

# **Pensions Administration Benchmarking Club 2013**

## **Buckinghamshire County Council**

compared with

52 authorities

**FINAL REPORT**

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

# PREFACE

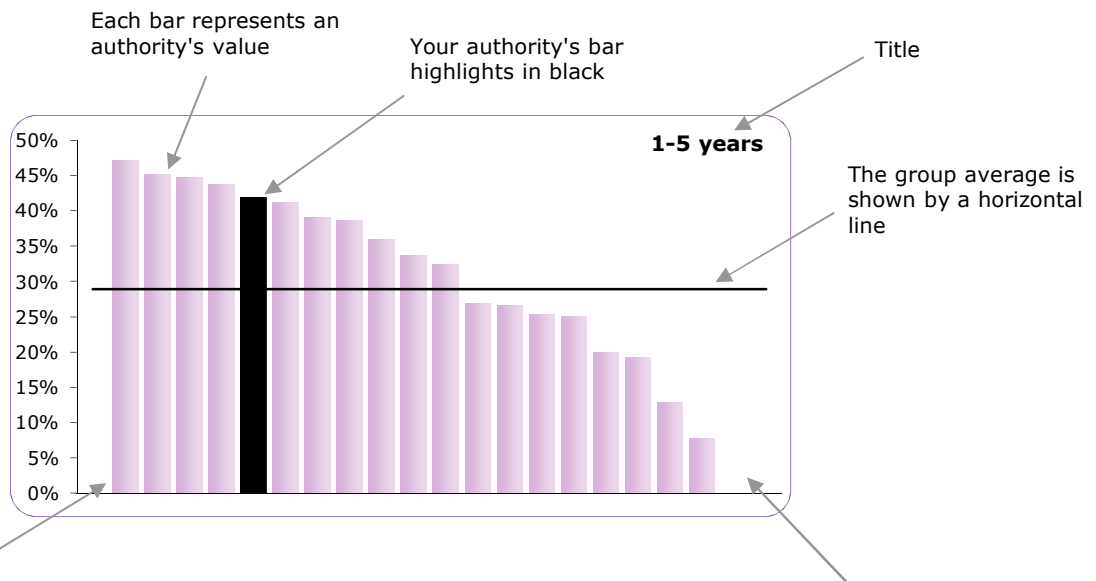
This report compares your data with the group of authorities specified on the title page.

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%
1-5 years	6.5	42%	29%
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 2013

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 by Method of Service Delivery (final report only)

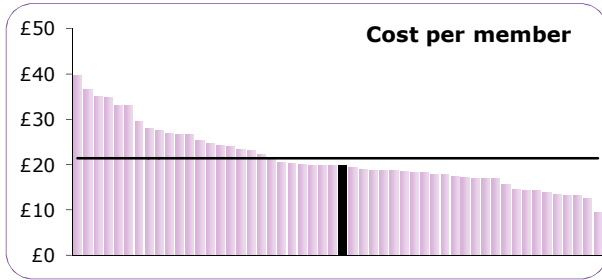
This shows members' costs and averages compared for in-house and externally managed pension schemes.

## Section 7 -Timeseries (final report only)

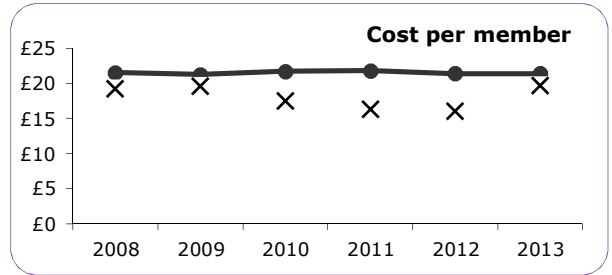
This shows the individual members' performance over time compared to the club average for cost per member, which is analysed over staff cost and other costs.

