuable range of benefits.'

## Pension information for prospective employees

**2.6.8** 'pension choices – an overview' is a promotional leaflet you can give to prospective recruits. It supports you in your recruitment efforts by giving the prospective member an introduction to our pension arrangements. We suggest that you provide the overview leaflet with your recruitment literature packs.

**2.6.9** You can order the leaflet directly from St Ives using the 'Publications order form' on our website (see under 'Guidance for Employers').

**2.6.10** You can also refer prospective members to the CSP website for information about the pension.

## CIVIL SERVICE PENSION SCHEME MINIMUM SERVICE STANDARDS

We are aware that employers have local agreements with their APAC and payroll providers and that the APAC and payroll provider may have responsibility for some of these actions. You will need to apply these minimum standards as fits with your organisational set up.

<b>EMPLOYER ACTIONS</b>	
<b>New entrants</b>	
Send appointee Pensions Questionnaire with instruction on when to return it.	Before start of appointment
Inform payroll to auto-enrol new entrants, where applicable	Within 5 working days of receiving Pensions Questionnaire
Where Pensions Questionnaire flags up previous pension history, input to Rejoiner Calculator and follow the instructions for: <ul style="list-style-type: none"> <li>• auto-enrolling,</li> <li>• ordering the appropriate Starter Pack,</li> <li>• start abatement action, where appropriate, and</li> <li>• find out quarantine end date, where appropriate</li> </ul> Otherwise, order Starter Pack NE1 or NE2 for new entrants, depending on their length of employment	Within 5 working days of receiving Pensions Questionnaire  *You should start abatement action as soon as you know abatement might apply to save the possibility of having to delay the start date. See below for the timeliness of CSP13 (Estimate) and CSP13 actions.
Prepare Letter of Appointment inserting appropriate pensions text	At time of appointment
<i>Where Pension Choices forms are returned to employer:</i>  Check and action Pension Choices forms. Individual actions are: <ul style="list-style-type: none"> <li>• Send <b>nuvos</b> and <b>premium</b> and 'opt-out' choices to APAC</li> <li>• Inform APAC of previous pension position, if appropriate (taken from questionnaire)</li> <li>• Inform payroll of member's pension choice</li> <li>• Process and pass <b>partnership</b>/stakeholder applications to providers. (Payroll to complete 'scheme category' on PenServer interface)</li> </ul>	Within 5 working days of receipt
Send form CSP13 (Estimate) to Capita Hartshead with details of re-employed pensioner for assessment of abatement	Within 2 working days of obtaining the salary of reference
Send form CSP13 to Capita Hartshead for abatement to be applied	Within 2 working days of the person accepting appointment
<b>In Service Actions</b>	

<p>Paying contributions:</p> <p>ASLCs</p> <p>Pass AVC/ <b>partnership</b>/stakeholder contributions with payment schedule to providers</p>	<p>Before the 19<sup>th</sup> day of the month following the pay run</p>
<p>Added Years and added pension: Payroll to initiate contributions on notification from APAC that member wishes to pay Added Years/added pension</p>	<p>Within 5 working days of receipt or in time for next payroll, whichever is sooner</p>
<p>Change of circumstances for re-employed pensioners: Complete CSP13 and send it to Capita Hartshead.</p>	<p>Within 5 working days of change of circumstance or in time for next payroll, whichever is sooner</p>
<p>Transfers to another PCSPS employer: Send CSP Trans 1 to APAC</p> <p>Send E18(03) (or equivalent) to importing employer</p>	<p>Within 5 working days of a transfer being confirmed</p> <p>No later than the day after the transfer</p>
<p>Secondees: Agree terms with member and borrowing employer</p> <p>Inform payroll of arrangements (if you are no longer paying salary and contributions)</p>	<p>At least 1 month before secondment starts</p> <p>Before secondment begins</p>
<p>Armed Forces Reservists: Inform payroll that member has been called out for service in the Armed Forces</p> <p>Provide MOD with member details and contact name in the event of member opting to join Armed Forces Pension Scheme (AFPS) for the period of call-out</p> <p>Instruct payroll to stop paying over employer contributions on confirmation from MOD that member has opted to join AFPS</p>	<p>Within 1 day of notification</p> <p>Within 2 days of notification</p> <p>From date given by MOD</p>
<p>Opting Out: Instruct payroll to stop paying contributions when APAC tells you that member has opted out <b>classic, classic plus, premium, nuvos or partnership</b></p>	<p>Payroll to stop contributions from date advised by APAC. If the date is passed by the time you receive notification, your payroll must unscramble contributions before the next available pay run</p>

