

# **Pensions Administration Benchmarking Club 2012**

## **Buckinghamshire County Council**

compared with

62 authorities

**FINAL REPORT**

Computed and printed by:  
CIPFA Business Limited  
3 Robert Street, London, WC2N 6RL  
Tel: 0203 117 1840

# PREFACE

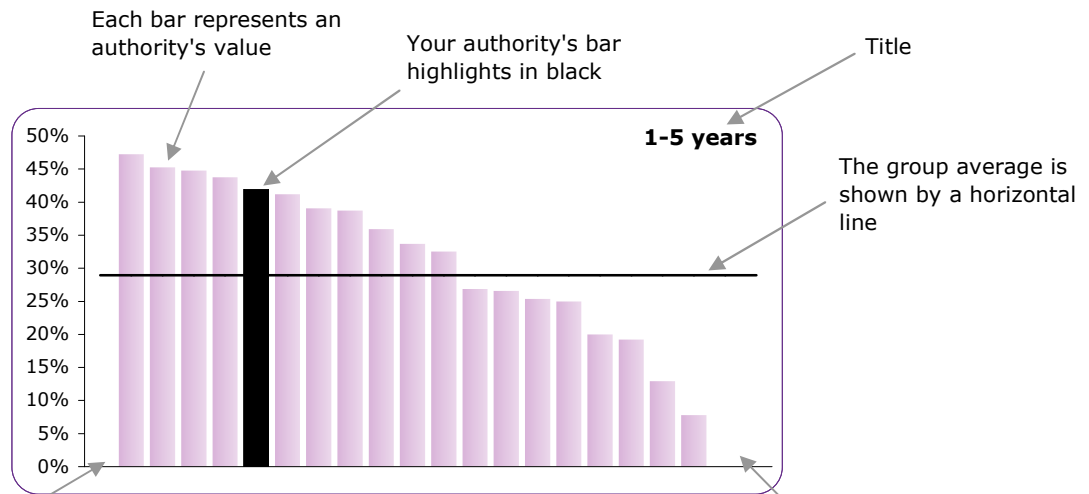
This report compares your data with the group of authorities specified on the title page.

Throughout the report your figures are shown in tables and in graphical form. If you are not familiar with our reports we hope this page will help you to better understand the way we present this data.

**Averages:** Almost all of our tables and charts compare your figure with a group average. The average is the unweighted mean value for the group. This average value ignores missing data, or data that we have excluded and for this reason sets of averages sometimes do not reconcile precisely.

**Charts:** We display a large amount of data on charts as this allows us to show the data for the entire group efficiently and gives far more information than a simple average (i.e. range of data, individual authority values etc...). Below we have annotated an example chart to help explain what they are showing.

**Bar Charts:** These are our standard method of displaying a full set of data



'Missing bars' on the left represent missing data or excluded data and are not included in calculating the average

Staff experience			
	FTE	%	Avg
< 1 year	1.5	10%	9%
<b>1-5 years</b>	<b>6.5</b>	<b>42%</b>	<b>29%</b>
5-10 years	3.5	23%	21%
> 10 yrs	4.0	26%	41%
<b>Total</b>	<b>15.5</b>		

'Missing bars' on the right represent zero values and are included in the average

# INTRODUCTION

This report compares your performance with the group of authorities specified on the title page. It is divided into the following sections.

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## **Section 1 - Summary 2012**

This page provides a brief summary of the most salient aspects of the report.

## **Section 2 - Cost Measures**

This section concentrates on cost/member ratios starting with total cost/member which is then broken down by staff costs, payroll costs, direct costs, overheads and income. Further analysis of direct costs and overheads is also provided in this section.

## **Section 3 - Workload Measures**

The first measure of workload is the number of members in the scheme, which is shown along with a breakdown by class of membership. This is followed by an analysis of the number and type of LGPS employers

Other workload measures include:

- joiners and leavers with a full analysis of the various types of retirements
- number of quotations provided and actual events processed
- AVCs, ARCs and Added years
- appeals

## **Section 4 - Staff Related Measures**

The measures included here are an analysis of staff numbers by pay band, sickness absence, pensions work experience, staff qualifications and staff turnover.

## **Section 5 - Industry Standard Performance Indicators**

In this section we show how authorities perform against each of the LGPC performance indicators.

## **Section 6 - Comparison with Private Sector (final report only)**

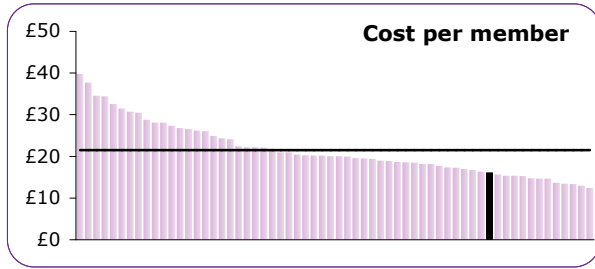
This shows members' costs and averages compared to private sector averages for in-house and externally managed pension schemes. The external data is taken from the Capita Hartshead Annual Pension Scheme Admin Survey 2012.

## **Section 7 -Timeseries (final report only)**

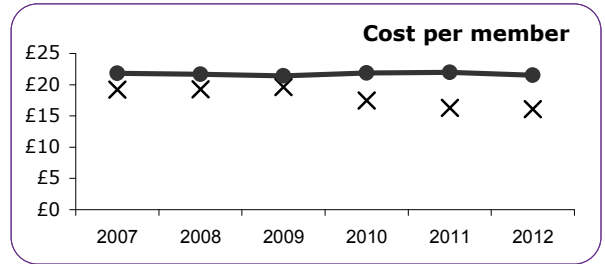
This shows the individual members' performance over time compared to the club average for cost per member, which is analysed over staff cost and other costs.

# SECTION 1 - SUMMARY 2012

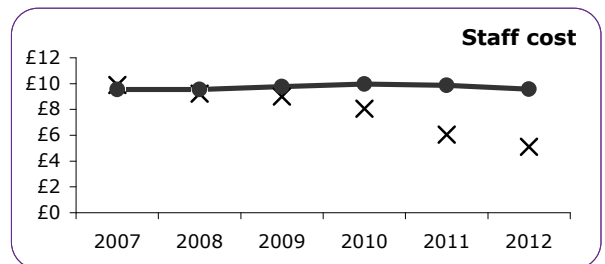
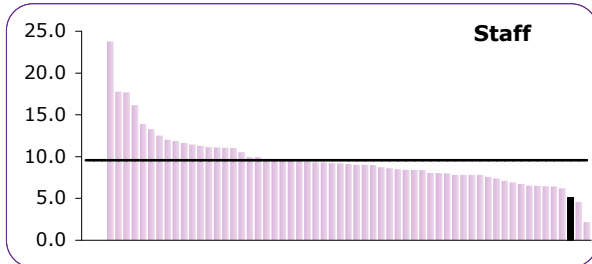
## NET COST / MEMBER 2011-12