# SECTION 1 - SUMMARY 2013

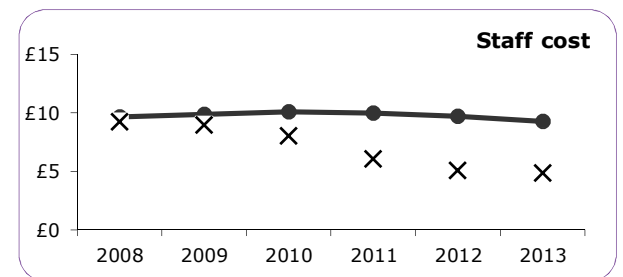
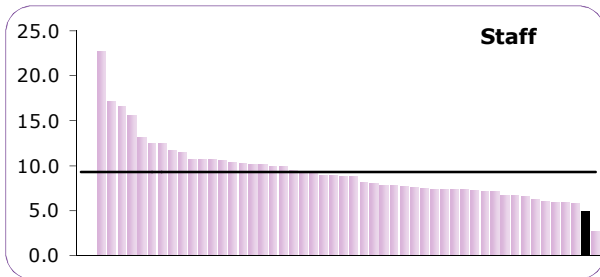
## NET COST / MEMBER 2012-13



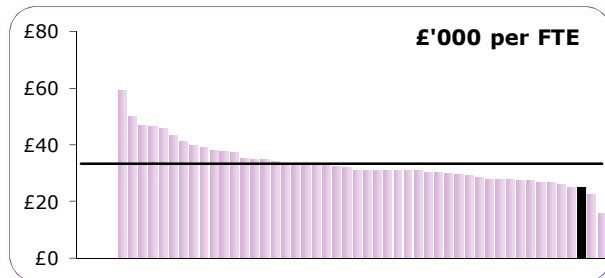
● Club average  
X Buckinghamshire



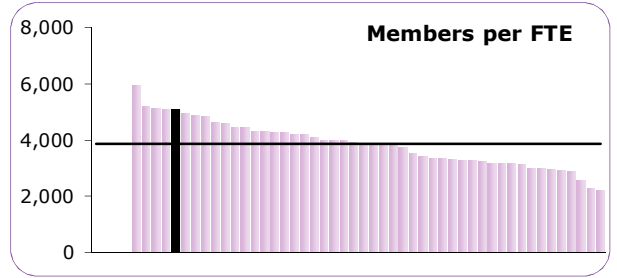
## STAFF COST / MEMBER 2012-13



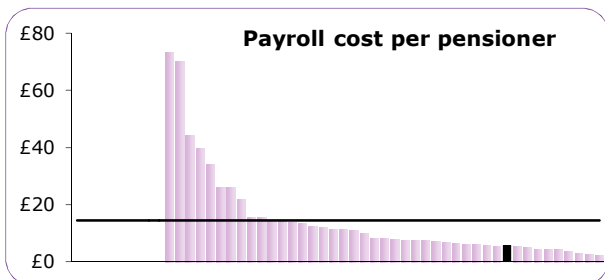
## COST £'000 / FTE



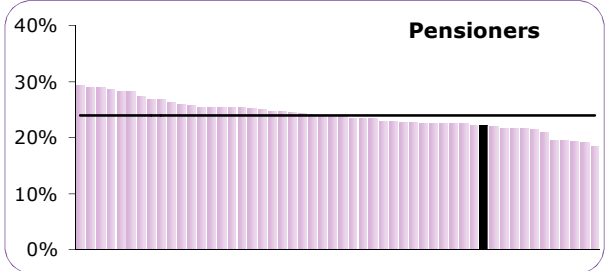
## MEMBERS LGPS / ADMIN FTE



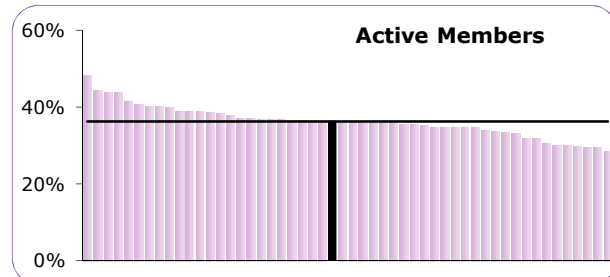