<p>Member switching from <b>partnership</b> to <b>premium</b> or from <b>partnership</b> to <b>nuvos</b>, according to eligibility: Order starter pack</p> <p><i>If Pension Choices forms are returned to employer,</i></p> <ul style="list-style-type: none"> <li>• check <b>premium/nuvos</b> form has been completed</li> <li>• inform payroll and instruct them to stop paying <b>partnership</b> contributions and start paying <b>premium/nuvos</b> (from appropriate date), and</li> <li>• send choices form to APAC</li> </ul>	<p>Within 2 days of request</p> <p>Within 5 days of receipt</p> <p>Note: the switch can only take place on either 1 April or 1 October in any year</p>
<p>Member switching from <b>premium</b> to <b>partnership</b> or from <b>nuvos</b> to <b>partnership</b>, according to eligibility: Order starter pack</p> <p><i>If Pension Choices forms are returned to employer,</i></p> <ul style="list-style-type: none"> <li>• process and pass <b>partnership</b> application to providers</li> <li>• inform payroll and instruct them to stop paying <b>premium/nuvos</b> contributions and start paying <b>partnership</b> contributions to the appropriate pension provider (from appropriate date). Payroll change 'scheme category' on PenServer interface.</li> <li>• Change <b>partnership</b> contributions having received request from member</li> </ul>	<p>Within 2 days of request</p> <p>Within 5 days of receipt</p> <p>Note: the switch can only take place on either 1 April or 1 October in any year</p> <p>Initiate from next available pay run</p>
<p>Death of member in service</p>	<p>Notify APAC and payroll immediately. If member was in <b>partnership</b>, also notify pension provider immediately</p>

<b>Leavers</b>	
<p>Pre-retirement actions:</p> <p>Establish retirement date with member (issue 'pre-retirement' letters)</p> <p>Request pre-retirement estimate from APAC for age retirements</p> <p>Invite members to attend pre-retirement course (unless done by APAC)</p>	<p>1<sup>st</sup> letter before age 59 2<sup>nd</sup> letter at age 59</p> <p>At least 6 months before agreed retirement date</p> <p>At least 6 months before agreed retirement date</p>
Provide details of leavers on age retirement to APAC	At least 3 months before last day of service (LDS)
Provide details of leavers (resignations, etc) to APAC	As soon as possible on receipt of notification. <i>Those who continue employment beyond scheme pension age should be advised that although they can retire at any time by giving one month's notice, they should give three month's notice to ensure they receive their benefits on time</i>
<b>Death of Pensioner</b>	
Notify Capita Hartshead of details of death of pensioner (where notified)	Within 1 working day of receipt

<b>APAC ACTIONS</b>	
<b>Correspondence</b>	
Send acknowledgement or comprehensive reply	Within 5 working days of receipt
Send comprehensive reply	Within 10 working days of receipt
<b>Transfers in</b>	
Acknowledge written request or advise member that request is outside time limit and cannot be accepted	Within 10 working days of receipt of all information
Write to previous scheme	Within 10 working days of receipt of request
Send reminder letter and letter to member advising progress if reply not received	Within 6 weeks of first letter, with further letters sent at monthly intervals
Provide member with details of PCSPS service credit	Within 10 working days of receipt of transfer value quotation
On acceptance of service credit write to previous scheme	Within 10 working days of receipt of acceptance by member
Contact scheme administrator if payment not received	Within 20 working days of request for payment
Confirm to member completion of transfer-in service credit	Within 10 working days of receipt of payment
Process payment	Within 5 working days of receipt
<b>Transfers out</b>	
Acknowledge written request for transfer value quote or notify member if application for transfer is beyond time limit	Within 10 working days of receipt of all information
Write to HMRC in the case of a request to transfer to an overseas scheme	Within 5 days of receipt of request
Provide transfer value quote	Within 10 working days of receipt of all information
Notify member that transfer value quote has lapsed if no instruction received	Within 6 months of providing the transfer value quotation
Send transfer value authorisation to Capita Hartshead	Within 10 working days of receipt of necessary documents
<b>Added Years/added pension</b>	
Provide estimate of cost and scope for Added Years/added pension purchase	Within 10 working days of request for estimate
Notify payroll centre of application to buy Added Years/added pension	In good time for deductions to commence from the member's next birthday (or agreed date for <b>nuvos</b> , <b>premium</b> or <b>classic plus</b> )
Respond to member enquiry to amend Added Years/added pension contract	Within 5 working days of receipt of request for information
Advise member if request to cancel or reduce contract is approved and advise member of Added Years/added pension purchased and arrangements for recommencing contributions	Within 5 working days of approval
Revise Added Years/added pension contributions (where appropriate) when member changes conditioned hours	Within 10 working days of notification of change of hours
<b>Additional Voluntary Contributions (AVCs)</b>	
Provide estimate of scope	Within 10 working days of receipt of request
If application for AVCs is unacceptable, advise member	Within 5 working days of receipt of request
For early leavers, send letter enclosing 'Member Leaving Service Before Retirement' form	Within 5 working days of notification of last day of service
Death in Service; telephone provider	Immediately on notification of the death