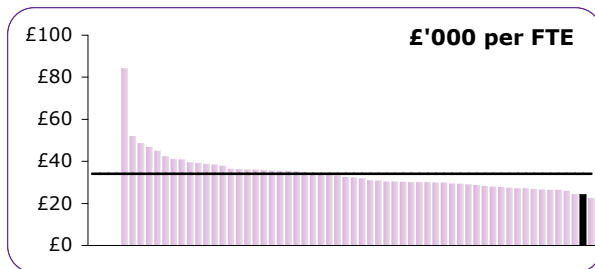
● Club average  
X Buckinghamshire



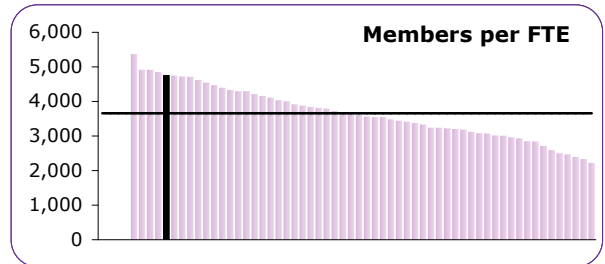
## STAFF COST / MEMBER 2011-12



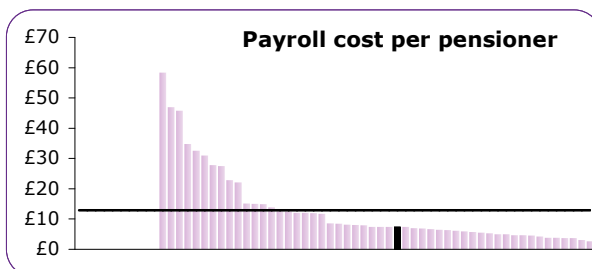
## COST £'000 / FTE



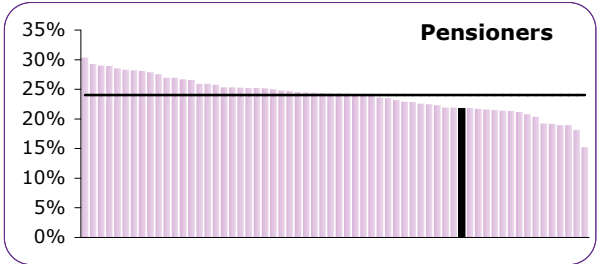
## MEMBERS LGPS / ADMIN FTE



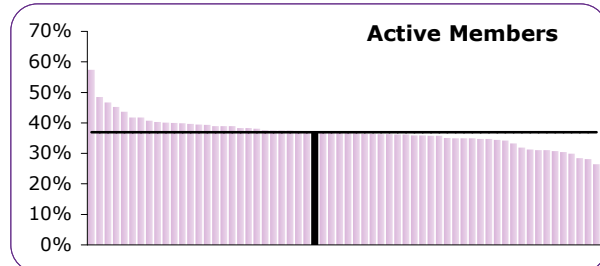
## PAYROLL COST / PENSIONER



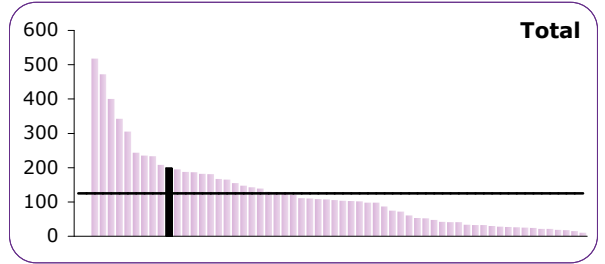
## PENSIONERS AS A % MEMBERS



## ACTIVES AS A % MEMBERS



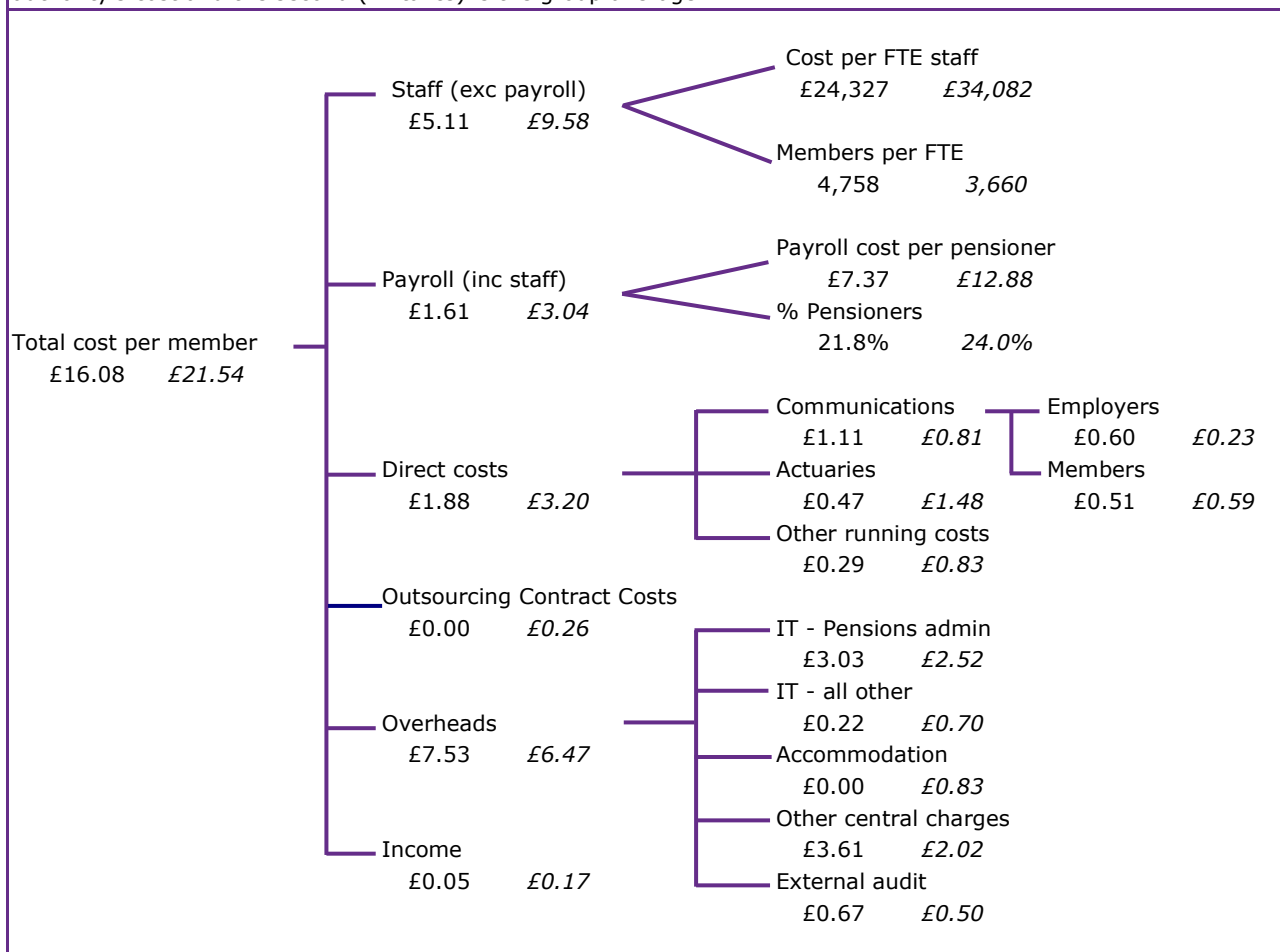
## NUMBER OF LGPS EMPLOYERS



## SECTION 2 - COST MEASURES

### COST/MEMBER TREE 2011-12

This tree diagram analyses the cost per member. For each benchmark two figures are given the first being the authority's cost and the second (in italics) is the group average.



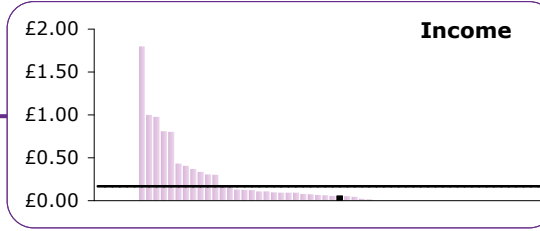
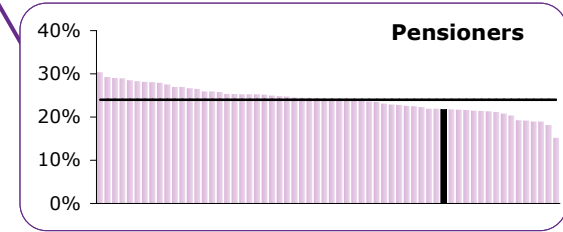
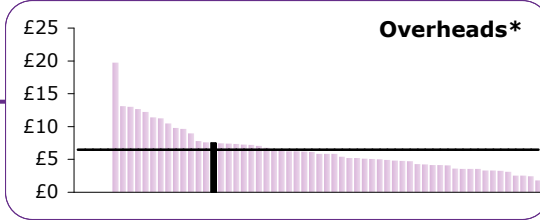
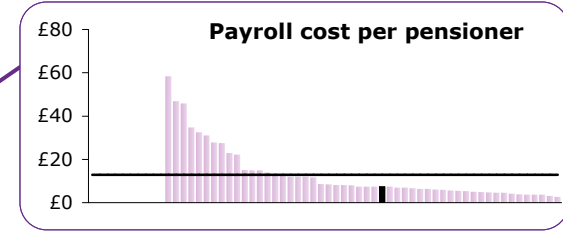
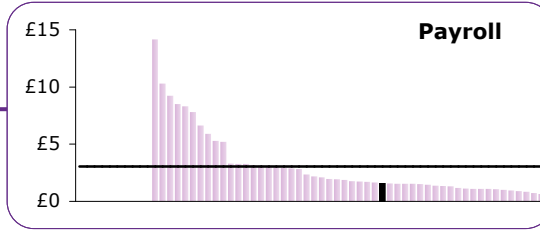
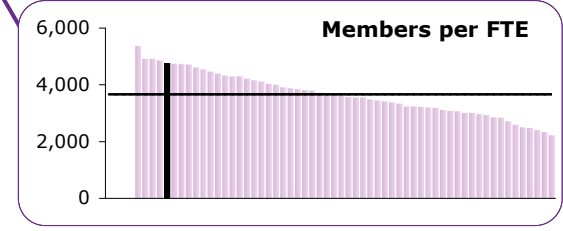
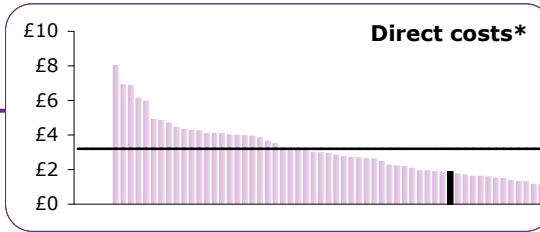
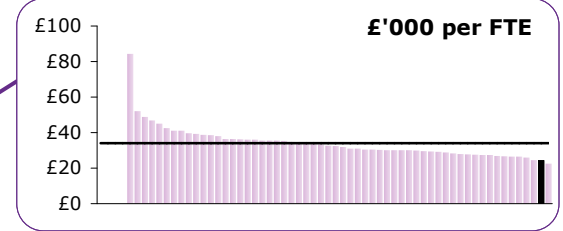
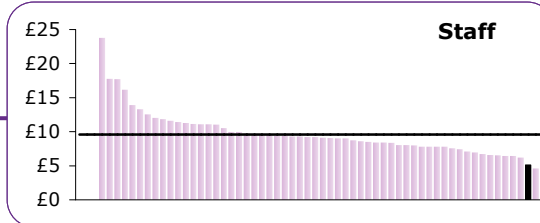
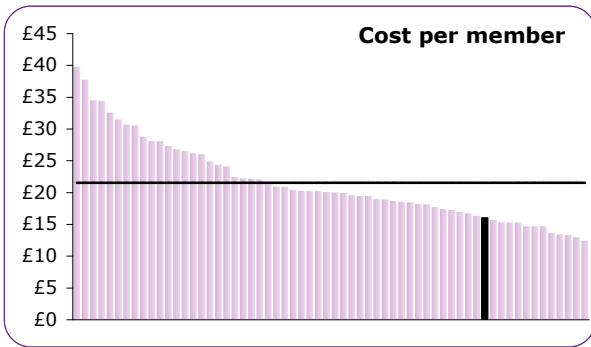
FTE staff	
Pension Section total	30.2
less	
IT staff	3.4
Payroll staff	1.4
Communications staff	4.0
Employing authority work	1.0
Work for other schemes	6.0
Other work	3.0
<b>Admin of LGPS</b>	<b>11.5</b>

Scheme membership	
	No.
Active full-time	8,482
Active part-time	11,864
Active Elected members	8
Active total	20,354
Deferred	18,487
Pensioners	11,941
Dependants	1,829
Frozen refunds	1,884
Leavers unprocessed	264
<b>Total</b>	<b>54,759</b>

Costs £'000	
	£'000
Pension Section total	1,313
less	
Work for other schemes	159
Employing authority work	140
Other work	134
<b>Admin of LGPS</b>	<b>880</b>

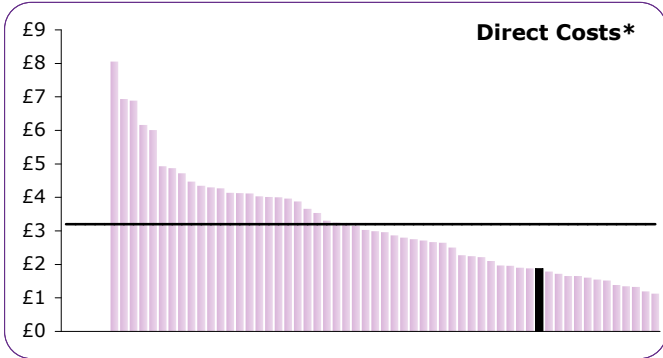
Admin of LGPS costs	
	£'000
Staff - administration	280
Staff - payroll	46
Payroll	42
Communications (Total)	61
Actuaries	26
External audit	37
Outsourcing contract costs	-
Other running costs	16
IT - Pensions admin	166
IT - All other	12
Accommodation	-
Other central charges	198
Income	3
<b>Total</b>	<b>880</b>

# COST PER MEMBER 2011-12

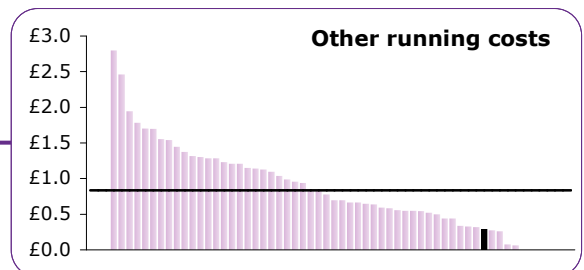
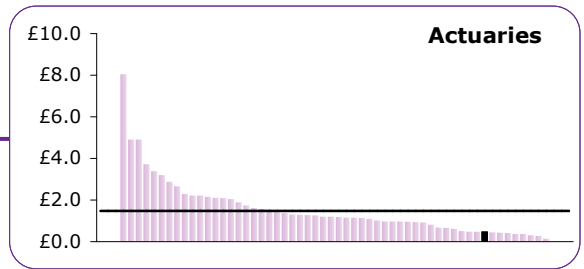
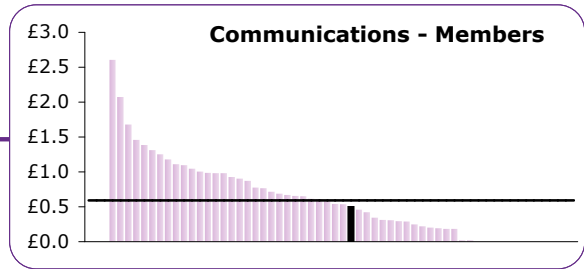
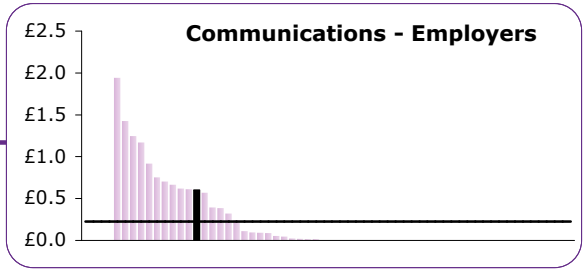


\* For breakdown of direct costs and overheads see following pages

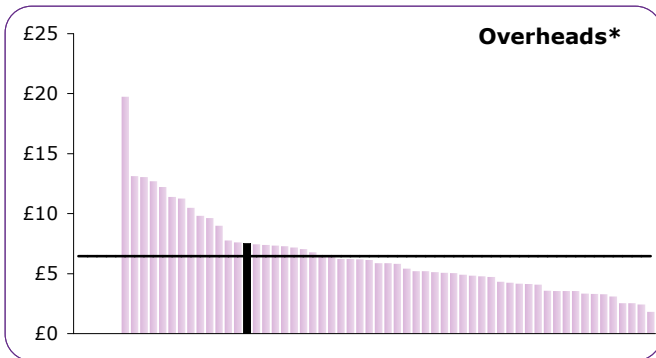
**COSTS PER MEMBER - Direct costs 2011-12**