## PAYROLL COST / PENSIONER



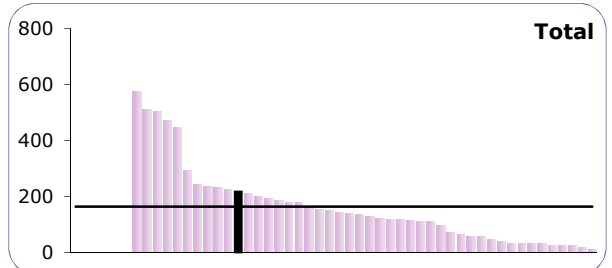
## PENSIONERS AS A % MEMBERS



## ACTIVES AS A % MEMBERS



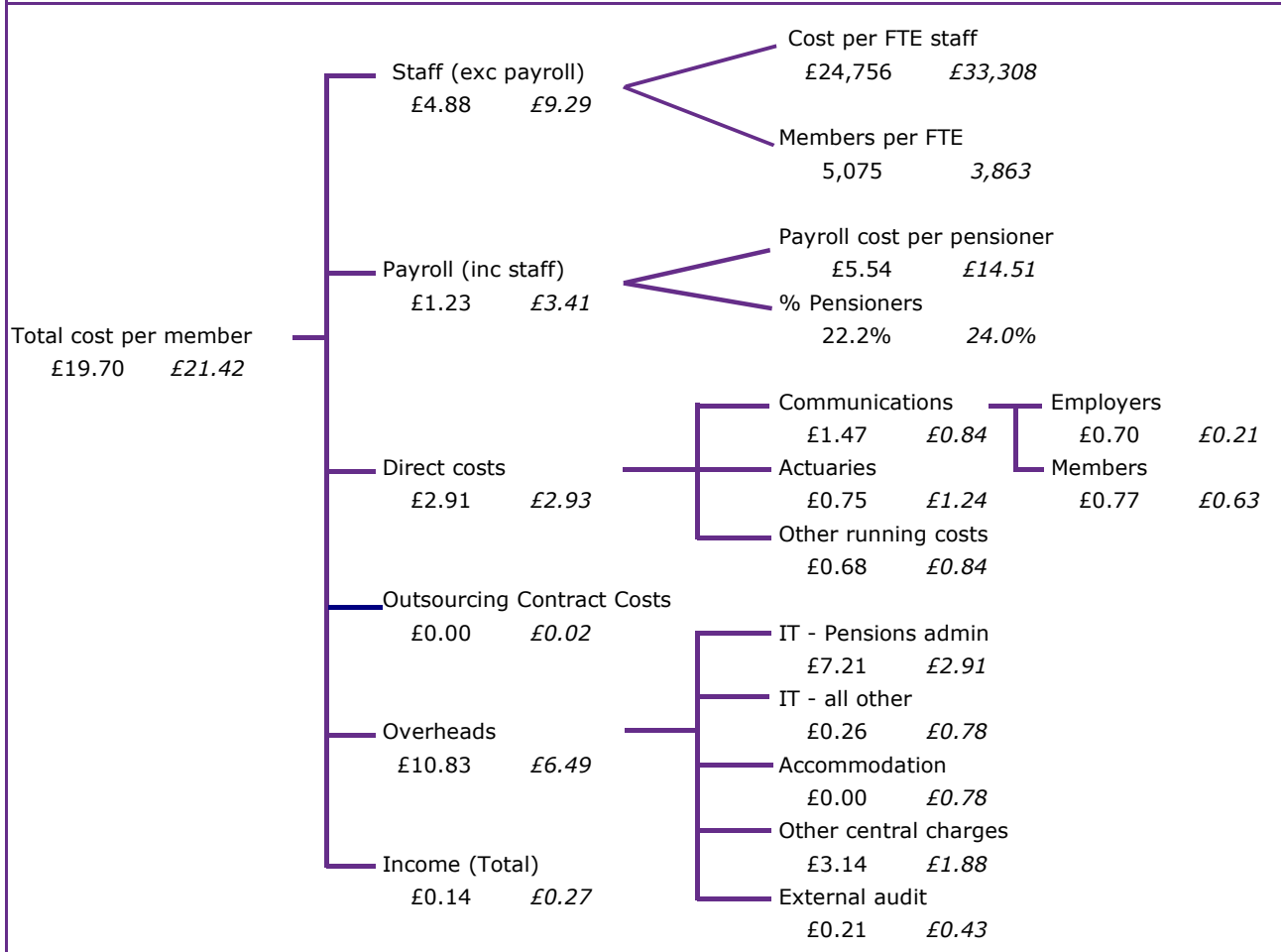
## NUMBER OF LGPS EMPLOYERS



## SECTION 2 - COST MEASURES

### COST/MEMBER TREE 2012-13

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.



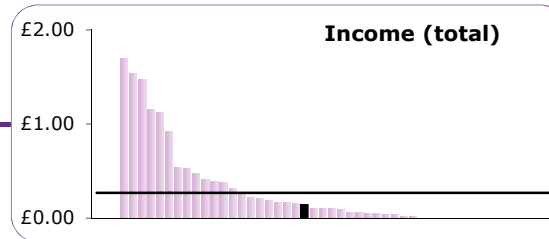
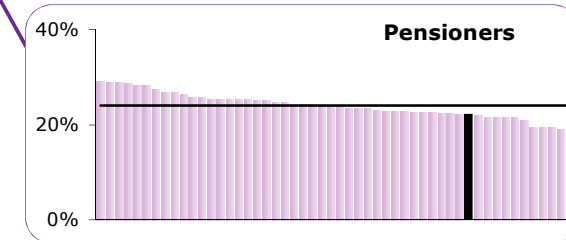
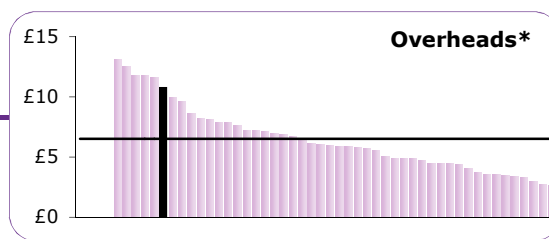
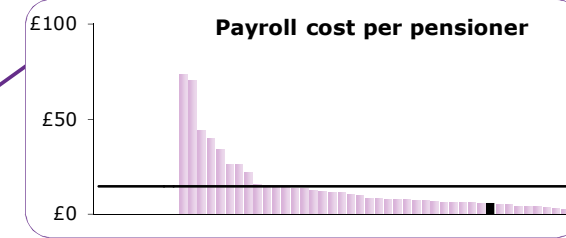