Retirement: send letter enclosing 'Retirement Illustration Request' or, where CSAVCS fund takes member close to or over Lifetime Allowance, refer to CSPD	Within 5 working days of receiving completed PDF
<b>Serious Ill Health Commutation</b>	
Send Personal Details Form (PDF)	Within 5 working days of notification that a medical certificate has been received stating that the member is likely to die within 12 months
<b>Death in Service</b>	
Send request for information	Within 2 working days of receipt of notification
Calculate and notify dependants of death benefits	Within 5 working days of receipt of complete information
Send lump sum and pension award to Capita Hartshead	Within 2 working days of receipt of death certificate and valid beneficiary nomination
<b>Early leavers</b>	
Provide early leavers with less than two years' service with quotation of CETV and refund of contributions Provide early leavers with two or more years' service with details of preserved benefits	Within 10 working days of receipt of leaving date notification  Within 2 months of receipt of leaving date notification
<b>Injury Benefits</b>	
Obtain all information, decide whether it is a qualifying injury or submit to medical adviser and inform member	Within 10 working days of receipt of full information
Where case has been referred to medical adviser, make decision	Within 5 working days of receipt of medical adviser's advice
Notify member and employer of decision	Within 5 working days of decision
Calculate injury benefit award, notify beneficiary of injury benefit payable and send award to Capita Hartshead	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
<b>Estimates</b>	
Provide estimate or reply to enquiry	Within 20 working days of receipt of all information
<b>Divorce information</b>	
Provide information required for divorce proceedings	Within 10 working days of request
<b>Pre-retirement actions</b>	
Inform member of benefits payable and send PDF	Where last day of service is known in advance, at least 3 months before Last Day of Service (LSD), otherwise within 10 working days of receipt of details from employer
Send awards to Capita Hartshead	at least 10 working days before LDS
Send member a lifetime allowance statement	When the award is sent to Capita Hartshead or not later than 3 months after the benefit comes into payment
<b>Post-retirement actions</b>	
Revisions to awards to be made and sent to Capita Hartshead	Within 20 working days of receipt of details from employer or payroll

<b>PENSIONER PAYROLL ACTIONS</b>	
<b>All awards except revised and death cases</b>	
Send lump sum payment by BACS	At least 3 working days before due date (Due date is the first working day after LDS)
Send lump sum payment by BACS where award has been received less than 6 working days before LDS	Within 5 working days of receipt
Send lump sum payment by BACS where award has been received no more than 15 working days after LDS	Within one month of LDS
Issue first instalment of pension	Within one month of LDS or date of receipt if received later than 15 working days after LDS
<b>Revised awards</b>	
Process revised award	Within 5 working days of receipt
<b>Abatement</b>	
Advise re-employed member of level of abatement, where applicable	Within 5 working days of receipt of correctly completed form CSP13
<b>Death</b>	
Issue death in service lump sum by BACS	Within 2 working days of notification
Send claim form to widow(er) or eligible partner	Within 2 working days of notification
Issue dependants' benefits to BACS	Within 5 working days of receipt of correctly completed claim form
<b>Correspondence</b>	
Send acknowledgement or comprehensive reply	Within 5 working days of receipt
Send comprehensive reply	Within 10 working days of receipt
Issue deferred Annual Benefit Statements for post October 2002 leavers	Once a year at the time of the member's birthday
<b>Preserved awards</b>	
Send claim form to pensioner	Within 2 working days of request
Send lump sum payment by BACS where valid claim form for preserved award has been received less than 6 working days before due date	Within 5 working days of receipt
Send lump sum payment by BACS where valid claim form for preserved award has been received no more than 15 working days after due date	Within one month of due date
Issue first instalment of pension	Within one month of due date or date of receipt of valid claim form received later than 15 working days after due date
Send lifetime allowance certificate	No later than 3 months after the benefit comes into payment
<b>Telephone calls</b>	
Give comprehensive answer to telephone enquiries	Within 5 working days of receipt
<b>Change of bank details</b>	
Inform pensioner if payment cannot be redirected in time	Within 5 working days of written notification or immediately if notification received by phone



## Matters not delegated to employers

The following are functions and discretionary decisions that the Minister for the Civil Service has not delegated to employers. They include the appointment of third party providers to the CSP arrangements. CSPD carry out these functions and exercise the discretionary powers on the Minister's behalf.

### Procedural/Management functions

Modification to scheme rules

Authorisation, development, testing, release and maintenance of scheme administration software

Standard PenServer letters

Authorisation of APAC status

Second stage IDR decisions

Responding to pension ombudsman cases

Scheme administration guidance, scheme booklets, promotional material etc

Admission to PCSPS (Schedule 1)

Agreeing bulk transfer terms

Admission to Supplementary Scheme

Setting service standards for administrators, employers, third party providers

Acceptance of actuarial factors underpinning the schemes, e.g. transfer service credits/calculations of CETVs

Setting ASLC rates

Accounting for PCSPS liabilities

## Discretionary Decisions

Pensionable elements of pay

Granting added years

Faster accrual

Offsetting

Allowing a belated option to repay marriage/unestablished service gratuities

Overlooking resignations for service before 1972

Medical retirement within 12 months of beginning an added years contract

Medical retirement within two years of transferring in service

Consideration of whether retrospective medical retirement is appropriate  
(before reference to medical advisors)

