Item 9
23rd September 2026

Glasgow City Council

Strathclyde Pension Fund Committee

Report by Director of Strathclyde Pension Fund

Contact: Linda Welsh, Pension Scheme Manager, Ext: 77463

Administration Update

Purpose of Report:

To update the Committee on pensions administration activity and to present a summary of performance to 30th June 2026.

Recommendations:

The Committee is asked **to NOTE** the contents of this report.

Ward No(s):	Citywide: ✓
Local member(s) advised: Yes ☐ No ☐	consulted: Yes ☐ No ☐

1 Strathclyde Pension Fund Office (SPFO)

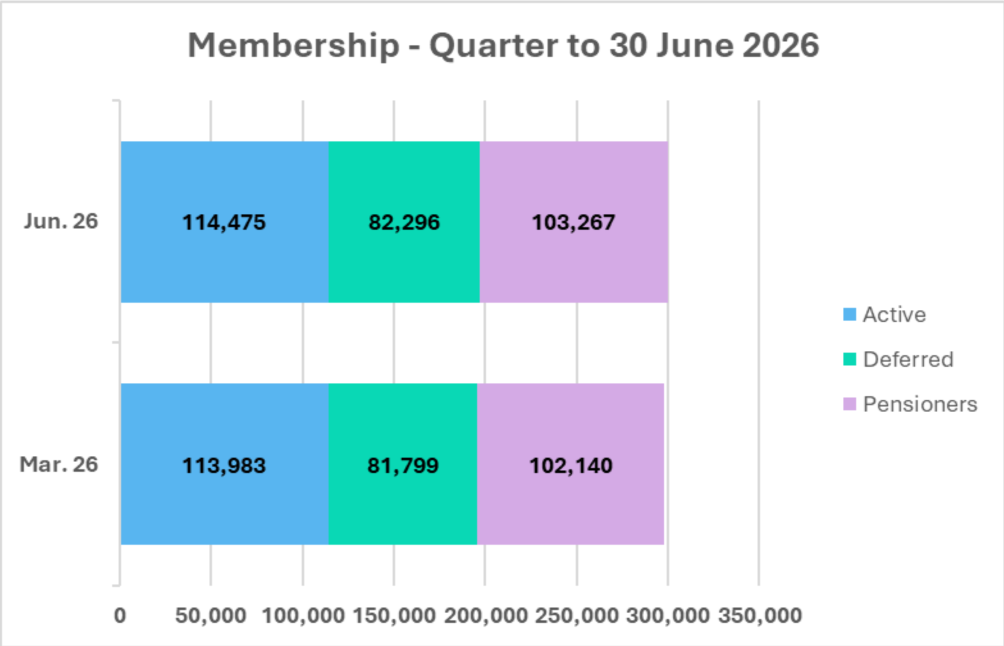
Total administration staff in post at 30th June 2026 was 90 (FTE 87.96). This includes 3 modern apprentices.

SPFO operates a hybrid working arrangement. Current requirement is for all staff members to be in the office a minimum of two days a week.

2 Membership

Scheme membership is summarised as follows.

2.1 Local Government Pension Scheme (LGPS)



Total membership increased from *297,922* to **300,038** over the quarter. All membership statuses grew during the quarter. This is a change from the recent trend for active membership. After the slight increase after automatic re-enrollment during 2026 the figures had decreased again last quarter in line with the previous trend. It is too early to understand the reason for this slight increase this quarter.

Main changes contributing to the net increase of 2,116 were:

- **4,168** new records (*3,818 last quarter*)
- **928** retirals (873 *last quarter)*
- **407** refunds (*510 last quarter)*
- **1,638** deferred (*1,878 last quarter)*
- **617** deferred into payment (*520 last quarter*)
- **773** deaths (*971 last quarter).*

Some additional analysis of scheme membership is set out in **Appendix 1** for information.

2.2 Teachers Compensation

In addition to its statutory function of administering the LGPS, SPFO also acts as a payroll agent for compensatory added years' payments to **7,382** members of the Scottish teachers' superannuation scheme.

3 SPFO Performance

Performance for the quarter is summarised as follows.

