PASA- Standards guidelines on reporting

Introduction and rationale
PASA believes that Administrators should produce periodic reporting on the administrative activities for a pension scheme. PASA also believes that there are certain minima requirements upon which each Administrator should report.

Reports are essential to trustees and other stewards of pension arrangements as a means of evidencing the administrators' accountability for their services and keeping the sponsors and stewards' awareness at the levels required by tPR. For the purposes of this section, the term "stewardship group" means a trustee board, sub-committee or company pensions committee, depending on the governance structure and type of scheme.

Frequency of reporting
Reporting is means of managing risk, recognising trends in activities, measuring performance levels and providing assurance on compliance and good practice Good governance is not possible without reliable reporting. Reports need to be produced in good time to enable problems to be identified and resolved quickly. Therefore, the frequency of reporting will need to be driven by:

- the level of controls in place to manage risk;
- the volumes of activity; and
- the range of delegated authorities and powers in place.

The larger the scheme, the more likely the need for more frequent reporting, simply because the levels of activity and range of delegations are more likely to be greater.

Without question, an administration report should be produced at least once every year. An annual report may be sufficient for a small scheme. However, it is good practice to supply reports two to four times a year. A large complex scheme would require more frequent reporting so that issues can be addressed swiftly.

Administrators should also aim to produce reports:
- within one month of the reporting period for quarterly or less frequent reports;
- within 10 working days for monthly reporting;
- and all report should be provided not less than seven working days ahead of any review meeting with the stewardship group to allow the members sufficient time to review the material and consider questions/challenges.

Recommended minimum reporting frequency

Small scheme with very low levels of activity	once per year
Large complex scheme with high levels of activity	four times per year
All others	twice per year

Client choice to refuse reporting

PASA has noted that some stewardship groups refuse to accept administration reports, although this is likely to be rare since most stewardship groups take their responsibilities seriously and recognise the need to monitor this delegated authority. Indeed, a trustee board is the Administrator in law and refusing to engage with the administration of the pension scheme in this way puts the board at significant risk.

PASA expects that, even if a client refuses to receive regular reports, Administrators should still embrace the discipline of reporting and undertake a critical review of the output; this is good governance practice. In addition, for the management of liability and to demonstrate a responsible approach, PASA expects that Administrators require written confirmation of a client's preference not to receive administration reports. The Administrator may deem it appropriate to respond to such instruction by stating its own intentions in respect of reporting.

Guidance note

PASA expects that the Administrator holds a written statement, either e mail, letter or minutes from a meeting, stating the stewardship group has decided not to receive regular reports from the Administrator.

Content of reports

The purpose of administration reports is to support good governance and maintain the stewardship group's awareness of scheme activity and emerging issues, i.e.

- confirm service delivery in accordance with agreements;
- report the activities of the scheme;
- demonstrate compliance;
- demonstrate performance;
- report on complaints, errors and omissions;
- identify trends and changes in the scheme that may require a response in some way; and
- enable requisite statutory declarations to be made.

The requirements of stewardship groups will vary have differing opinions as to what should be reported and how. It is the purpose of this guidance to identify the minimum reporting requirements necessary to obtain Accreditation against the PASA Standards to ensure good governance. Please note that these are the **minima** and do not constitute a recommendation for best practice.

Minima

Membership statistics DB and DC	At beginning and end of reporting period Split between active, deferred and pensioner members.
Membership movements	Movements between membership groups e.g. active to retirement, deferred, pensioners, deaths, transfers in and out, etc.
Accounts position	Income and expenditure Cash-flow information e.g. disinvestment and holding funds pending payment. Timeliness of collection of company/member contributions both regular and special e.g. augmentation, recovery payments, etc. and investment turn round times. Investment funds – amounts and changes in value.
Complaints, errors & omissions	Significant complaints with potentially material financial implications, description, type and status. Cases in IDRP process and relevant stage. Errors & omissions including financial implications, rectification plans and action for prevention in future.
Death cases not settled	Monitoring of progress and deadline for tax purposes (new cases, settled in period, outstanding and deadline).
Compliance (statutory)	Collection and investment of contributions Reconciliations Unauthorised payments Compliance statement/certificate Accounting for Tax returns Scheme Pays information Completion and submission of annual returns Pensions liberation cases Breaches
Performance (includes administration and call centre performance, UK and off-shore).	Results for period against SLA targets & compliance targets (%age in and out of target) Exceptions reporting Regulatory breaches, description and rectification plans.
Audit and risk	Report against key risk criteria* Audit outcomes (positive & negative) Outcomes of business continuity testing (positive & negative)
Legislation	Legislation that impacts on administration and plans for compliance.
Projects	Progress and planning activity on annual and special projects commissioned, undertaken or due in the period to and following the reporting period.

Feed-back

PASA believes that all Administrators should have feed-back mechanisms in place to monitor the fitness for purpose and perception of their services. These may include:

- telephone surveys at the end of calls or via cold calling;
- paper questionnaires sent out to members with other correspondence or as stand-alone;
- on-line surveys via member/client portals or pushed by e mail; and
- meetings such as member forums or one to one meetings with clients.

Minima
Where a particular mechanism has been agreed with the client, the results for the period should be included in the administration report.

Where no reporting mechanism has been agreed with the client, the administrator should include a note in the report as to how it measures customer satisfaction and an overall score or RAG status.