Granting extensions to medical retirement appeals

Forfeiture

Early payment of pension on compelling personal grounds

Payment of trivial AVC into main scheme

Allowing belated Club transfer into PCSPS

Transfer under pre 1972 arrangements

Extension of time limits in allocation cases

Admission to 1972 section in exceptional cases

Revisiting Options exercise

Suspension or reduction of abatement

Whether a transfer request to an unapproved (unregistered) scheme will be permitted

Early payment of preserved award following CES with reserved rights to pre April 1987 rules

Novel and contentious cases

## Appointment and management of third party providers

Pensioner payroll provider

Management of APACs, including corporate governance

Software developers and consultants

Scheme medical advice

Actuarial advice

Printers for scheme communications material.

## Delegation instrument from the Minister for the Civil Service to the [Minister in charge of the delegated authority] in respect of the [employing body]

*This instrument transfers responsibility for running Civil Service pension schemes. The Accounting Officer of the organisation taking over responsibility must have arrangements in place to meet the terms of this instrument.*

Under section 1(2) of the Superannuation Act 1972 (the 1972 Act) the Minister for the Civil Service (the Minister) hereby delegates to the [Minister in charge of the delegated authority] (the Department) responsibility for running schemes made under section 1 of the 1972 Act.

Exceptions are:

- the Civil Service Supplementary (Earnings Cap) Scheme 1994;
- any power which is specifically reserved for the Minister in scheme rules or in the Pensions Manual; and
- the paying of pensions.

Any reference in this instrument to a scheme or schemes includes all or any of the schemes made under the 1972 Act except for the Civil Service Supplementary (Earnings Cap) Scheme 1994.

An Authorised Pensions Administration Centre (APAC) must carry out the function delegated in this instrument for the Department. If the APAC is a Department or any other Crown Body, it will have delegated authority from the Minister under section 1(2) of the 1972 Act. However, if the Department has the statutory powers to do so, whether by virtue of an Order made under the Deregulation and Contracting Out Act 1994 or otherwise, it may contract its function to an APAC in the private sector.

The Department must meet the conditions set out in annex A.

The People covered by this instrument are the (*title of Office Holder and/or staff*) of the (*name of employing organisation*).

(This instrument replaces the instrument issued on           ).

K T Cadman  
Head of Civil Service Pensions Division  
Cabinet Office  
Date:

## Conditions of delegation

1. The Department must make sure that all benefit estimates and awards are worked out in line with scheme rules.
2. The Department must make sure that the schemes are run cost effectively and in line with the guidance and recommended standards of service quality and delivery set out in the guidance provided by Civil Service Pensions Division (CSPD), Cabinet Office.
3. The Department must make sure that all awards are paid accurately at the correct time. Pension lump sums should be paid within 1 day of last day of service and the first pension payment within 1 month of last day of service.
4. The Department must make sure that its APAC uses the standard scheme software approved by the Minister to work out scheme benefits. It must also make sure that the system is secure structurally and operationally and used in accordance with security guidance provided by CSPD.
5. The Department must make sure that the personnel information it uses for scheme benefits purposes, whether on paper, payroll, the scheme database or elsewhere, is current and correct. The Department and its APAC must both meet the requirements of the Data Protection Act 1998 and any changes to that Act when handling personnel information.
6. The Department and its APAC must maintain effective control systems for the delegated functions as required by corporate governance to safeguard benefits expenditure.
7. The Department must make sure that all staff who work out and authorise the payment of scheme benefits and carry out routine scheme administration are properly trained.
8. The Department must make sure that its APAC carries out regular accuracy checks on a random statistically valid sample of completed awards. The checker must be fully familiar with scheme rules, but must not have been involved in processing the cases they check. The Department must record and monitor the results of those checks at least once every three months.

9. The Department's internal auditors must carry out periodical audits of the schemes' administration within the Department in line with Government Internal Audit standards, and the Department must ensure that it receives copies of the executive summary of internal audit reports produced by its APAC.

10. The Department must make sure that all awards, staff records, reports and accounts relevant to the schemes are made available to the Minister and NAO if necessary.

11. The Department must make sure that

- accruing superannuation liability charges (ASLCs), incoming transfer value payments, and deductions from pay for employee contributions, added years and added pension are worked out correctly and paid to the Cabinet Office Civil Superannuation on time; and
- partnership pension accounts and Civil Service Additional Voluntary Contributions (AVCs) accounts:
  - are set up correctly
  - contributions are paid over to the relevant providers within the scheme standard; and
  - are accompanied by correctly completed paperwork.

All payments must be made within the time limits set out in the Employers' Pensions Guide.

12. The Department must consult CSPD about the pension implications of any proposals to:

- make any non-consolidated elements of pay pensionable;
- consolidate non-pensionable allowances in basic pay or otherwise significantly increase the level of pensionable pay for an individual or group of individuals (for example, as a result of a pay restructuring exercise); or
- provide benefits through the scheme with an accelerated rate of accrual for an individual or group of individuals.