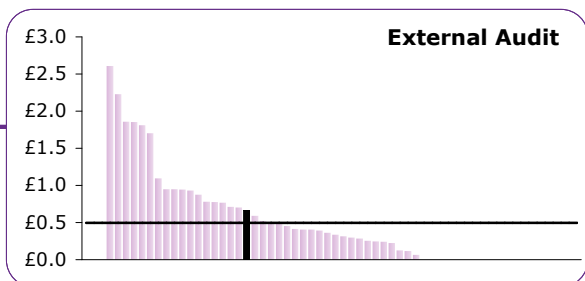
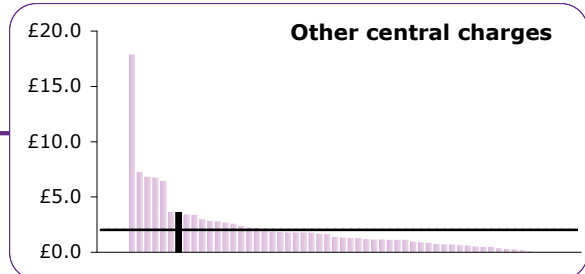
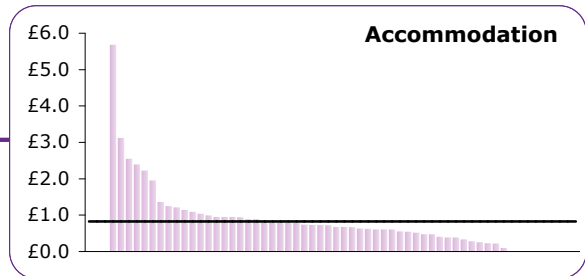
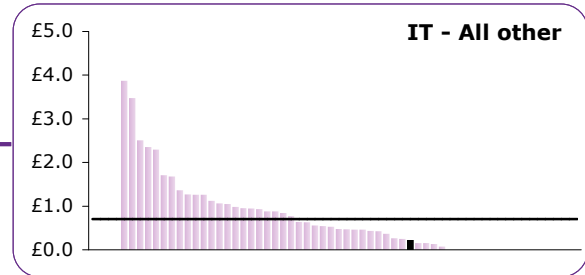
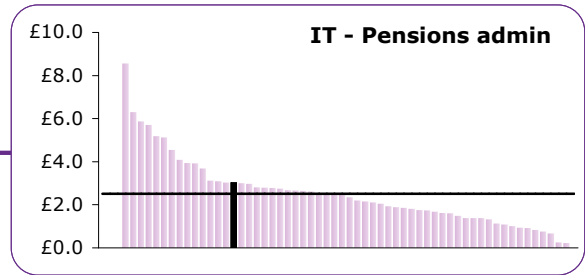
Direct costs	£'000	£	Avg
Communications			
- Employers	33	£0.60	£0.23
- Members	28	£0.51	£0.59
- Subtotal	61	£1.11	£0.81
Actuaries	26	£0.47	£1.48
Other running costs	16	£0.29	£0.83
<b>Total</b>	<b>103</b>	<b>£1.88</b>	<b>£3.20</b>



## COSTS PER MEMBER - Overheads 2011-12



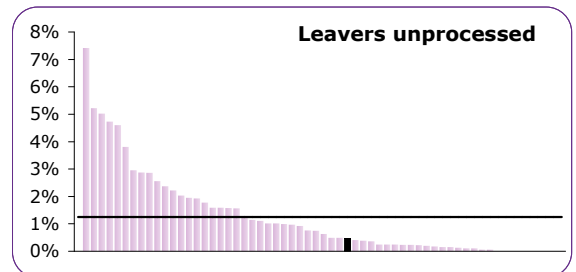
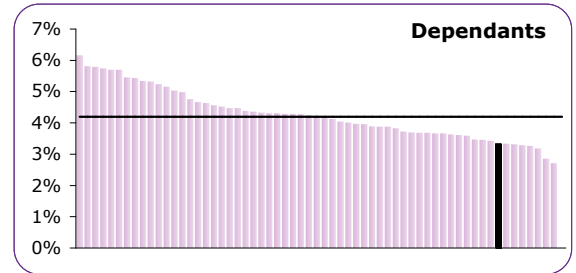
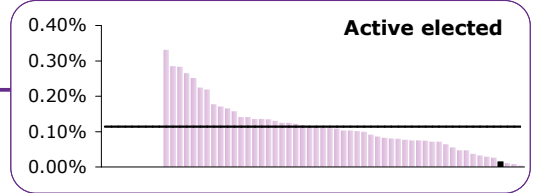
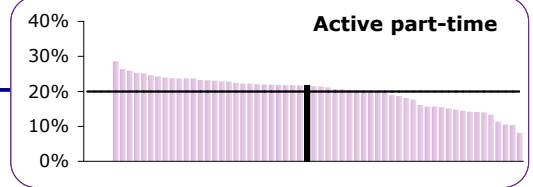
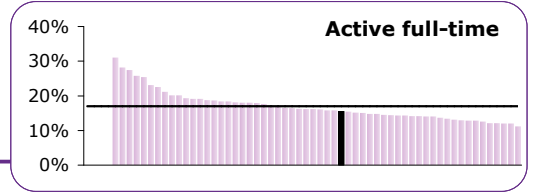
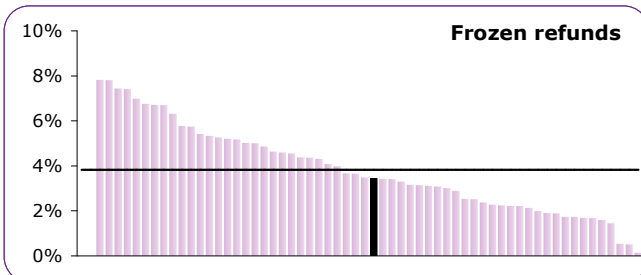
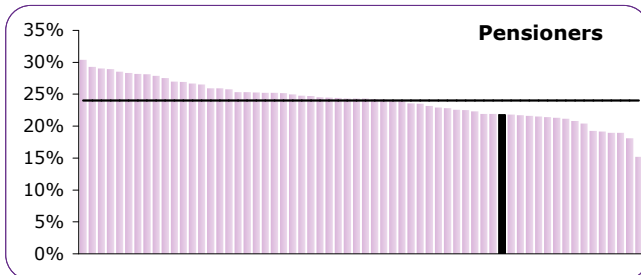
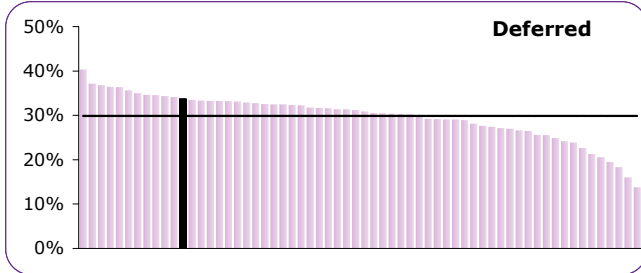
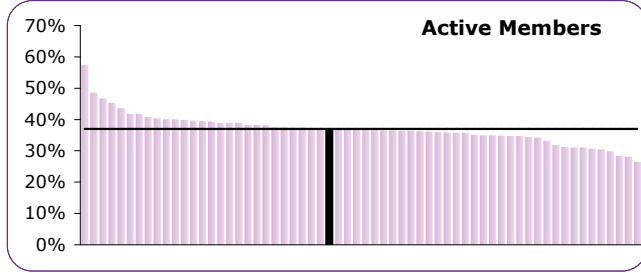
Overheads			
	£'000	£	Avg
IT - Pensions admin	166	£3.03	£2.52
IT - All other	12	£0.22	£0.70
Accommodation	-	£0.00	£0.83
Other central charges	198	£3.61	£2.02
External audit	37	£0.67	£0.50
<b>Total</b>	<b>412</b>	<b>£7.53</b>	<b>£6.47</b>





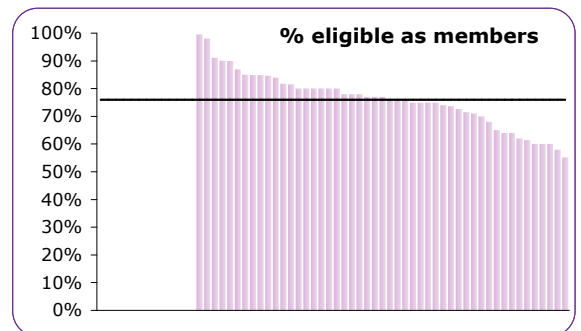
## SECTION 3 - WORKLOAD MEASURES

### COMPOSITION OF MEMBERS AS AT 31/03/12



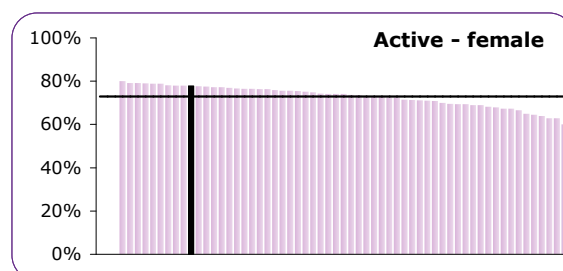
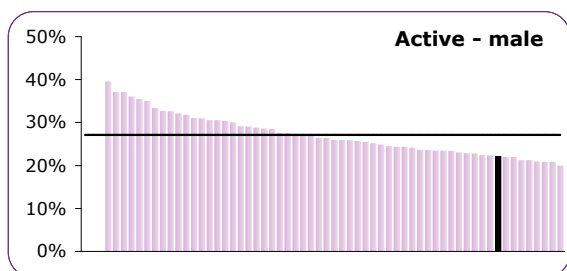
Composition of members			
	No.	%	Avg
<b>Active:</b>			
- full-time	8,482	15%	17%
- part-time	11,864	22%	20%
- no. of elected Members	8	0.0%	0.1%
<b>- sub-total</b>	<b>20,354</b>	<b>37%</b>	<b>37%</b>
Deferred	18,487	34%	30%
Pensioners	11,941	22%	24%
Dependants	1,829	3.3%	4.2%
Frozen refunds	1,884	3.4%	3.8%
Leavers unprocessed	264	0.5%	1.3%
<b>Total</b>	<b>54,759</b>		

### LGPS members as % eligible employees



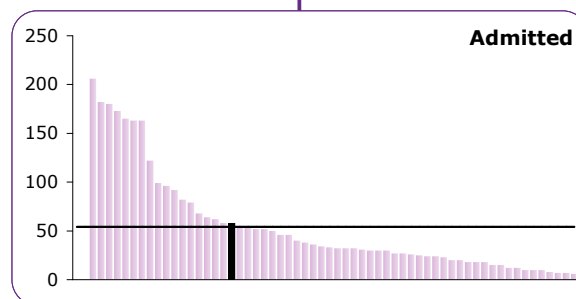
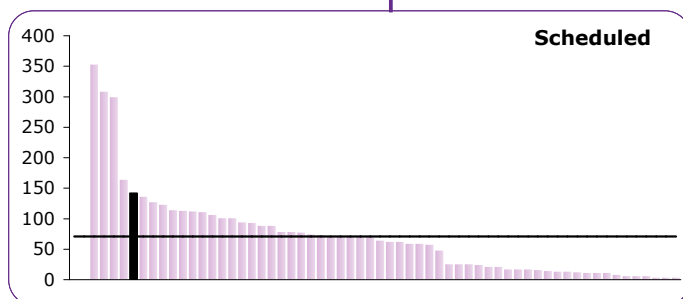
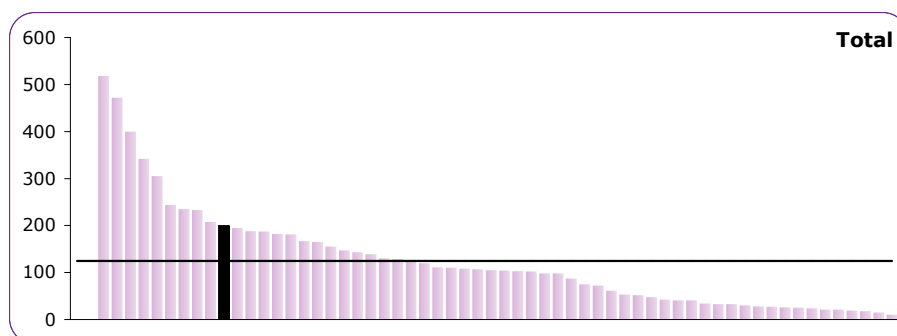
Buckinghamshire na Avg 76%