3.1 Payments

SPFO Payments	SPFO Target	Achieved	*Last quarter*
Pensions payroll run on time	**100%**	**100%**	***100%***
New retirals processed for due payroll date	**95%**	**98%**	***98%***
Deferred retirals processed for due date	**95%**	**64%**	***84%***
Retirement lump sums paid on retirement date	**95%**	**97%**	***95%***
Deferred lump sums processed for due date	**95%**	**100%**	***100%***

3.2 Other Transactions

Transaction	Volume	SPFO			Statutory	
		Target		Actual	Deadline	Actual
		Days	%	%		%
New Records	**4,168**	**15**	**95.0**	**100**	**1 month**	**100**
Refunds	**407**	**7**	**90.0**	**98**	**n/a**	**n/a**
Deferred	**1,638**	**20**	**85.0**	**62**	**2 months**	**79**
Retiral Estimates	**401**	**20**	**80.0**	**78**	**2 months**	**99**

3.3 Customer Satisfaction

	Refunds	Retirals
Forms issued	**407**	**1,545**
Responses	15	237
Response rate (%)	3.7	15.3
Satisfaction Rating (%)	**92**	**87.2**
Target	**80.0**	**90.0**
2025/26 full year (%)	*86.4*	*86.8*

Target was achieved for refunds but slightly below for retirals.

3.4 Complaints

Category	No.	Days to Respond		Achieved (%)	Upheld (%)
		Target	Actual (Average)		
Process delay	**4**	**5**	**2**	**100**	**0**
Quality of information	**1**	**5**	**5**	**100**	**100**
Waiting time-correspondence	**1**	**5**	**1**	**100**	**33**
Staff efficiency/error	**2**	**5**	**3.5**	**100**	**0**

Staff efficiency/error – 2nd stage	**2**	**20**	**7**	**100**	**0**
*Other	**3**	**5**	**2**	**100**	**0**

* Other includes:
- Issues logging into portal and was not happy with support provided
- Member not happy as wrong title was used in correspondence
- No response provided when member asked for an update

3.5 Performance Commentary

Performance over the quarter was mixed:

- SPFO's overriding administration priority is to ensure that the monthly pensions payroll is run and payments are received on time by the 100,000+ pensioner members. Payroll was run and paid each month without incident.
- Some transactions did not achieve target, mainly Deferred options/retirements and retirement estimates. Competing priorities including the actuarial valuation and issue of annual benefit statements, and resourcing issues were contributing factors.

4 Employers

4.1 Participating Employers

The table below shows the number of employers participating in the Fund. Employers include the 12 Local Authorities in the West of Scotland, whose employees constitute around 70% of the active membership.

Total employers at 31st Mar 2026	**132**
New employers	0
Exiting employers	2
Total employers at 30th Jun 2026	**130**

There were 2 exits during the quarter.

Employer	**Background**	**Exit Status**
Utheo	Utheo had been a community admission body in SPF since 28th February 1996 and had 2 active members at the 2023 valuation.	Utheo became an exiting employer on the 6th April 2026 .
Cassiltoun Housing Association	Cassiltoun HA had been a community admission body in SPF since 31st March 2009 and had 3 active members at the 2023 valuation.	Cassiltoun HA became an exiting employer on the 31st May 2026.

Further details of exit arrangements are included in the separate Funding Update report.

4.2 Employer Payments to SPFO

Employers are required to pay contributions to SPFO by 19th of the month after they are deducted from payroll.

All Employers	**Target (%)**	**Actual (%)**	***Last Quarter***
Contributions received by SPFO by due date	**100**	**96**	***97***

There were 14 instances of late payments this quarter. None had any material impact.

4.3 Employer *i-Connect* Submissions

Employers are required to submit regular electronic data returns via *i-Connect* no later than 19th of the month following the reporting period. The table below summarises the number of valid returns received on time from the Fund's employers.

Apr	**May**	**Jun**	**Total**	**Total Expected**	**Target**	**Achieved**	***Last Quarter***
119	120	119	**358**	**393**	**100%**	**91%**	***90%***

SPFO continues to work closely with employers to ensure data is submitted by the due date. All year-end submissions were received by the statutory deadline of the 30th June.

5 Digital Communications

Improving and increasing SPFO's digital delivery is a key priority. Digital uptake as at 30th June 2026 is summarised as follows.

Category	**Measure**	**2026/27 Actual**	**2026/27 Target**	***2025/26 Actual***
www.spfo.org.uk	**Total weekly visits**	**5,380**	**8,500**	***9,000***
	Unique weekly visits	**1,218**	**1,600**	***5,000***

SPFonline

Members	**Total Members**	**Registered**	**(%)**	**2026/27 Target**	***2025/26 Actual***
Active	**114,475**	**75,364**	**65.8**	**69.0**	
Deferred	**82,296**	**30,059**	**36.5**	**37.0**	
Pensioner	**103.267**	**53,541**	**51.8**	**54.0**	
Total	**300,038**	**158,964**	**53.0**	**55.0**	***146,000***

Members	Registered Members	Logged in during 2026/27	(%)	2026/27 Target	*2025/26 Actual*
Total	**158,964**	**28,779**	**18.1**	**118,000**	***110,000***

SPFOnline is a portal which allows members to view and amend their pension records and carry out illustrative pension calculations. Increasingly, it is also used to provide information and documentation to members, and to allow member transactions to be completed online. For example:
Annual Benefit Statements (ABS) were issued during June to all contactable deferred members:

- **64%** were issued via SPFOnline with notification via email;
- **33%** were issued via SPFOnline with notification by letter; and only
- **3%** were issued hard copy.