13. The Department must make sure that the following is performed:

- a 100 % check each month of the reconciliation statement from Capita Hartshead of the names of people issued with the new awards to make sure that they are all former members of the Department.

14. The Department must cover any loss to the Cabinet Office Civil Superannuation caused by its actions or the actions by the Department or its APAC following this delegation. The

Department must also refund the Cabinet Office Civil Superannuation for benefits overpaid as a result of its APAC's calculations if the person who receives them will not pay them back. The Department must refund any other costs resulting from its or its APAC's mistakes or maladministration.

15. The Department must pay compensation to scheme members in line with CSPD guidelines if there is a delay in paying an award and the Department or its APAC causes this delay. Compensation must not be charged to the Cabinet Office Civil Superannuation.

16. Every year by 30 April the Department's Accounting Officer must certify that:

- all scheme benefits awarded in the previous financial year have been worked out in line with scheme rules;
- the scheme has been managed in line with scheme rules
- ASLC contributions and other payments due to the Cabinet Office Civil Superannuation have been worked out correctly and paid over on time;
- AVCs have been paid over to the pension providers on time;
- the Accounting Officer has considered the risks as required by corporate governance and is satisfied that there are suitable controls in place; and
- the Department has met the terms of the Delegation Instrument.

17. The Department must provide regular stewardship reports to CSPD as required.

18. If the Minister considers that controls established by this instrument reveal weaknesses in the Department, the Minister will set a timetable for remedying these weaknesses. If the problem continues and the Minister believes the Department has failed to carry out its responsibilities, the Minister will withdraw the delegation. It is expected that before taking this action, the Minister will consult the Department. However, the Minister has the right to set the timetable or withdraw the delegation without giving notice.

19. The Department must tell the Head of CSPD when its delegated functions are included in its market testing plans (and at least three months before the Department needs to finalise the details of its delegated functions). The details and the contract must include certain terms and conditions which are particular to the schemes (for example 'right of NAO access'). CSPD will give the Department details of these terms and conditions.

20. The Department must make sure that its payroll system has an interface with the standard scheme software. If the Department is changing its payroll provider, it must make sure that the new payroll provider can deliver a working payroll interface to the standard scheme software. Where it is not cost effective to develop an electronic interface, the department must make sure that alternative arrangements are in place for regular updating of pensionable pay and service history data.

21. The Department must meet all the administrative costs involved in taking on these delegated responsibilities.

22. The Department must make sure that all new entrants receive their pensions information upon joining or at the latest within 2 months of their start date. This is a legal requirement under the Disclosure Regulations and is also essential to make sure that new employees have sufficient time to make their pension choice within the scheme 3 month deadline.

23. The Department must provide CSPD with a distribution contact for Employer Pension Notices, and keep this up to date. It must make sure that the information in the Notices is communicated to all relevant staff and that the appropriate actions are taken.



## Mandatory Controls

(Delegation Instrument controls shown in **bold**)

EMPLOYERS
<p><b>Administration</b></p> <ul style="list-style-type: none"> <li>• <b>Personal information used for scheme benefit purposes must be current and correct</b></li> <li>• <b>Payroll systems must use the standard payroll interface to the standard scheme software</b></li> <li>• <b>ASLCs, incoming transfer payments and deductions from pay for widows' and widowers' contributions and added years must be paid to the Civil Superannuation within the time limits set for these payments</b></li> <li>• <b>Partnership and CSAVCSs must be paid to the relevant providers within the time limits set for these payments</b></li> <li>• Desk instructions must accurately reflect the Employers' Pension Guide and be regularly reviewed and updated to meet the continuing requirements of the schemes (released via Employer Pension Notices)</li> <li>• APACs must be instructed to make awards, where appropriate, in line with the time lines laid out in the Minimum Service Standards.</li> </ul>
<p><b>Identifying Risks/Audit</b></p> <ul style="list-style-type: none"> <li>• <b>A 100% check must be made of the names on the reconciliation statements received from Capita Hartshead to confirm they agree with the awards generated by the employer, and ensure no names are missing or fictitious names added</b></li> <li>• <b>Employers' internal auditors must carry out periodic audits of HR pension-related administration in line with Government Internal Audit standards</b></li> <li>• <b>Employers must make sure they receive copies of executive summaries of internal audit reports produced by their APAC</b></li> <li>• Using this guidance, risks should be identified and appropriately managed. Where residual likelihood of risk remains high, employers should inform CSPD</li> </ul>
<p><b>Monitoring performance, Reporting, Consultation</b></p> <ul style="list-style-type: none"> <li>• <b>Employer Annual Report and Accounting Officer's Certificate must be with CSPD by 31 January and 30 April respectively, and signed by the appropriate officer.</b></li> <li>• <b>Employers must consult CSPD about the pensions implications of any proposals to:</b> <ul style="list-style-type: none"> <li>• <b>consolidate non-pensionable allowances into basic pay,</b></li> </ul> </li> </ul>