## COMPOSITION OF MEMBERS AS AT 31/03/12



Composition of active members			
	No.	%	Avg
Male	4,522	22%	27%
Female	15,832	78%	73%

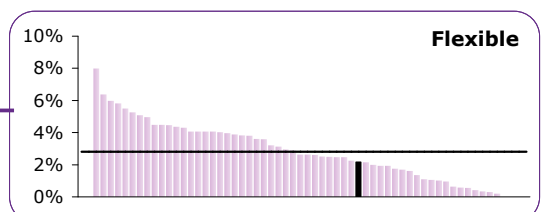
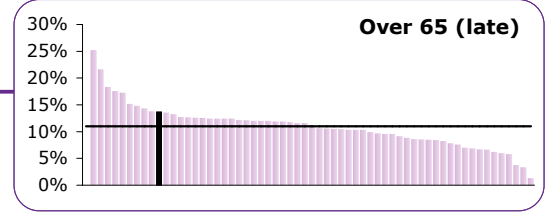
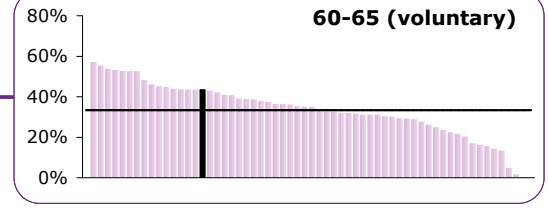
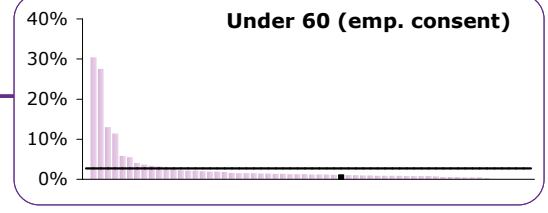
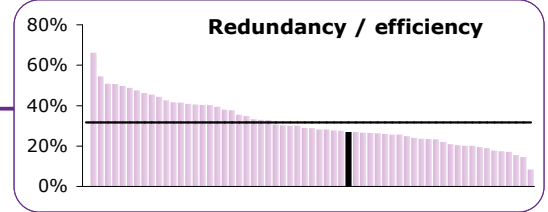
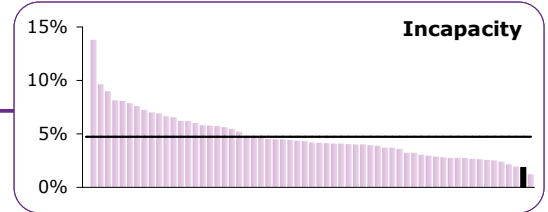
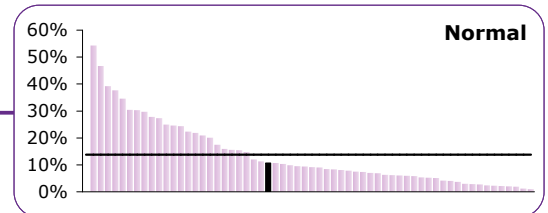
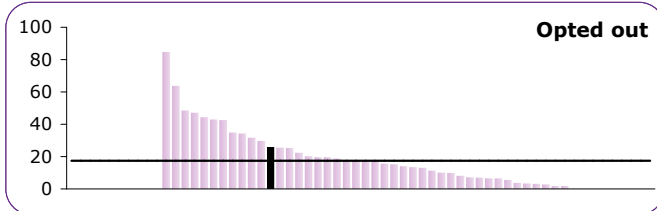
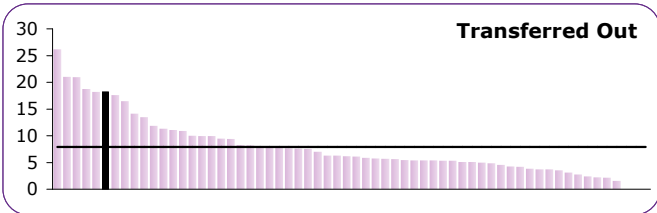
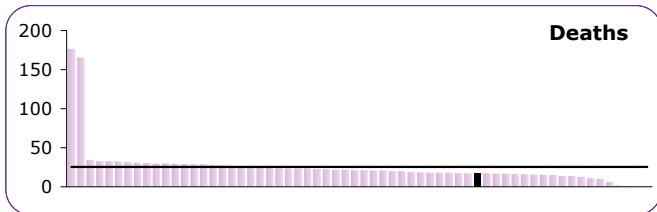
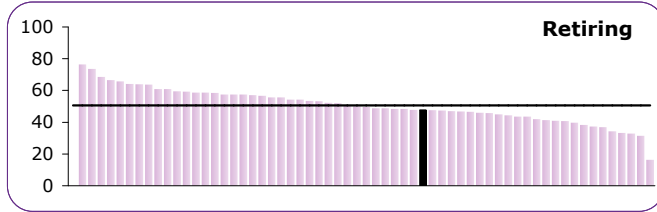
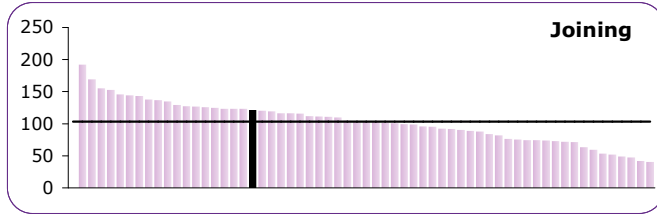
## NUMBER OF LGPS EMPLOYERS AS AT 31/03/12



LGPS employers (31/3/12)						
	No.	Avg	of which:	No.	%	Avg
Scheduled	142	71	Local Authorities	65	46%	17%
Admitted	58	54	Transferee	25	43%	39%
<b>Total</b>	<b>200</b>	<b>125</b>				

Employer changes 2011/12						
	Applied		Admitted		Leaving	
	No.	Avg	No.	Avg	No.	Avg
Scheduled	33	15	33	16	-	3
Admitted	2	3	2	3	-	2

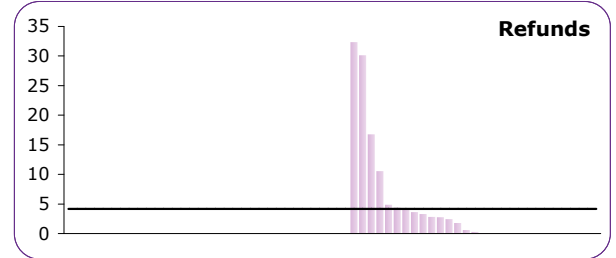
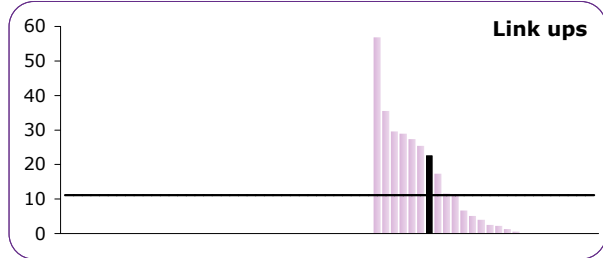
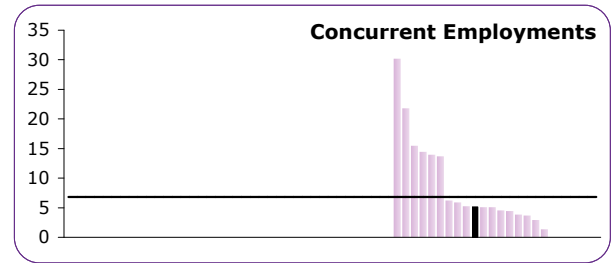
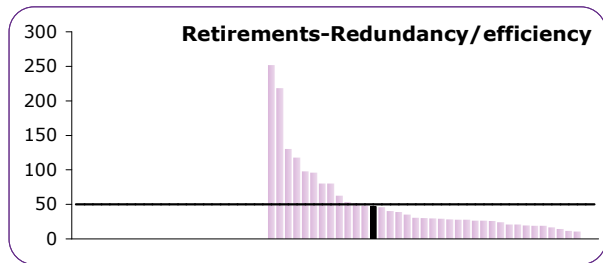
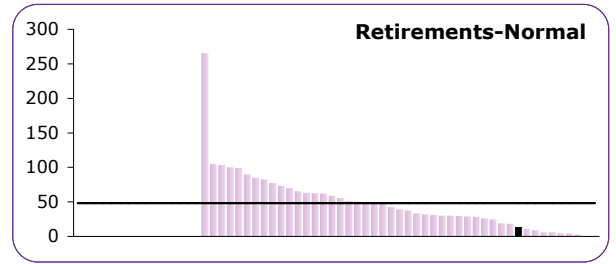
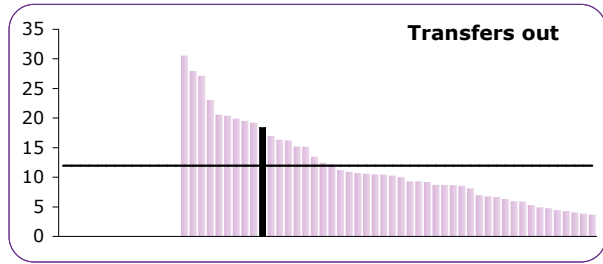
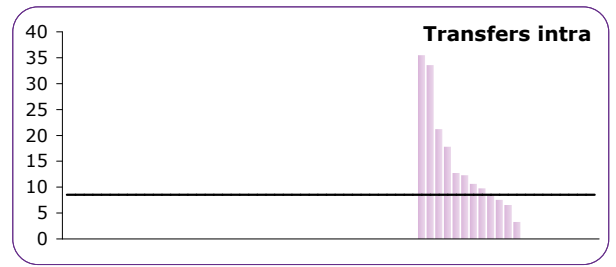
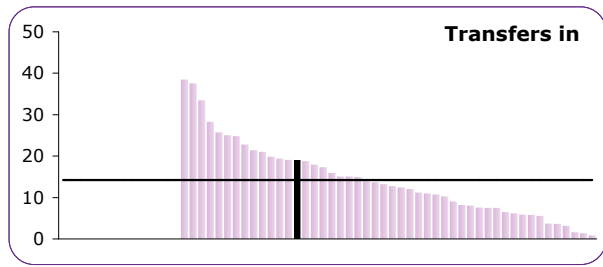
## JOINERS & LEAVERS (per '000 active members)



Joiners & leavers (per '000 active members)			
	No.	'000	Avg
Joining	2,468	121	103
Retiring	971	48	51
Deaths	349	17	25
Transferred out	370	18	8
Opted out	524	26	18

Retirements			
	No.	%	Avg
Normal	104	11%	14%
Incapacity/ill-health	18	2%	5%
Redundancy/efficiency	262	27%	32%
Under 60 (emp. consent)	11	1.1%	2.7%
60-65 (voluntary)	422	43%	33%
Over 65 (late)	133	14%	11%
Flexible	21	2.2%	2.8%