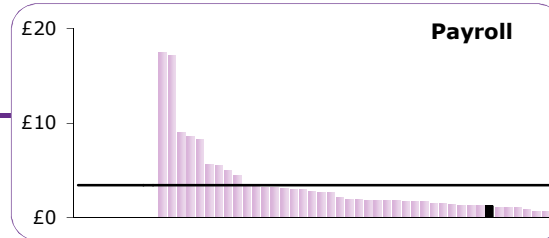
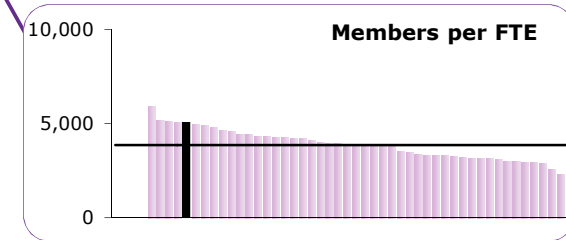
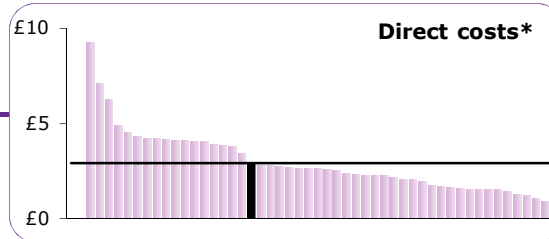
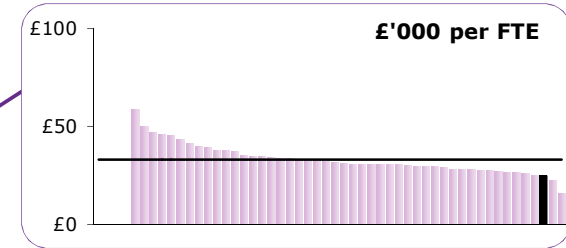
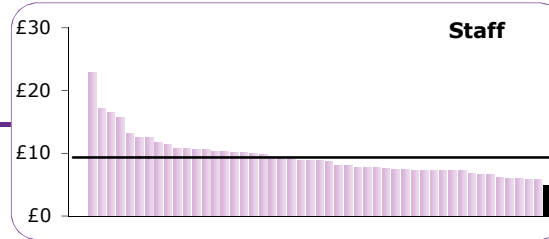
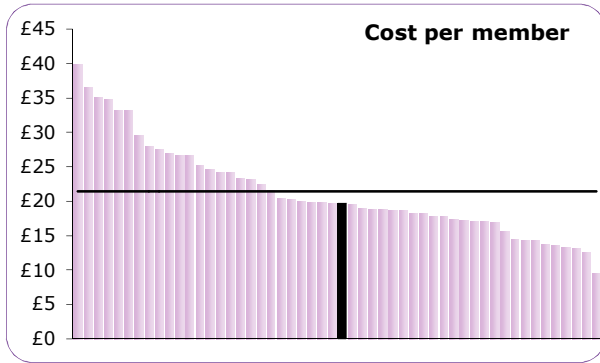
FTE staff	
Pension Section total	30.1
<i>less</i>	
IT staff	3.5
Payroll staff	1.2
Communications staff	4.0
Employing authority work	1.0
Work for other schemes	6.2
Other work	3.0
<b>Admin of LGPS</b>	<b>11.2</b>