- where significantly increased pensionable pay is proposed, and
- where the employer wishes to offer an accelerated rate of pension accrual

**The employer must consult with CSPD when they propose to contract out any part of the delegated function**

- Appropriate contractual/SLA arrangements should be in place with APAC and payroll (where applicable)
- Regular checks must be made to determine the accuracy of pay and service records
- Monitoring must be carried out to ensure payroll/payroll provider is paying over the correct amounts of contributions and to the appropriate body, within the scheme standards
- All errors discovered must be recorded, investigated and, where appropriate, remedial action taken

## APACs

### Administration

- The schemes must be administered in accordance with the guidance and recommended standards of service quality and delivery set out by CSPD
- Staff engaged on pensions administration work must be properly trained
- All benefit estimates and awards must be calculated in accordance with the rules of the schemes and CSPD guidance
- Personal information used for scheme benefit purposes must be current and correct
- Staff engaged in pensions administration must have access to desk instructions
- Desk instructions must accurately reflect the scheme rules
- Desk instructions must be regularly reviewed and updated to meet the continuing requirements of the schemes
- Requests to Capita Hartshead for early payment of preserved benefits must contain an authorised signature, a serial number and a copy of the medical adviser's letter
- All errors discovered must be recorded, investigated and, where appropriate, remedial action taken
- Use approved standard scheme software only and ensure the system is secure, as set out in guidance provided by CSPD
- A person who inputs information to the system which will generate, or help form the basis for, the award of benefits or who performs a calculation, must not be responsible for authorising that award or calculation
- Maintain a numbered register of manual awards showing the name of the beneficiary and the amounts of the lump sum and pension awarded; number each

manual award sequentially under a 'departmental' prefix provided; ensure that each award is signed by authorised signatories, copies of whose signatures are held on Capita Hartshead's control documents' and send 2 copies of a cover sheet to Capita Hartshead showing the sequential number, the names and amounts of each award so that one copy of the sheet can be returned, to confirm that Capita received those awards

- Manual awards must not be sent to Capita Hartshead by fax
- All files from awards must be sequentially numbered and forwarded to Capita Hartshead
- Pensions software allows for certain details held on the system to be overridden and amended. APAC managers must certify on the exception or other relevant report that the use of the override has been both proper and appropriate
- Security and access controls on IT systems should be in place, and 'departmental' IT security must be applied, where applicable
- Systems must be in place to :
  - Record all incoming cheques for transfer values and the purchase of added years
  - Ensure that all cheques are paid into the Civil Superannuation

### Identifying Risks/Audit

- APACs should identify risks and manage appropriately, notifying/consulting CSPD where necessary
- APACs must use PenServer approved standard scheme software and ensure the system is secure as set out in guidance provided by CSPD
- Submit to internal audits at least once every three years, in line with Government internal audit standards
- Have proper and effective systems of control and accountability in place to safeguard the regularity and propriety of scheme benefit expenditure
- Independent accuracy checks must be made on a statistically valid random sample of completed cases every three months

### Monitoring performance, Reporting, Consultation

**Carry out 100% check to confirm that the names, amounts and other details of the awards on the reconciliation statements are correct**

- Report all ex-gratia payments and overpayments to CSPD in the QAR
- Awards must be sent to Capita Hartshead at least 10 working days before the last day of service
- Participate in discussion groups arranged by CSPD

## CIVIL SERVICE PENSIONS SCHEME EMPLOYER ANNUAL REPORT

This report must be completed by the HR or Finance Director of your organisation depending on whoever is the most appropriate signatory

<b>Reporting Year: 200x – 200x</b> (to be completed December 200x)	
<b>Name of Employment</b> (note 1)  (please print full name)	<b>Name of Sponsor/Parent Department</b> whichever is applicable (note 2)  (please print full name)
<b>INFORMATION ABOUT YOUR APAC</b>  1.1 Name of authorised Pensions Administration Centre (APAC) .....  1.2 SLA/Contract expiry date .....  1.3 Date(s) of issue of annual benefit statements (if your APAC is issuing annual benefit statements on a rolling programme, for example, on the member's birthday, tranche release, please state, indicating whether or not the programme has been completed for this year):  .....  1.4 Please state how often you meet with your APAC representatives (note 3)  .....	
<b>INFORMATION ABOUT YOUR PAYROLL</b>  2.1 Name of Payroll Provider (if contracted out) .....  2.2 Do you plan to change your payroll provider in the next 12 months? <span style="float: right;">YES/NO</span> (Please delete whichever is not applicable)  2.3 If you have answered yes to 2.2, please give date you will be changing provider .....	