## NUMBER OF QUOTATIONS PROVIDED (per '000 active members)

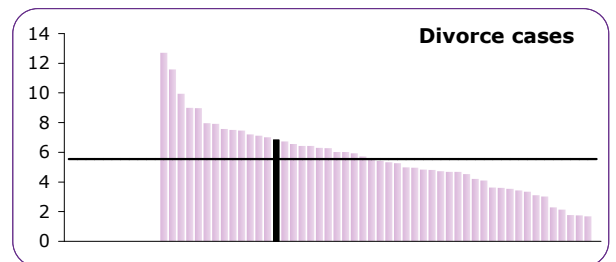


### Active members

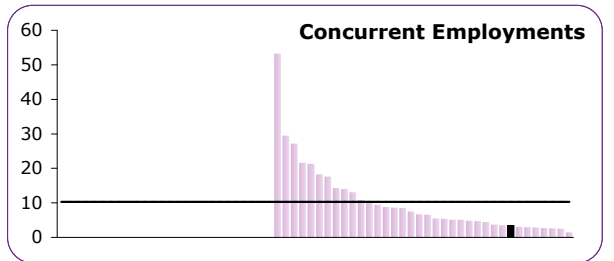
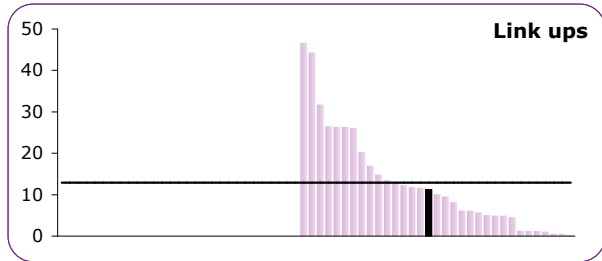
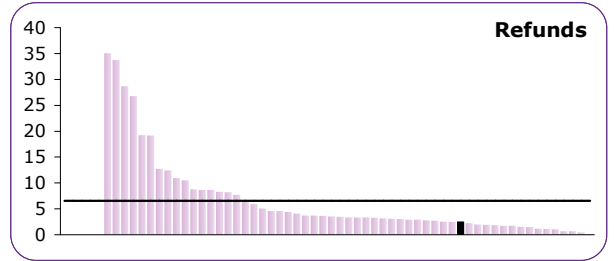
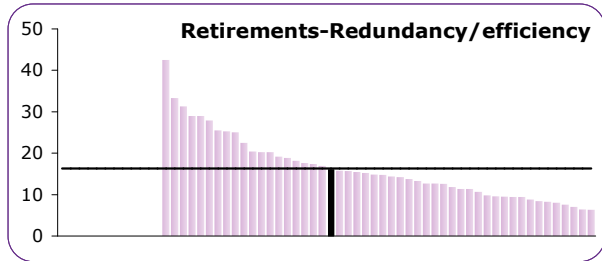
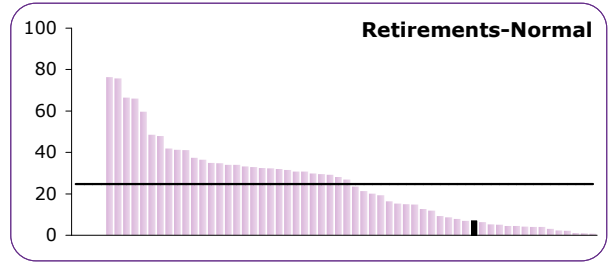
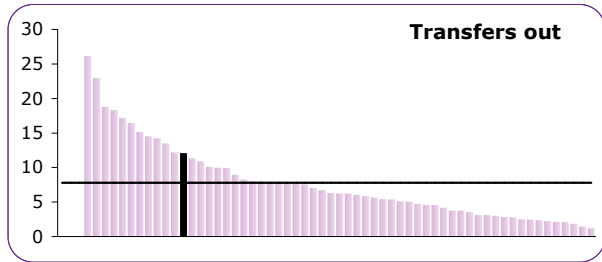
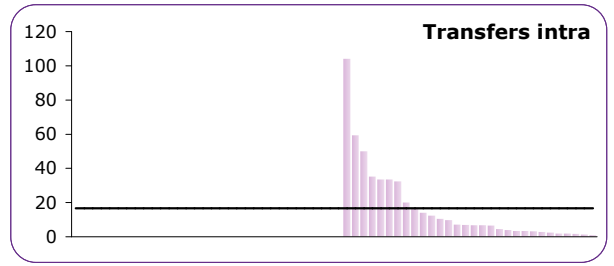
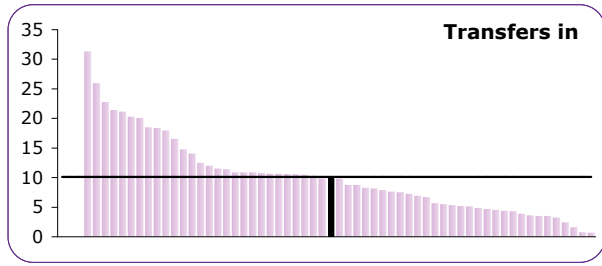
20,354

### Quotations provided

	No.	'000	Avg
Retirements - Normal	276	14	48
Retirements - Redundancy/efficiency	956	47	48
Transfers in	387	19	14
Transfers out	375	18	12
Transfers intra	na	na	9
Link ups	459	23	11
Concurrent Employments	105	5	7
Refunds	-	-	4
Divorce cases	139	7	6



## NUMBER OF ACTUAL EVENTS (per '000 active members)

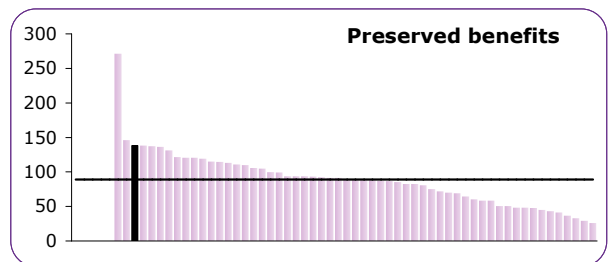
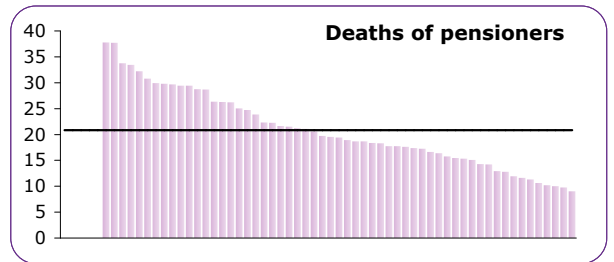


### Active members

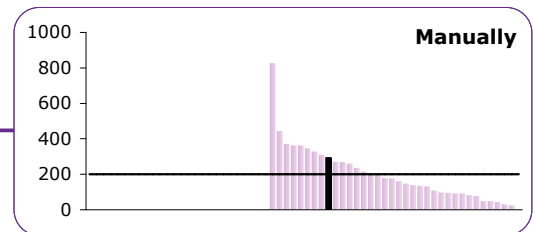
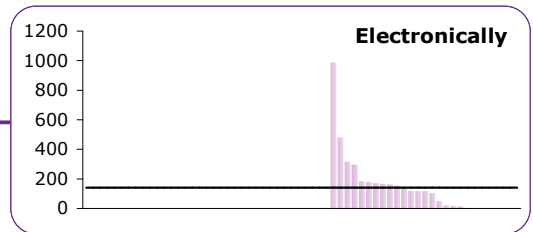
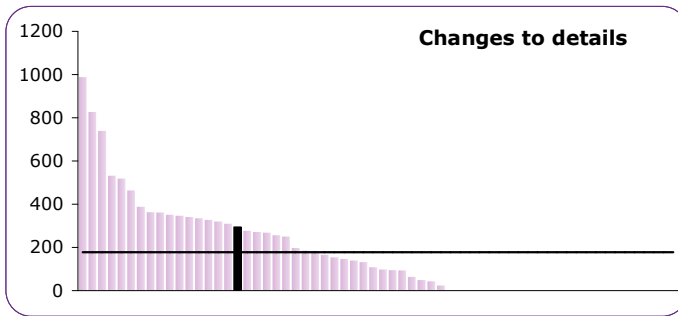
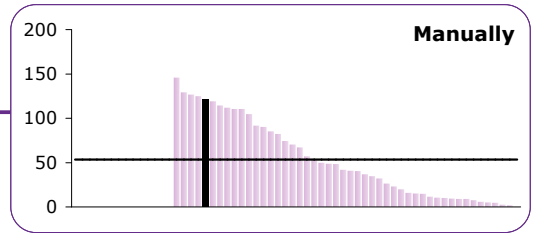
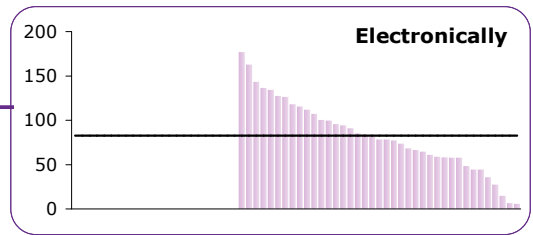
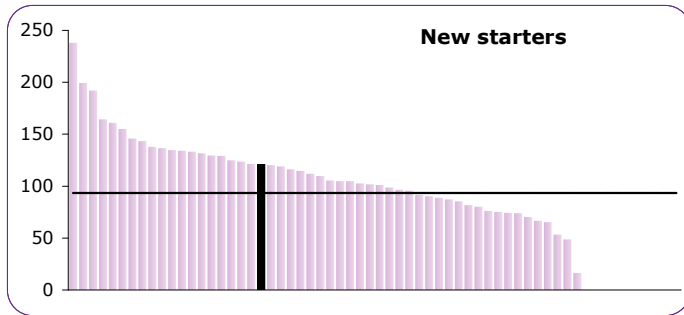
20,354

### Actual events

	No.	'000	Avg
Retirements - Normal	141	7	25
Retirements - Redundancy/efficiency	325	16	16
Transfers in	200	10	10
Transfers out	245	12	8
Transfers intra	na	na	17
Link ups	231	11	13
Concurrent Employments	71	3	10
Refunds	50	2	7
Frozen refunds	69	3	3
Preserved benefits	2,816	138	89
Divorce cases	13	1	1
Deaths in service	na	na	1
Death of pensioners	na	na	21



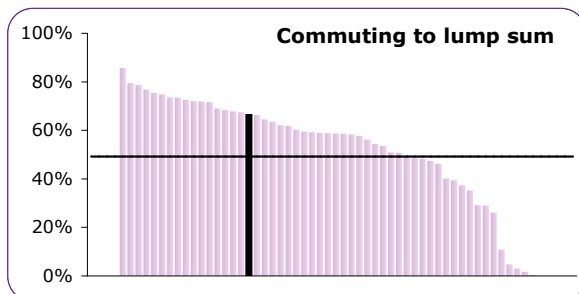
## ACTUAL CALCULATIONS (per '000 active members)



Active members
20,354

## RETIREMENTS

### Retirements commuting to lump sum



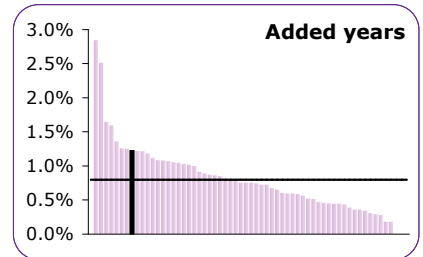
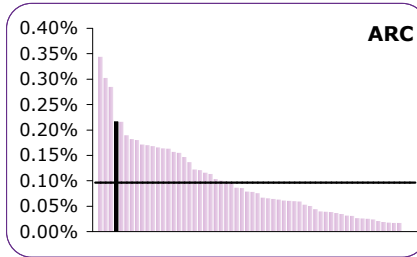
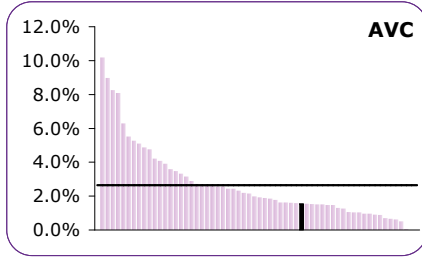
Retirements commuting to lump sum			
	Number	% total	Avg
	647	67%	49%

