

Date:	26th November 2018
Classification:	General Release
Title:	Pension Administration Update
Report of:	Jo Meagher, Head of Operational People Services
Wards Involved:	All
Policy Context:	Service Delivery
Financial Summary:	Limited

1. Executive Summary

- 1.1.** This report provides a summary of the performance of the City Council, Surrey County Council and BT. The report gives an update on the Key Performance Indicator (KPI) performance of the pension administrators Surrey County Council (SCC) for the period August 2018 to October 2018. The detailed KPIs are shown in Appendix 1.

2. Surrey County Council (SCC) Performance

- 2.1.** The scope of the KPIs in this report have been agreed between WCC and SCC based on the section 101 agreement, however they will continue to be reviewed on feedback from all parties, including committee members.
- 2.2.** This paper covers the period of August 2018 to October 2018, July 2018 KPI details have also been included on the appendix for comparison to the reported period.
- 2.3.** Michael Mann the new Pension Manager at Surrey started his employment on the 1st of October 2018. People Services have held our first quarterly performance review with Michael and his team on the 8th of November.
- 2.4.** KPI performance in appendix 1 is summarised below:
- 2.5.** The pension administration report would normally contain some detail on the trends relating to the KPI as outlined in Appendix 1. The KPI data is showing

little movement in trend to report to you. The figures show that most measured areas, are being completed within timescale, except in a couple of cases with minimal impact on members outlined below.

- 2.6. The main change within this period would be that notification to people with a deferred benefit due for payment is now going out to members within 2 months of the due date of the pension and this is an improvement on the prior timescale.
- 2.7. One Interfund out actual (transfer between LGPS funds) was late in September 2018. All other Interfunds, were processed within the agreed timeframe including two in October 2018. The board may want to note that interfunds are currently suspended following the recent budget and we await new factors from the Government Actuary Department (GAD). When the factors are released there may be a stockpile of cases to clear.
- 2.8. Additionally two responses to members have not been made within the ten day timeframe. One case in September and one case in October.
- 2.9. Annual Benefit Statements (ABS) for the year ending 31st of March 2018, have been published online by 31st of August 2018 as per regulatory requirements. WCC have promoted via the internal wire employees accessing their pension annual statement via the pension fund website. Other fund employers have also been asked to promote to their staff. Surrey have e-mailed fund members where they have e-mail addresses to ask them to register and internally Unison have been asked to promote with their members.
- 2.10. One minor employer in the fund with six active members, provided data late to the fund and the initial file that they did send was inaccurate. A revised file was provided after the 31st of August and the six members now have an annual statement. We will be writing to this employer to remind them of their responsibilities under the PAS and reporting the late submission to the Pensions Regulator.
- 2.11. We are carrying out a data cleansing exercise with Surrey who have provided us with our common and scheme specific data scores, that the regulator now requires us to monitor. Common data relates to an individuals personal information such as NI number, address etc. Scheme specific data relates to information specific to the LGPS such as whole time pay, CARE pay etc. No detail behind the scores is currently available at the time of drafting this report. Our common data score is 77% and the scheme specific data is 71%. The next board report will include more details regarding the data scores and an update on our Data Improvement Plan which we will be implementing to improve both our data and those scores going forward.

3. BT Performance

- 3.1 BT have been supporting People Services with the transfer of the HR, Payroll and Finance back end support to our new provider Hampshire County Council

(HCC) on the 1st of December 2018. Everything has been locked down in the Agresso system as data is being transferred into SAP.

- 3.2** As part of the data cleansing work for the move to SAP we have identified that BT held no correct opt out data for 41 WCC people on agresso who had been opted out of the pension scheme. The decision taken was to contact these members and ask them if they had opted out of the pension scheme previously and if that was so could they complete an additional opt out that could be uploaded into SAP so that the employer is compliant going forward. Asking these individuals now if they want to opt out would prevent people being entered into the pension scheme in SAP in December. The deadline for responses is Wednesday the 23rd of November. At the time of drafting this report we have four employees advising that they never wished to opt out of the pension scheme. All four have been notified that they will be opted back into the scheme in December and we are currently calculating the gap in pension history and will allow them to cover any gap over the same length of service or longer period to allow the members to have the full pension that they would otherwise have had.
- 3.3** There have been some issues with BT general service in the last few months as expected, BT have lost staff as the contract comes to an end. We are confident that most issues can be resolved working with our new partners in Hampshire moving forward. We are still negotiating with BT on data provision to us to contribute to the next end of year file from which the statements for the year ending 31st of March 2019 will refer. We will update the board at the next meeting on this aspect.

4. Move to Hampshire City Council (HCC)

- 4.1** The move to HCC is on track for the 1st of December 2018. People Services staff are being trained as floor walkers to support the go live and make everything as easy as possible for staff. We believe that the SAP system is much more intuitive than Agresso. SAP should be less prone to system issues that have caused WCC and our partners so much difficulty since we went live in April 2015 with BT. We anticipate that HCC will deal with staff issues and queries much more efficiently than BT have been able to do and that this should reduce the need for referral to retained pension staff. People services will still be providing data from the legacy agresso system to HCC for anyone due to retire in the next 12 months.

5. Summary

- 5.1** The Pension Administration service overall remains positive. Our focus in the next few months will be on supporting the go live with HCC. Retrieving the necessary data from BT to ensure that we can complete next years annual benefit exercise. Ensuring that any data needed to support a retirement in the next 12 months are sent to HCC to pick up. To work with Surrey to understand our common and conditional data scores and draft a data improvement plan