

Date:	21st June 2016
Classification:	General Release
Title:	Surrey Pension Administration Performance
Report of:	Carmel Millar Director of People Services (Interim)
Wards Involved:	All
Policy Context:	Financial Control
Financial Summary:	Limited

1. Executive Summary

- 1.1 As requested by the Pension Fund Committee, this report sets out details of the current performance of the pension administrators Surrey County Council.
- 1.2 The aim of People Services is to ensure that our pension administration standards are consistently high, that data is accurately maintained, that information is provided to members in a timely fashion and that payments are made promptly.

2. Current Position

- 2.1 Westminster moved its pension administration service to Surrey County Council in September 2014.
- 2.2 The initial service provided by Surrey was broadly comparable to that provided by the funds former administrators the London Pensions Fund Authority (LPFA).
- 2.3 However the service from April 2015 to March 2016 deteriorated considerably. The main factor was that the BT Shared Service contract went live in April 2015 with a number of staff who were not knowledgeable on Local Government or the pension scheme and its requirements. This meant that Surrey administration staff and Westminster staff were not getting answers to queries that they raised and this had a knock on impact for Surrey dealing with other cases.

Senior Surrey staff have been heavily involved throughout 2015/2016 to develop interface files from BT Agresso payroll system into the pensions Altair system. The level of support that Surrey had to provide to help get this essential task completed was beyond what they were contractually required to do but it was in all parties' interests that this was completed as this is the file that allows new starter records to be set up automatically.

- 2.4 In addition Surrey took on the pension administration work for our Bi borough partners from September 2015. The data for Bi borough inherited from Capita was in a poor state and required a lot of attention. The impact of this was that staff working on Westminster work were now being stretched over a number of contracts and the requirements of the bi borough were time consuming.
- 2.5 The pension's officer has been aware that Surrey has been generally struggling to maintain service levels in 2015 / 2016. Estimates are not returned within timescale, retirements have generally been processed late. Surrey has been slow to acknowledge or respond to general queries.
- 2.6 The Pensions Officer has made Surrey aware that improvement is necessary. They have now implemented a new phone system and access does seem to be much better. Surrey have had an internal re-organisation and are going through a recruitment exercise to bring in more staff with the relevant skills to be able to administer the LGPS for a larger network of members.

3. Summary

- 3.1 People Services will work with both BT and Surrey County Council to improve the pension service to members going forward and will keep the committee informed of progress.
- 3.2 We continue to monitor the performance of Surrey and to drive for performance improvement