### Actual calculations

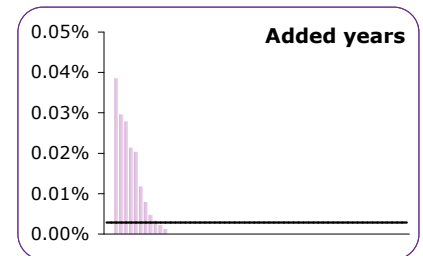
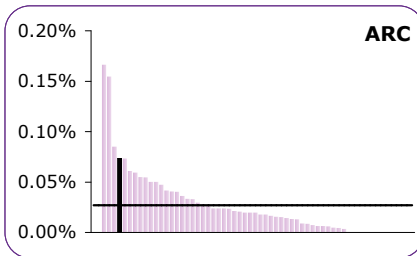
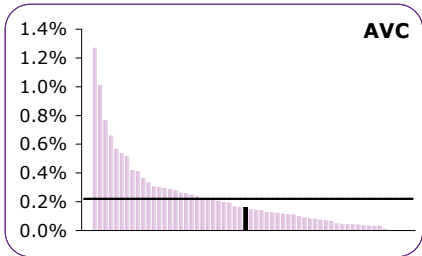
	No.	'000	Avg
<b>New starters</b>	2,468	121	93
- electronically	-	na	83
- manually	2,468	121	53
<b>Changes to detail:</b>	6,002	295	178
- electronically	-	-	141
- manually	6,002	295	200

## AVCs, ARCs and Added years

### % Currently contributing



### % New contributors this year



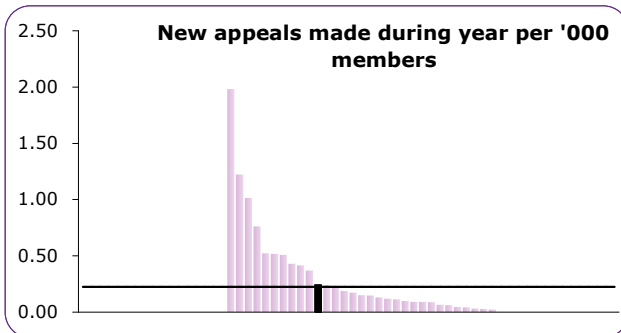
### Contributors to AVCs and ARCS

	No.	%	Avg
<b>Currently contributing</b>			
- AVC	316	1.6%	2.7%
- ARC	44	0.2%	0.1%
- Added years	250	1.2%	0.8%
Total	610	3.0%	3.5%
<b>New contributors this year</b>			
- AVC	33	0.16%	0.22%
- ARC	15	0.07%	0.03%
- Added years	-	0.00%	0.00%
Total	48	0.24%	0.24%

### Active members

20,354

## APPEALS



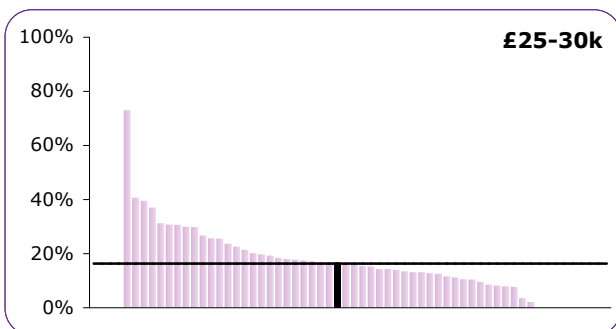
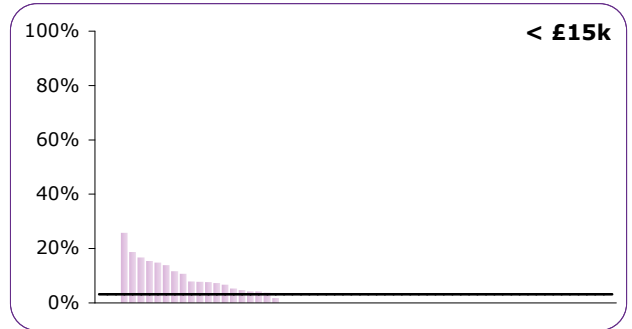
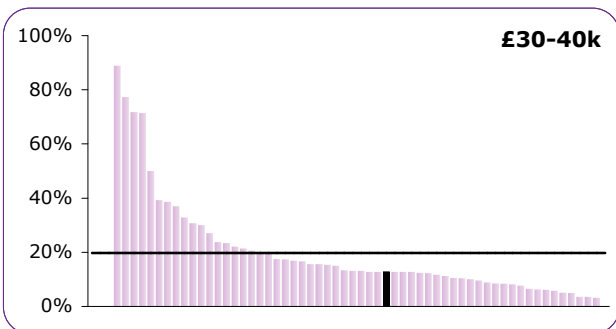
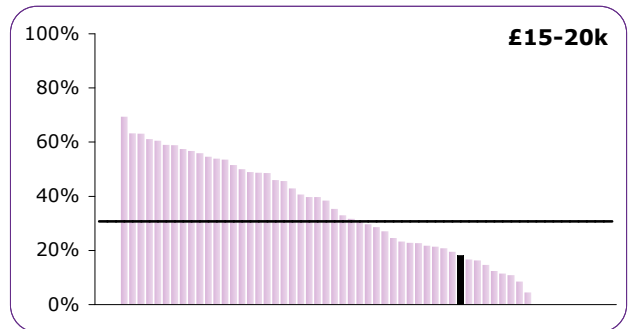
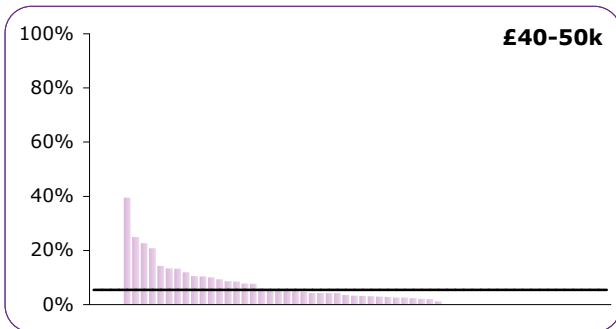
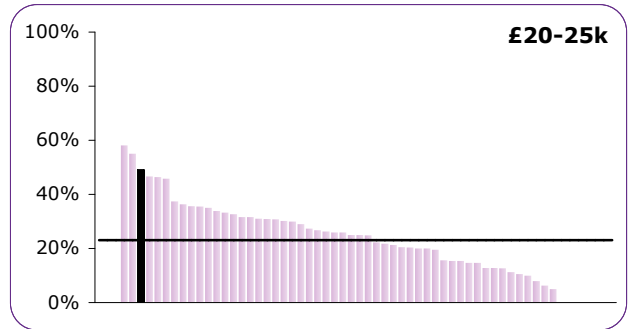
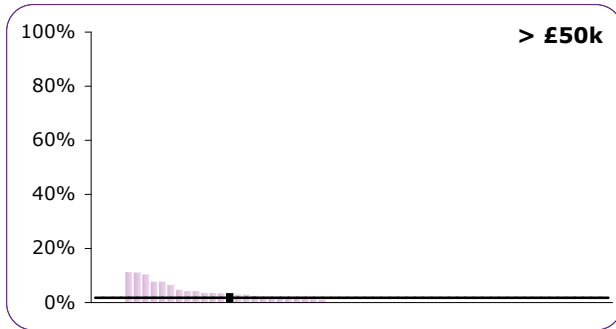
**\*Club total:** This shows the total for all the Benchmarking Club members 2012.

### Number of appeals

	No.	Per '000 members	Avg Club* total	
In progress at start of year	1	0.05	0.07	55
New appeals during year	5	0.25	0.23	295
In progress at end of year	2	0.10	0.08	70
<b>1st stage</b>				
Total	2	0.10	0.22	114
Won	1	50%	82%	84
Lost	1	50%	18%	30
<b>2nd stage</b>				
Total	2	0.10	0.14	81
Won	2	100%	80%	64
Lost	0	0%	20%	17

## SECTION 4 - STAFF RELATED MEASURES

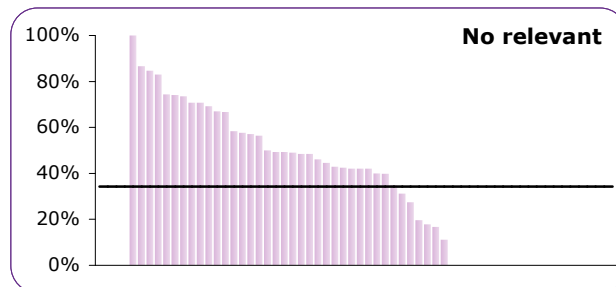
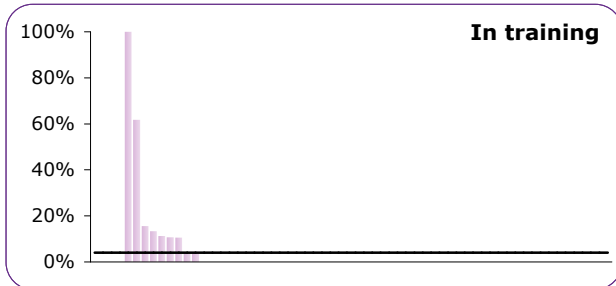
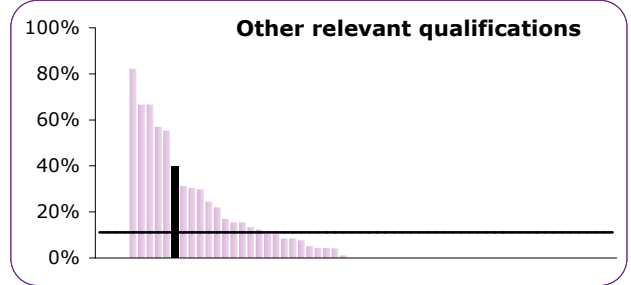
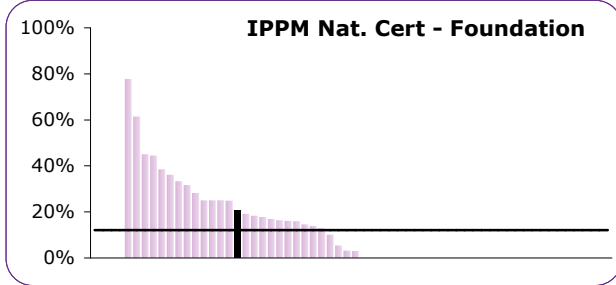
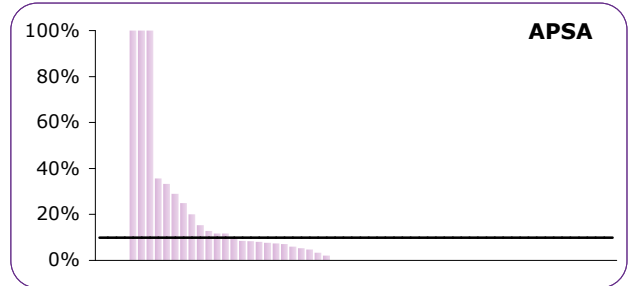
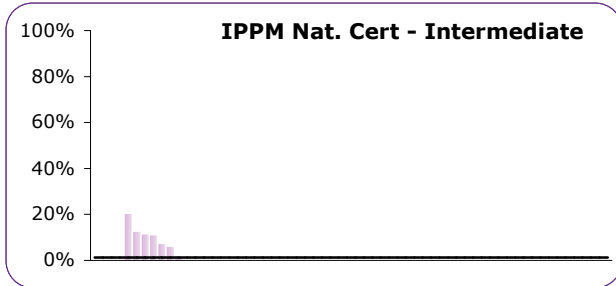
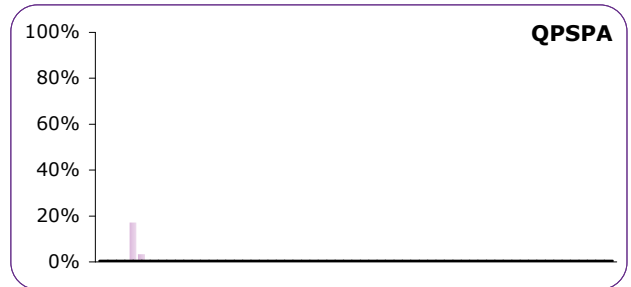
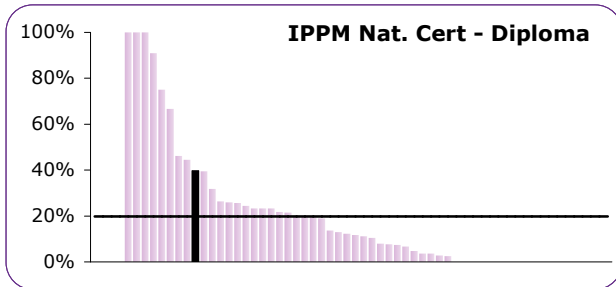
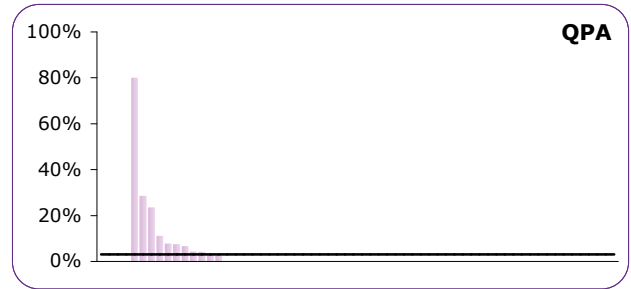
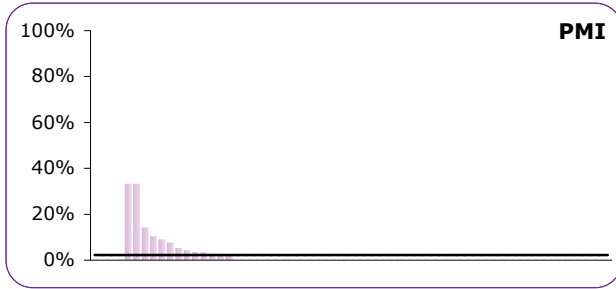
### STAFF PAY



