

Date:	29th January 2019
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 Payroll providers. The report gives an update on the Key Performance Indicator (KPI) performance of the pension administrators Surrey County Council (SCC) for the period November 2018 to December 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 Westminster City Council (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 November 2018 to December 2018.
- 2.3.** Michael Mann the Pension Manager at Surrey has left his employment with Surrey County Council. We have a number of contacts at a senior level within the pensions team but await further details from Surrey on Michael's replacement.
- 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.

- 2.6. There are a few issues that have arisen during the reporting period. Firstly we have one retirement benefit processed late and then paid late in November, whilst this is one case we note the importance in ensuring that all individuals get their pension paid in a timely manner. There were two cases where deferred benefit statements were sent out late in the period, though a concern this would not immediately impact any payment to the members.
- 2.7. The board were asked to note in the prior admin update paper that Interfunds factors were suspended following the recent budget whilst await new factors from the Government Actuary Department (GAD). Factors have now been produced but we have noted the delay in completing three cases in November and December.
- 2.8. Additionally one case in November was responded to outside of the agreed timescale.
- 2.9. Officers are meeting with SCC to discuss their performance on a quarterly basis. The last administration meeting was held on 8th of November 2018 and we are due to meet them again on the 31st of January 2019. We will be reviewing the November and December KPI issues in the January meeting and will continue to monitor the situation closely.

3. Data Cleansing

- 3.1 In the last administration update the board were notified that the funds data accuracy had been measured as part of a new requirement from the Pension Regulator. Our common data score was 77%. Common data includes full name, NI number and address across all records. Our scheme specific data score was 71%. Scheme specific data includes things that are unique to our type of scheme. At the time of writing this report our data files have been uploaded to the funds Actuary who will be providing us with full details of the data issues and this will form a Data Improvement Plan.
- 3.1 We are aware that our fund has a large number of status 2 cases on the Altair system across our fund employers. Status 2 is a holding status which has been used where the administrators believe that an individual has left a scheme employer but they have not been provided with full details to move them into the correct status. A council officer has been in contact with all the relevant employers requesting full leaver details for the individuals concerned.
- 3.2 WCC, the employer, has nearly 400 status 2 records recorded on Altair which is a legacy of our contract with BT. A project team has been set up to work on these cases with a target to complete them by 31st May 2019.

4. LGPS End of Year File 18/ 19

- 4.1 As advised previously council officers are working with RBKC and LBHF colleagues to produce an end of year file for 18/19. A consultant has been recruited to help support the file production as the data provided by BT for the

months from April to November 2018 will need significant manipulation to make it viable to submit to Surrey. The first meeting of the project team is due to take place on 28th January.

5. Hampshire City Council (HCC)

- 5.1** We are pleased to update the board that our move to HCC from BT on the 1st December 2018 has been successful. Issues are significantly reduced and feedback is positive. HCC still need support from WCC to provide legacy data for leavers but the current procedures are working well.

6. Summary

- 6.1** The pension administration service overall remains positive. Our focus in the next few months will be on supporting HCC to ensure that leaver details are provided to Surrey CC accurately and on time. We will be supporting the end of year return project ahead of the LGPS pension scheme valuation. Finally we will be working with both Surrey and all fund employers to ensure that we improve both our common and conditional data scores.