Since the ABS were issued:

- **35%** of registered deferred members have logged in to SPFOnline;
- reminder emails have been issued to those who have not logged in;
- **2%** of deferred members that were notified by letter have now registered; and
- surveys have been issued to capture feedback.

454 address changes and **1,054** nomination updates have also been completed, presumably as a response to the statements.

Work also commenced on issuing active member statements by the statutory timescale of 31st August.

In January 2026 SPFonline migrated to a new platform Engage. This required all registered members to complete an additional verification process. To end of August 61,229 members had migrated to the new platform. The roll out of the new platform will continue throughout the year.

6 Scheme Developments

6.1 SCAPE rate change

On 19th May 2026 the UK Government confirmed a change to the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate to be used in valuing public service pension schemes. Details can be found in theWritten Ministerial Statement.
This announcement had short term implications for scheme administration. Given the significance of SCAPE, the Government Actuary's Department (GAD) is required to review all the factors used in benefit calculations, for example early retirement reductions and the lump sum commutation factors. In addition, alongside the announcement on the SCAPE rate, HM Treasury published new central guidance on the calculation of Cash Equivalent Transfer Values (CETVs), which will impact transfer and pension sharing on divorce casework.

Scheme administrators were required to take certain actions. This included:

- suspending administration of CETVs) and pension share orders for around 1-2 months; and

- suspending work on the calculation of Pensioner equivalent transfer values in divorce casework

The factors were released in a phased approach and the suspension on transfers and divorces have now been lifted as the new factors have been received. It is anticipated that the full suite of factors for all public service schemes will be completed in the autumn.

7 Policy and Resource Implications

Resource Implications:

Financial:	None.
Legal:	None.
Personnel:	None.
Procurement:	None.

Council Strategic Plan:	SPF supports all Missions within the Grand Challenge of: ***Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities.*** The LGPS is one of the key benefits which enables the Council to recruit and retain staff.
Equality and Socio-Economic Impacts:	
Does the proposal support the Council's Equality Outcomes 2025 - 29	Equalities issues are addressed in the scheme rules which are the responsibility of Scottish Government, in the Fund's Communications Policy which has been the subject of an Equalities Impact Assessment, and in the Fund's Responsible Investment strategy.
What are the potential equality impacts as a result of this report?	N/a
Please highlight if the policy/proposal will help address socio economic disadvantage.	N/a.
Climate Impacts:	
Does the proposal support any Climate Plan actions? Please specify:	N/a. Monitoring report. Strathclyde Pension Fund's Climate Change strategy is being developed in line with Item 34 of the Council's Climate Action Plan.
What are the potential	N/a.

climate impacts as a result of this proposal?	
Will the proposal contribute to Glasgow's net zero carbon target?	N/a.
Privacy and Data Protection impacts:	
Are there any potential data protection impacts as a result of this report Y/N	No.
If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out	N/a.

9 Recommendation

The Committee is asked to note the contents of this report.