Staff pay			
	FTE	%	Avg
> £50k	1.0	3%	2%
£40-50k	0.0	0%	5%
£30-40k	3.9	13%	20%
£25-30k	5.0	17%	16%
£20-25k	14.9	49%	23%
£15-20k	5.5	18%	31%
< £15k	0.0	0%	3%
<b>Total</b>	<b>30.2</b>		

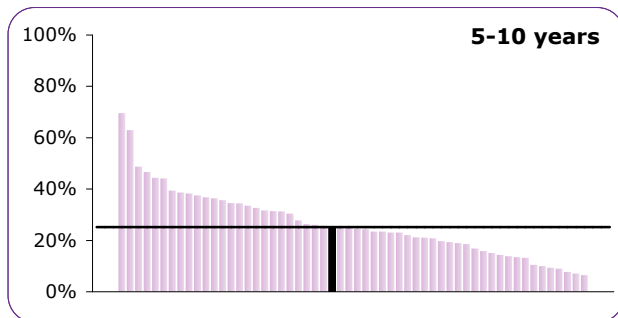
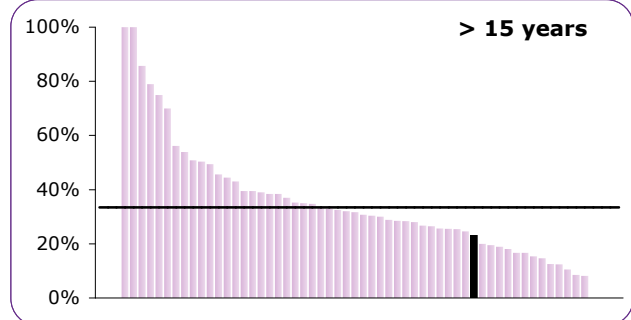
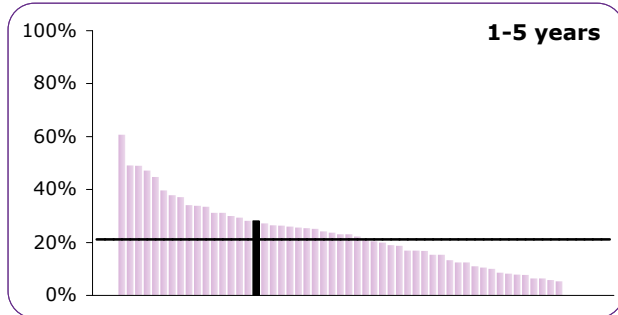
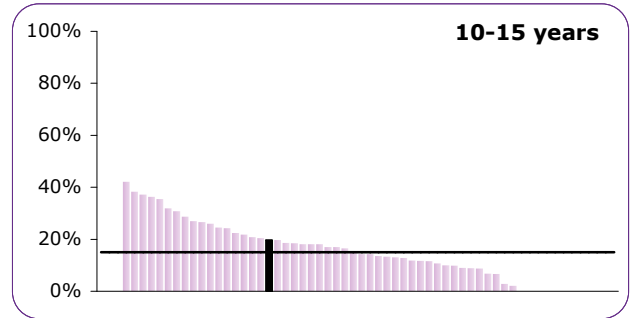
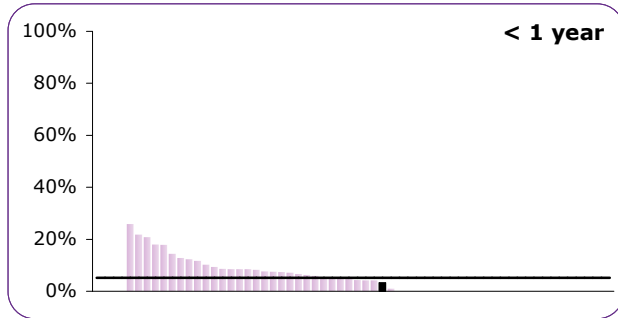


## STAFF QUALIFICATIONS



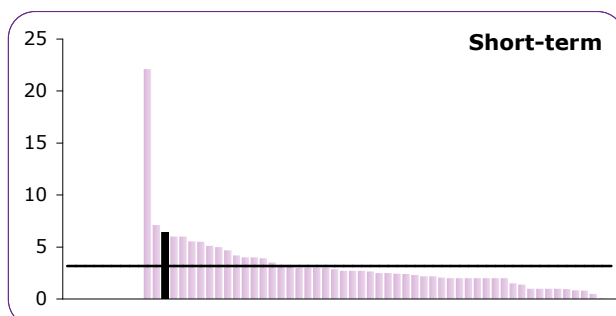
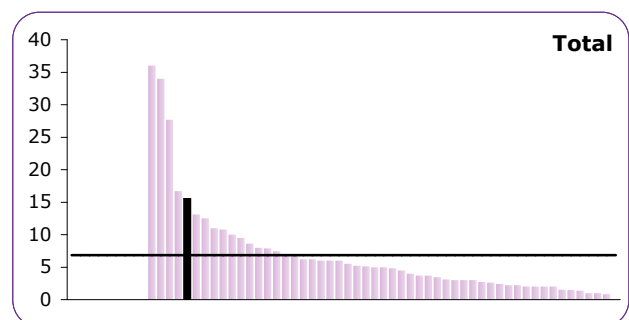
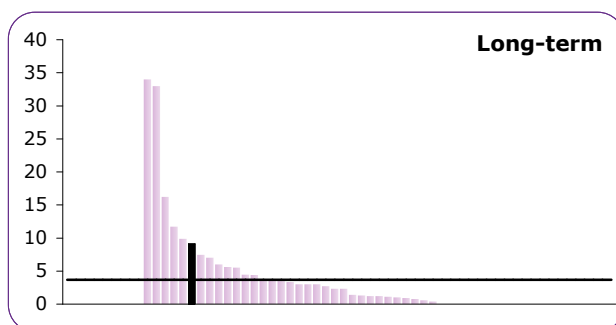
Staff qualifications	FTE	%	Avg
PMI	0.0	0%	2%
IPPM Nat. Cert - Diploma	3.9	40%	20%
IPPM Nat. Cert - Intermediate	0.0	0%	1%
IPPM Nat. Cert - Foundation	2.0	21%	12%
CIPP Foundation Degree	0.0	0%	2%
QPA	0.0	0%	3%
QPSPA	0.0	0%	0%
APSA	0.0	0%	10%
Other relevant	3.9	40%	11%
Training	0.0	0%	4%
No relevant	0.0	0%	34%
<b>Total</b>	<b>9.7</b>		

## STAFF PENSIONS EXPERIENCE



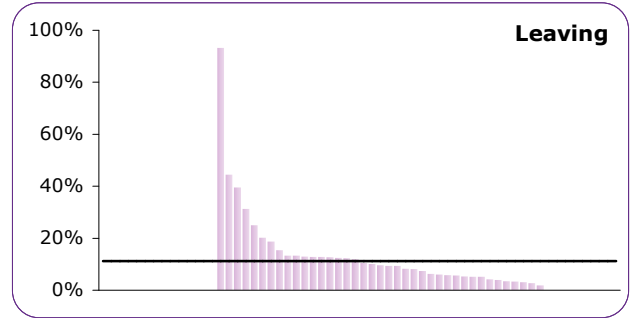
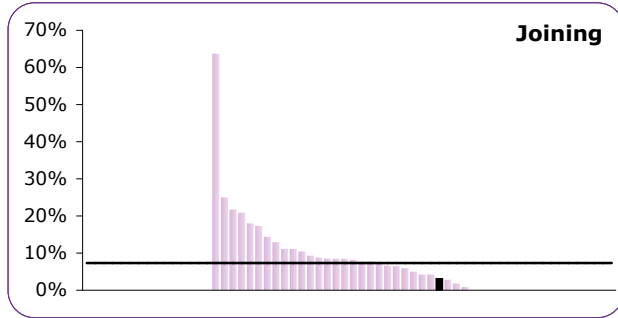
Staff experience			
	FTE	%	Avg
< 1 year	1.0	3%	5%
1-5 years	8.5	28%	21%
5-10 years	7.7	26%	25%
10-15 years	6.0	20%	15%
> 15 years	7.0	23%	34%
<b>Total</b>	<b>30.2</b>		

## SICKNESS ABSENCE - Lost days per FTE employee



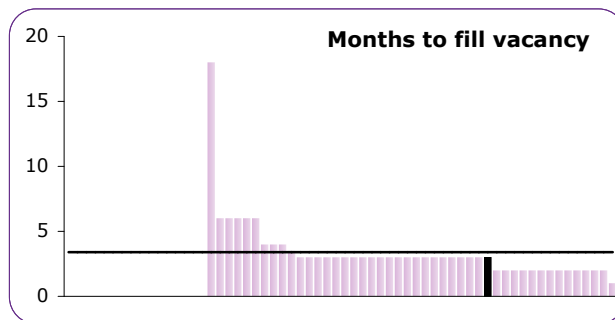
Sickness absence		
	Days/FTE	Avg
Long-term sickness	9.2	3.7
Short-term sickness	6.5	3.2
<b>Total</b>	<b>15.6</b>	<b>6.8</b>

