

Pension Fund Board

Title: Pensions Administration Performance Report

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Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Buckinghamshire Pension Board is required to monitor the Pensions Administration Team. The purpose of this report is to provide the Board with a review of the Administration Teams performance since the last Board meeting.

Recommendation

The Board is asked to NOTE the content of this report.

The Benefit Administration team are continuing to successfully maintain the priority areas of work on a daily basis along with working through the backlogs. The following table shows the average number of individual communications received into the team on a daily basis, over the first 3 quarters of 2017.

	Q1 2017	Q2 2017	Q3 2017	Q4 2017
Post	2576*	2576*	2576	
Emails	4987	5143	5589	
Telephone calls – Members	2074	2106	2078	
Telephone calls – Employers	255	294	216	
Telephone calls - Other	804	683	753	
TOTAL Communications	10696	10802	11212	
Total Communications per day (average)	167	177	175	

*data not available for Q1 or Q2 so have replicated Q3 on this occasion

The following table illustrates the completed work by the Benefit Administration Team over the first 3 quarters of 2017. This identifies the main areas of work within the team.

This show's completed areas of work only & not each individual stage of the procedure completed.

	Q1 2017	Q2 2017	Q3 2017	Q4 2017
New starter creation	989	1197	1280	
Calculation of deferred benefits	1012	712	899	
Calculation of frozen refund	376	280	387	
Processing actual refund calculation	221	128	189	
Member opt-outs	105	181	119	
Retirement packs sent to member	451	429	436	
Processing actual retirement calculation	292	303	290	
Deaths notified	150	106	111	
Transfer out quotation calculated	75	59	89	
Transfer out actual processed	29	25	26	
Transfer in actuals processed (where earned pension purchased only)	57	36	41	
Inter-fund transfer out quotation calculated	80	68	84	
Inter-fund transfer out actual processed	72	72	79	
Inter-fund transfers in complete	257	370	246	
General queries responded to	996	918	1360	
Response sent to financial advisor query	49	55	51	
Retirement estimates provided to employer	58	81	78	
Retirement estimates provided to member	224	240	217	
Divorce pack provided	41	42	52	
Additional Pension Contract set-up	45	41	30	
AVC set-up/change/cease	15	11	8	
Personal details change/nomination	499	457	1290	
TOTAL's	6093	5811	7362	

In most cases, the team aim to complete each area of work within 10 working days from receipt of all the necessary information (whether from the employer or member). The table below highlights a few areas of work to demonstrate that the team are keeping up to date with priority areas of work, within the expected timeframe. It is not possible to obtain accurate reports from Altair, the pensions administration software, regarding these targets therefore the data below is taken from a sample of 5% of the completed tasks in the 3rd quarter of 2017.

Q3 2017	Target	%age within target
Frozen Refunds	Within 10 working days	100%
Retirement Packs	Within 10 working days	95%
Retirement Actuals (from receipt of all forms until passed to payroll)	Within 10 working days	100%
Calls answered	Within 4 rings (up to 59 secs)	65%

Annual Allowance

Over 150 scheme members were identified as possibly exceeding the Annual Allowance limit for the 2016/2017 scheme year which is significantly higher than previous years. A manual Annual Allowance check was completed on each of these members with 87 actually exceeding. A Pensions Saving Statement was sent to each individual member prior to the 6th October 2017.

2017/2018 focus

Whilst we continue to keep up to date with current work & clear any backlogs, the team have a plan to focus on improving customer service over the next year. This includes reviewing all internal processes to ensure we are working in the most efficient way for the member, implementing new procedures specifically with regards to keeping members informed and revising all member communications to make them more customer friendly. We implemented a Pensions Service Desk in January 2016, have re-introduced two member surgeries a month from April 2017 & will continue to look at ways to engage further with scheme members in order to increase satisfaction and reduce complaints.

The Employer Liaison Team have planned regular meetings with employers and employer training which will also help the Benefit Administration Team move forward with this focus as we are heavily reliant on the information provided by employers.

Backlogs

Currently the leaver checking tasks are still in backlog. This is where the team have calculated the preserved benefits for a member who has left the scheme (not retiring) and these are waiting to be checked. At the previous Board meeting in July 2017, I reported that there were 1,600 tasks to be completed which had decreased from 2,100 in March 2017. These tasks now stand at just over 1,400 with over 750 being completed over the last 3 months. Additional members of the team have now been trained to check these tasks and we are now in a position to work on these on an almost daily basis rather than just using overtime so it is expected that this backlog will continue to decrease.

The Pensions Regulator statutory requirement is that members must be advised of their options within 2 months from the date they leave employment. Although these calculations are yet to be checked we have a process in place to send members a letter advising them of their options, although no pension figures are included, as soon as we are made aware that they have left thereby meeting this requirement.

We have recently been advised by Milton Keynes Council that they have not notified us about a significant number of scheme members who left employment during 2016/17 and 2017/18, therefore it is expected that we will begin receiving these notifications in bulk. In view of this, we have recruited a one year fixed term Pensions Officer to work on this as a project so that there is no ensuing backlog created in the Benefit Administration team's workload. This Pensions Officer commenced in August 2017 so that training can be completed before we start receiving these notifications.

Supporting information to include the following if a decision is being requested:

Resource implications

N/A

Legal implications

None

Other implications/issues

N/A

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

N/A