Costs £'000	
	£'000
Pension Section total	1,476
<i>less</i>	
Work for other schemes	158
Employing authority work	109
Other work	86
<b>Admin of LGPS</b>	<b>1,123</b>

Scheme membership	
	No.
Active full-time	8,276
Active part-time	12,392
Active Elected members	13
Active total	20,681
Deferred - Staff	19,675
Deferred - Elected Members	5
Pensioners	12,632
Dependants	1,867
Frozen refunds	1,886
Leavers unprocessed	245
<b>Total</b>	<b>56,991</b>

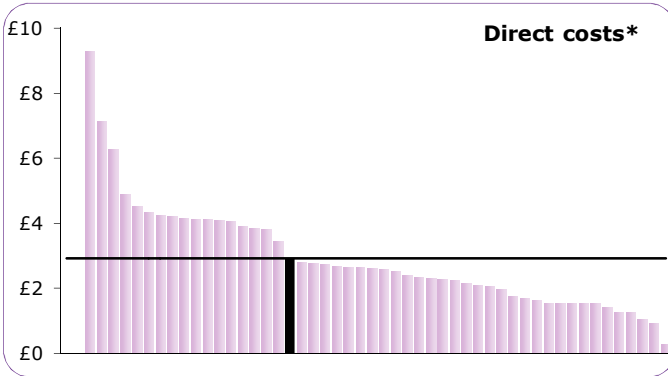
Admin of LGPS costs	
	£'000
Staff - administration	278
Staff - payroll	42
Payroll	28
Communications (Total)	84
Actuaries	43
External audit	12
Outsourcing contract costs	-
Other running costs	39
IT - Pensions admin	411
IT - All other	15
Accommodation	-
Other central charges	179
Income - Members	1
Income - Employers	0
<b>Total</b>	<b>1,123</b>