## STAFF TURNOVER



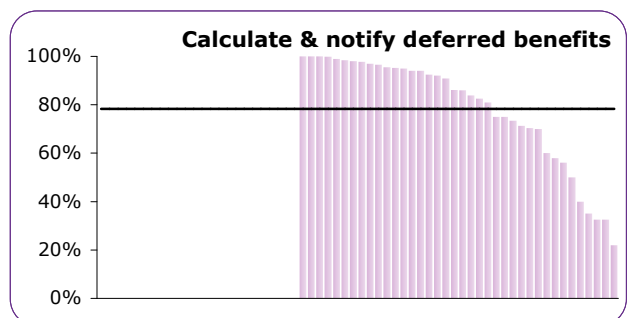
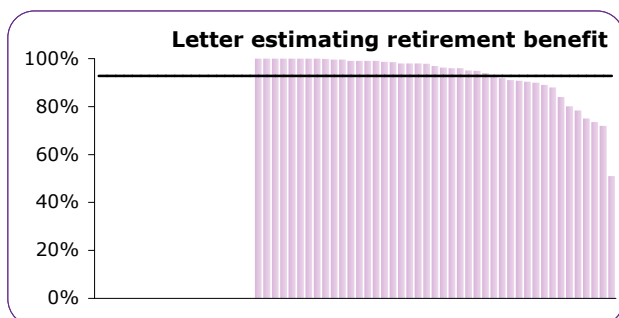
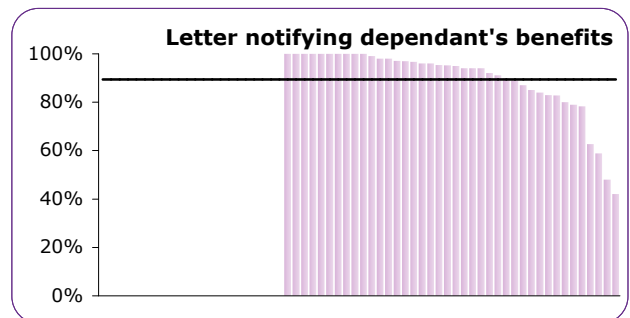
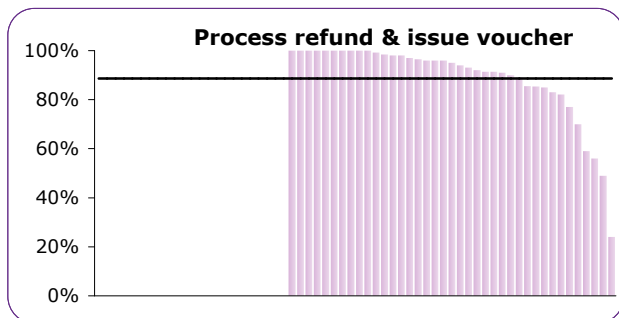
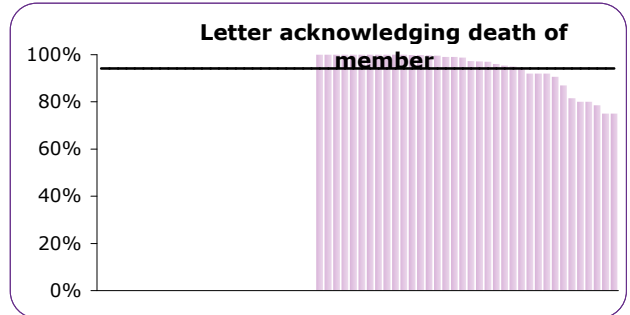
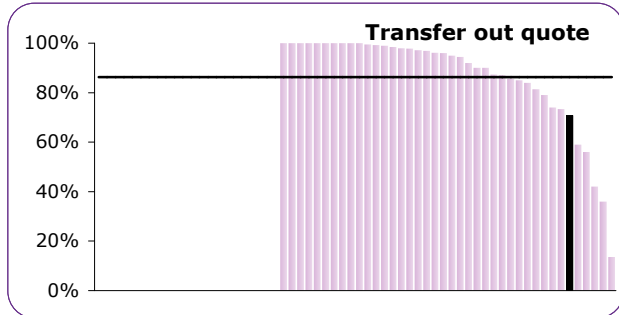
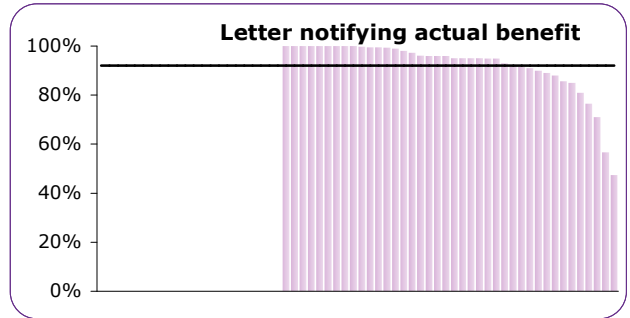
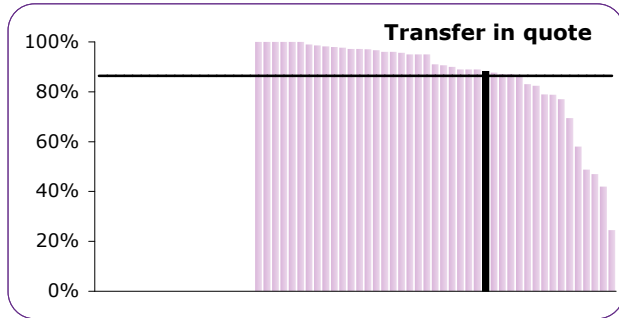
Staff turnover			
	FTE	%	Avg
Total Section FTE	30.2		
Joining Section	1.0	3.3%	7.3%
Leaving Section	na	na	11.2%

## VACANCIES



Average time to fill vacancy		
	Months	Avg
	3.0	3.4

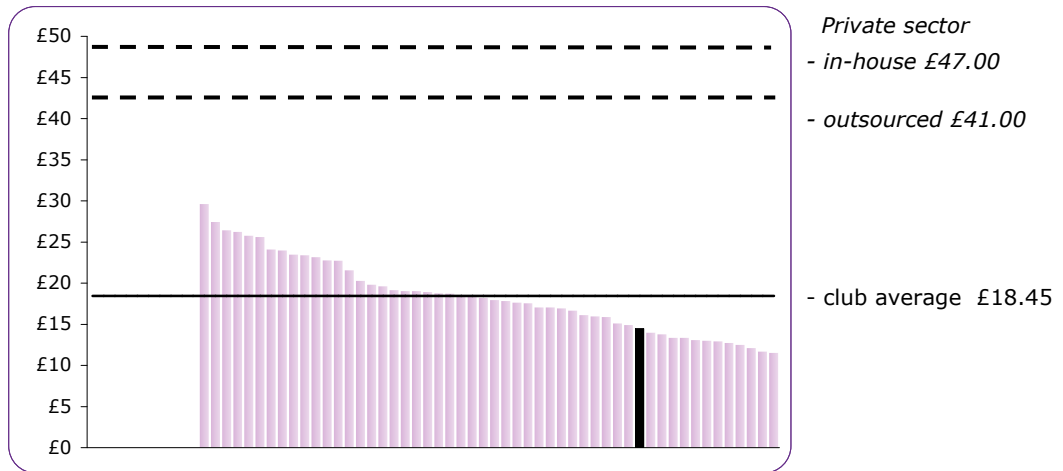
## SECTION 5 - INDUSTRY STANDARD PI'S



Industry Standard PI's			
	Target	Achieved	Avg
Letter detailing transfer in quote	10 days	88.4%	86.4%
Letter detailing transfer out quote	10 days	70.8%	86.3%
Process refund and issue payment voucher	5 days	na	88.7%
Letter notifying <b>estimate</b> of retirement benefit	10 days	na	92.8%
Letter notifying <b>actual</b> retirement benefit	5 days	na	92.1%
Letter acknowledging death of member	5 days	na	94.2%
Letter notifying amount of dependant's benefits	5 days	na	89.5%
Calculate and notify deferred benefits	10 days	na	78.3%

## SECTION 6 - COMPARISON WITH PRIVATE SECTOR

### LGPS ADMIN COST PER MEMBER (EXCLUDING PAYROLL COST)



Costs	
	£'000
Admin cost	880
Payroll cost	88
Adjusted cost	792

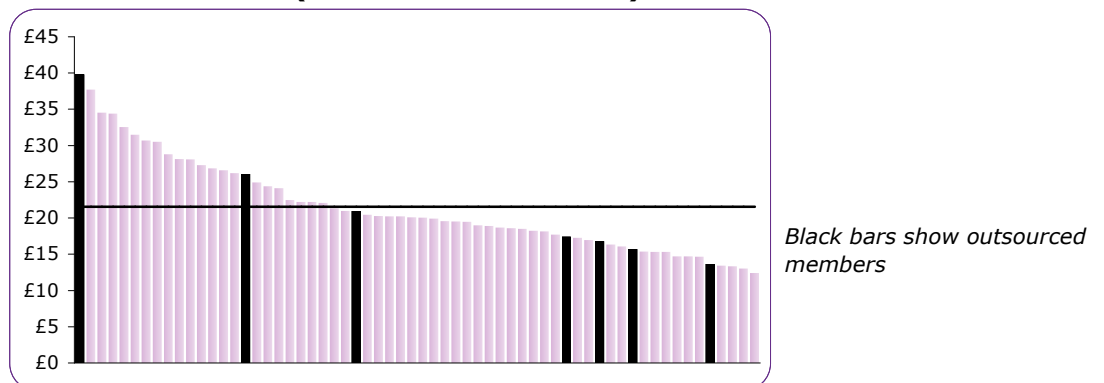
Cost/member £14.47

Members				
	No.	%	Avg private	
Active	20,354	37%	37%	34%
Deferred	18,487	34%	30%	34%
Retired	11,941	22%	24%	32%
<b>Total</b>	<b>54,759</b>			

### COMPARISON OF OUTSOURCED/IN-HOUSE MEMBERS

Total members with data:	62
Outsourced members:	7

### LGPS ADMIN COST PER MEMBER (INCLUDING PAYROLL)



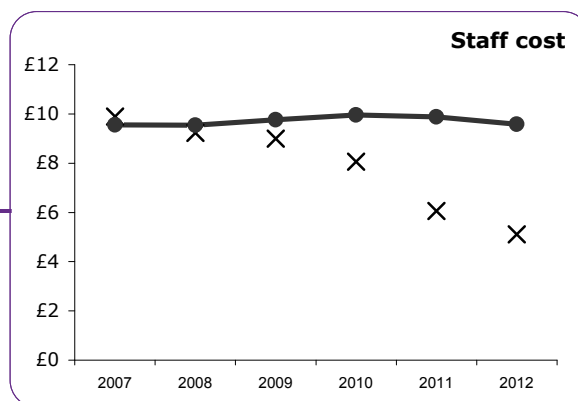
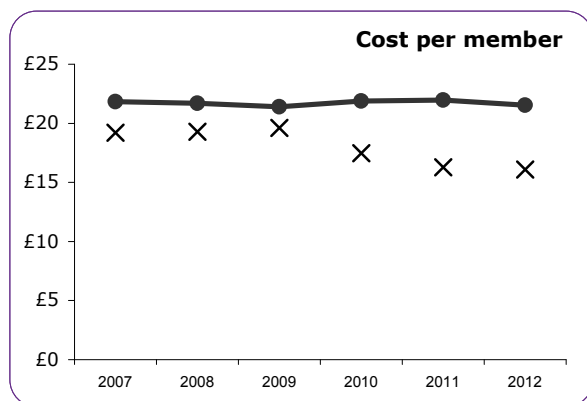
Admin cost per member:	
Buckinghamshire	£16.08
Club average	£21.54
Outsourced average	£21.47
In-house average	£21.54

**Source:** Capita Hartshead Annual Pension Scheme Admin Survey 2010  
Data for funds over 10,000 members

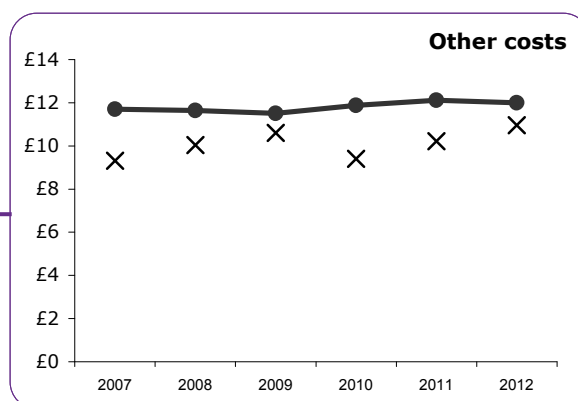
## SECTION 7 - TIMESERIES

The 2012 averages are the actual club averages.

For previous years, the averages shown here are scaled up or down from the 2012 figure based on the average rate of change in each year. This is calculated using data from members who supplied figures in consecutive years, otherwise the simple average in each year would be distorted by changes in the composition of the club from year to year.



**KEY:**  
 Club average  
 Buckinghamshire



Time series analysis						
	2007	2008	2009	2010	2011	2012
Members	42,846	46,062	48,473	50,340	53,163	54,759
Net cost (£'000)	823k	888k	950k	879k	866k	880k
Cost per member	£19.21	£19.27	£19.60	£17.47	£16.28	£16.08
Average	£21.84	£21.69	£21.39	£21.88	£21.95	£21.54
Staff cost	£9.90	£9.23	£8.99	£8.07	£6.06	£5.11
Average	£9.55	£9.55	£9.77	£9.96	£9.88	£9.58
Other costs	£9.31	£10.05	£10.61	£9.40	£10.22	£10.96
Average	£11.70	£11.65	£11.51	£11.87	£12.11	£11.99