- 2.4 Does your payroll/external payroll provider have a working interface with your APAC?  
(Please delete whichever is not applicable) YES/NO
- 2.5 If you have answered yes to 2.4, please state whether you have an electronic interface or pass data to your APAC using a spreadsheet/other means  
.....
- 2.6 If you do not have a working interface, please give reasons and timetable for installation or remedial action, whichever is applicable, on a separate sheet
- 2.7 Please give the date (month/year) when your payroll was last audited: .....
- 2.8 Have the audit recommendations been implemented? YES/NO  
(Please delete whichever is not applicable)
- 2.9 If you have answered no to 2.8, please attach separate page stating targets for implementation
- 2.10 Have you passed details of the 2007-8 ASLC rates to your payroll colleagues/provider (EPN xxx refers)? YES/NO  
(Please delete whichever is not applicable)

**MANAGEMENT INFORMATION**

- 3.1 Please give the date when the employer pensions operations was last audited (note 4)  
.....
- 3.2 Have the audit recommendations been implemented? YES/NO  
(Please delete whichever is not applicable)
- 3.3 If you have answered no to 3.2, please attach separate page stating targets for Implementation
- 3.4 Have you carried out 100% checks of the monthly reconciliation statements from Capita Hartshead in line with the EPG guidance? These must be carried out independently from your APAC (Note 5) YES/NO
- 3.5 If you have answered no to 3.4, please give reasons on a separate sheet
- 3.6 State name of the Accounting Officer who will be signing the Accounting Officer's Certificate for your organisation for year end 2006-7 (note 6).
- Please print: .....
- 3.7 Are you aware of any Machinery of Government changes planned in the next year that will affect your status as a Civil Service Pensions employer? YES/NO  
(Please delete whichever is not applicable)
- 3.8 If you have answered yes to 3.7, please give details on a separate sheet

**Declaration:**

I confirm that the information I have given above is true to the best of my knowledge and belief.

Your name (please print): .....

Job Title: .....

Signature: .....

Date: .....

Contact telephone number: .....

**NOTES:**

- 1) This report must be completed for each employment that participates in the Civil Service pensions arrangements.

Most Government Departments manage the delegated pensions responsibilities on behalf of their agencies and ancillary departments. Where, however, a Government Department has given an agency or ancillary department total autonomy to manage pensions, or where an agency/ancillary department either has a separate APAC contract or payroll contract (or both), a separate report for each is required; the name of the agency/ancillary department should therefore be entered.

- 2) (a) If you are completing this report on behalf of a Schedule 1 body, please state the name of your Sponsor Department.

(b) If you are completing this report on behalf of an agency/ancillary department that has:

- total autonomy to manage pensions from your Parent Department, or
- a separate APAC contract or separate payroll contract (or both), then please state the name of your Parent Department.

- 3) As part of your contractual arrangements with your APAC, and as a matter of good business practice, you should be meeting with your APAC colleagues on a regular basis to discuss issues arising.

- 4) Employer pensions operations. This refers to the work and processes in place that is carried out by HR staff, as opposed to payroll staff.

- 5) Reconciliation statements. If a person leaves your employment with an entitlement to scheme benefits, your APAC will calculate the award and send it to Capita Hartshead. Capita Hartshead will then send you a reconciliation statement. This will show the member's name, National Insurance number and amount of pension benefits. You are not expected to check the amount but you should check the name and NI number against your personnel records to ensure there have been no 'ghost' names added. This will help you guard against

fraudulent practice within your own HR teams and APAC personnel. Please note that it is a condition of the delegation instrument that you, as employer, carry out this check. Capita Hartshead will only issue reconciliation statements when notified by the APAC.

- 6) If your organisation has direct delegation to administer pensions from the Minister of the Civil Service, your Accounting Officer will be either the Permanent Secretary or Chief Executive of your organisation

If you are completing this report on behalf of an agency/ancillary department, your Accounting Officer will be the Permanent Secretary or Chief Executive of your Parent Department.

If your organisation is a Schedule 1 body, you will need to tell us the name of the Permanent Secretary in your Sponsor Department.

CIVIL SERVICE PENSIONS

ACCOUNTING OFFICER'S CERTIFICATE

200x-200x

DIRECT DELEGATION

**Name of Organisation:** .....

I certify on behalf of the organisation named above that to the best of my knowledge and belief we have complied with the terms of our Delegation instrument from the Minister for the Civil Service. In particular:

- In 200x-0x our Authorised Pensions Administration Centre (APAC) carried out their duties under the terms of the contract/Service Level Agreement that we have with them as well as in accordance with guidance and instructions issued by the Cabinet Office
- We have provided our APAC with accurate data through our payroll interface arrangements
- We have carried out the roles and responsibilities set out for us in the Employers' Pension Guide
- Our payroll has worked out and correctly paid over Accruing Superannuation Liability Charges (ASLCs) and other payments to Civil Superannuation within the scheme standard; and we have sent the appropriate supporting information to Civil Service Pensions Division, Cabinet Office when making payment
- We have worked out and correctly paid over partnership, designated stakeholder and additional voluntary contributions to the appropriate third party provider(s) within the scheme standard.
- I have considered the risks in relation to the requirements of Corporate Governance and I am satisfied that we are operating suitable controls.