# COST PER MEMBER 2012-13

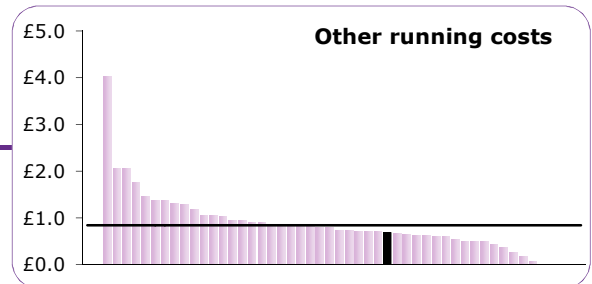
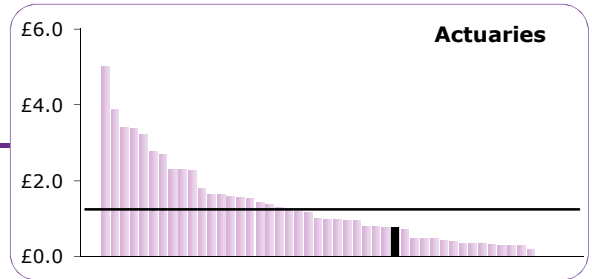
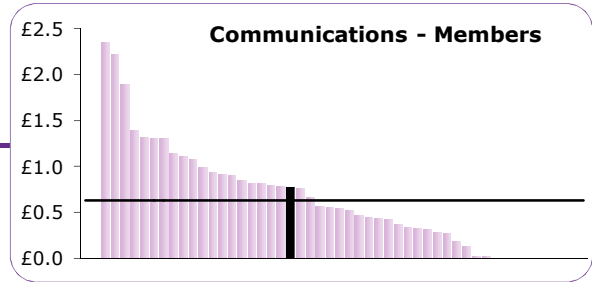
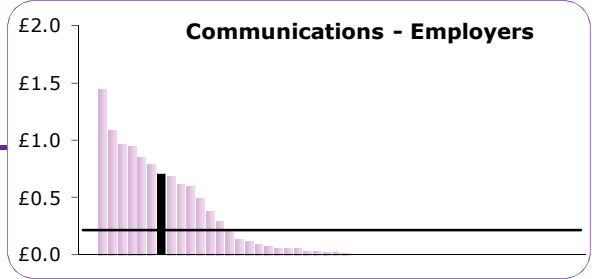


\* For a breakdown of direct costs and overheads see following pages

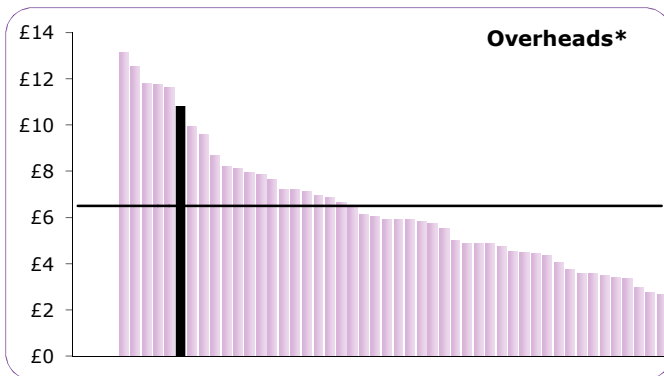
## COSTS PER MEMBER - Direct costs 2012-13