<u>**Appendices**</u>

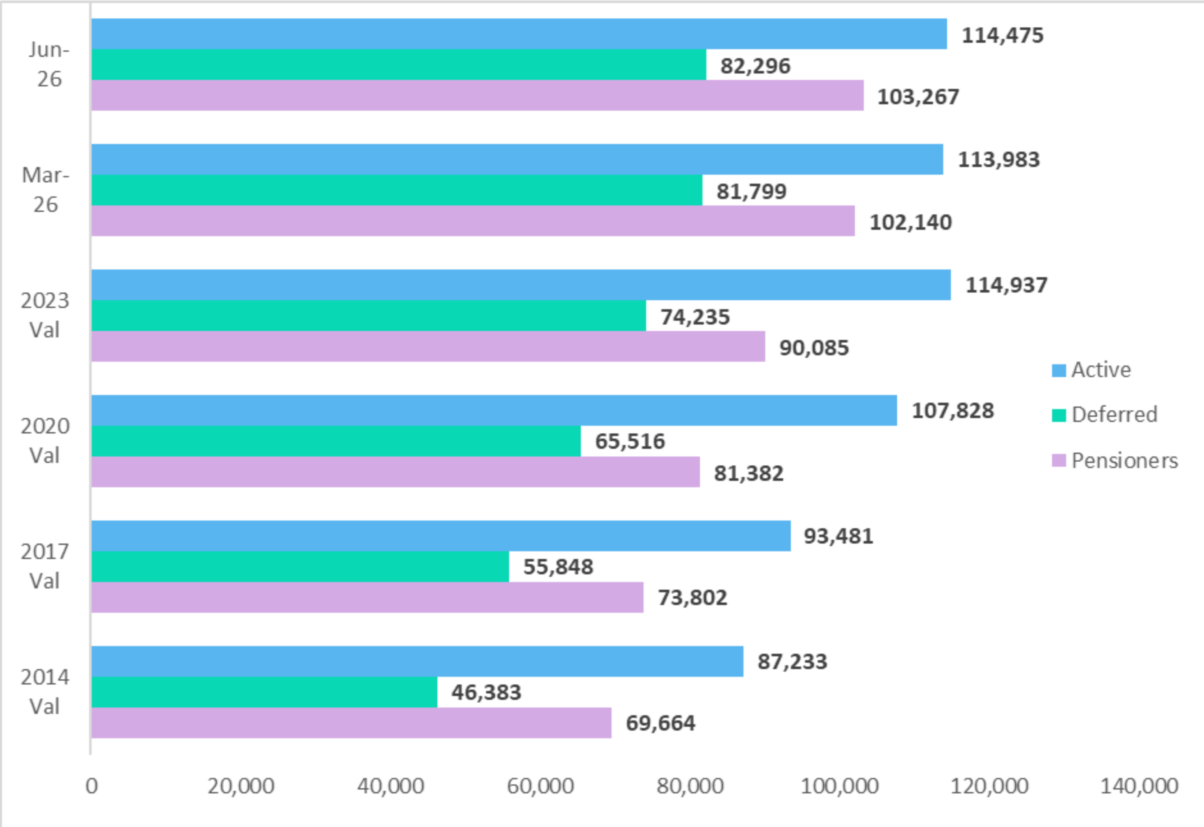
Appendix 1 Membership – Additional Analysis

Appendix 1

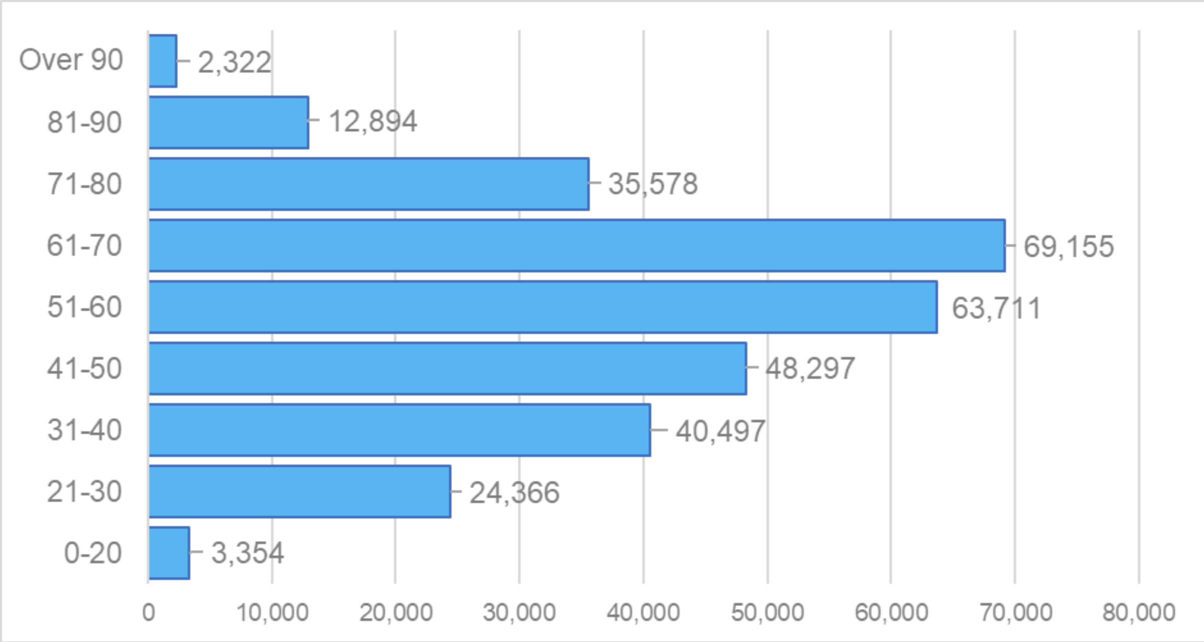
Membership – Additional Analysis

Longer-Term Trends

This chart shows changes in membership since the 2014 actuarial valuation. All categories of membership increased steadily between the 2014 and 2023 actuarial valuations. Active membership increased this quarter but still remains slightly below the level at the 2023 actuarial valuation. The future trend is uncertain.



Total Members by Current Age
This illustrates the broad age span of SPF membership.



Average Age of Members