SIGNED (ACCOUNTING OFFICER):

DATE:

Name in block letters

Address



CIVIL SERVICE PENSIONS

ACCOUNTING OFFICER'S CERTIFICATE

200x-200x

SCHEDULE 1 BODY

**Name of Schedule 1 Body**

**Name of Sponsor Department**

.....

.....

I certify on behalf of the Schedule 1 Body named above that to the best of my knowledge and belief:

- In 200x-0x the body's Authorised Pensions Administration Centre (APAC) carried out their duties under the terms of the contract/Service Level Agreement that the body has with them as well as in accordance with guidance and instructions issued by the Cabinet Office
- The body provided their APAC with accurate data through their payroll interface arrangements
- The body carried out the roles and responsibilities as set out in the Employers' Pension Guide
- The body's payroll has worked out and correctly paid over Accruing Superannuation Liability Charges (ASLCs) and other payments to the Civil Superannuation Vote within the scheme standard; and sent the appropriate supporting information to Civil Service Pensions Division, Cabinet Office when making payment
- The body correctly calculated and paid over partnership, designated stakeholder and additional voluntary contributions to the appropriate third party provider(s) within the scheme standard.
- I have considered the risks in relation to the requirements of Corporate Governance and I am satisfied that the body is operating suitable controls.

SIGNED (ACCOUNTING OFFICER):

DATE:

Name in block letters

Address

## Re-tendering for pensions administration - checklist

Review existing contract/SLA	
1. Do you have an extension or variation clause in the contract?	If not, you must re-tender.
2. Are you happy to extend the current contract/SLA?	Review management information, monitoring meetings, feedback from HR/payroll colleagues and members
3. If you decide to extend, are there any changes you want to make to your current contract/SLA?	Changes to be identified during review of current contract. Changes and extension period to be agreed by negotiation with the APAC
If your contract/SLA cannot be extended or you wish to re-tender	
4. Assign resources and responsibility for the re-tender exercise and ongoing contract management	Ideally the contract manager should be involved in the re-tender See guidance on OGC website – Successful Delivery Toolkit – ‘Procurement’ and ‘Contract Management’
5. Set the scope of the re-tender	circumstances may have changed since the original contract was let (e.g. machinery of government changes, office relocations)
6. Advise CSPD that you will be re-tendering	Via <a href="mailto:employerhelpdesk@cabinet-office.x.gsi.gov.uk">employerhelpdesk@cabinet-office.x.gsi.gov.uk</a> CSPD may be able to put you in touch with other employers who are also re-tendering if you want to collaborate
7. Clarify your employer roles and responsibilities and what you want to include in the Statement of Service Requirement (SOSR). Make sure that nothing is overlooked	Refer to your Delegation Instrument and ‘Roles and Responsibilities’, Section 2, Employers’ Pension Guide
8. Set a timetable with reference to the contract end date	Allow time for implementation if you decide to change APAC
9. Consult with stakeholders to obtain their views on the service and their needs – feed these into the SOSR where possible	Stakeholders include: HR contacts, payroll provider and contacts, management, Trade Union representatives, members.
10. Define the Statement of Service Requirement	Refer to the model ITT, including SOSR provided by CSPD, your current contract SOSR and any

	changes needed
11. Define your success criteria for the re-tender and the ongoing pensions administration service	This will include timeliness and costs; effective use of resources; levels of improvement achieved in quality, performance, efficiency, economy and effectiveness, and maintenance of service quality in the case of a move to a new APAC.
12. Decide whether TUPE applies	Refer to Staff Transfers in the Public Service: Statement of Practice (link on CSPD website) and take advice from your lawyers in every case.
13. Pre-qualify tenderers if required	The APACs listed on the CSPD website are all authorised by CSPD to perform standard PCSPS administration. You may wish to pre-qualify according to your own requirements to identify a smaller number of APACs to invite to tender. See OGC Guidance  If you wish to consider a service provider that is not currently an APAC, please see Annex A
14. Issue ITT	Use model ITT provided by CSPD and customised with your information and requirements  NB CUP Guide No 59 (d) (on OGC website) has model Conditions of Contract if you do not have any in-house
15. Evaluate Tenders	See Guidance on OGC website
16. Award contract/SLA	Agree contract start date and implementation plan
17. Advise CSPD of new contract/SLA	Via <a href="mailto:employerhelpdesk@cabinet-office.x.gsi.gov.uk">employerhelpdesk@cabinet-office.x.gsi.gov.uk</a>
18. Manage implementation	Including transfer of records if you are changing APACs
19. Manage contract/SLA	Monitor performance via management information and regular meetings
20. 12 months before contract ends	Start review process again.

OGC website address: [www.ogc.gov.uk/SDToolkit/workbooks/procurement/index/html](http://www.ogc.gov.uk/SDToolkit/workbooks/procurement/index/html)

NOTE: The OGC website is regularly updated and some of the references may change over time. The CUP Guides are gradually being replaced by sections within the workbooks.