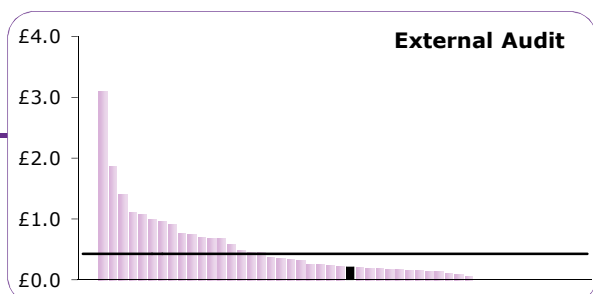
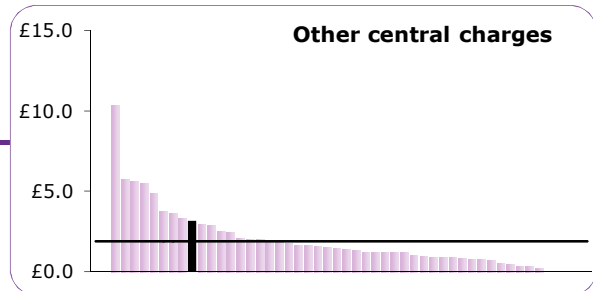
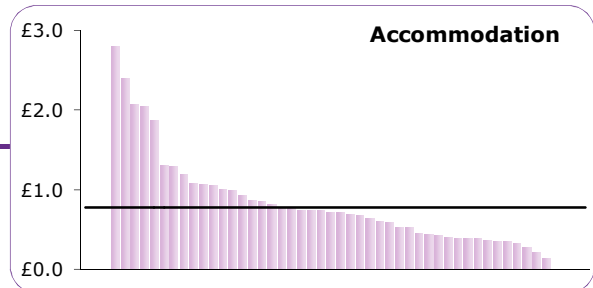
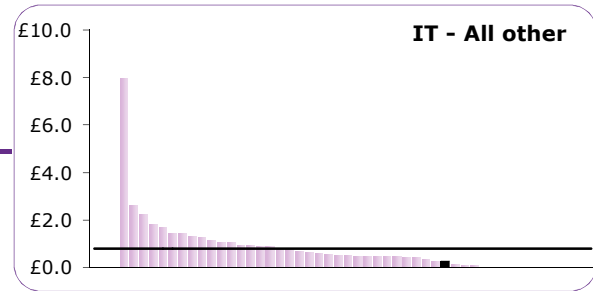
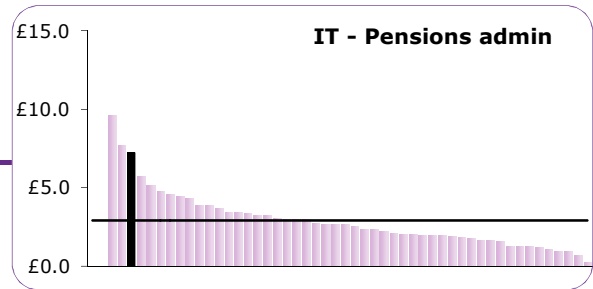
Direct costs	£'000	£	Avg
Communications			
- Employers	40	£0.70	£0.21
- Members	44	£0.77	£0.63
- Subtotal	84	£1.47	£0.84
Actuaries	43	£0.75	£1.24
Other running costs	39	£0.68	£0.84
<b>Total</b>	<b>166</b>	<b>£2.91</b>	<b>£2.93</b>



## COSTS PER MEMBER - Overheads 2012-13



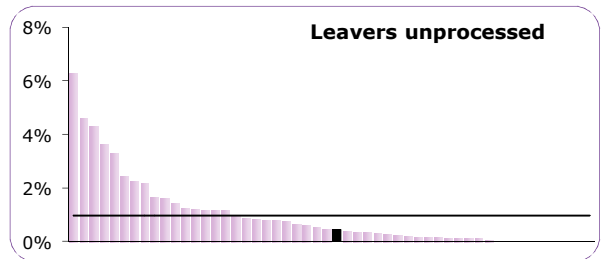
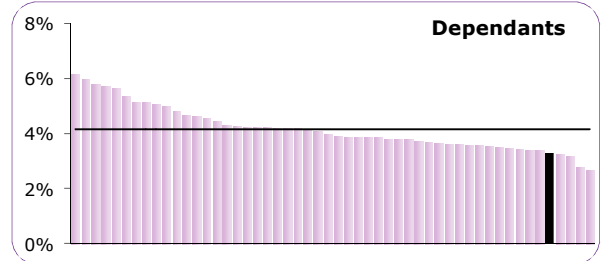
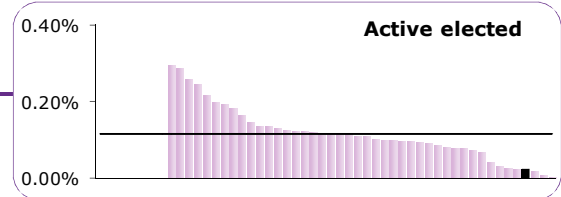
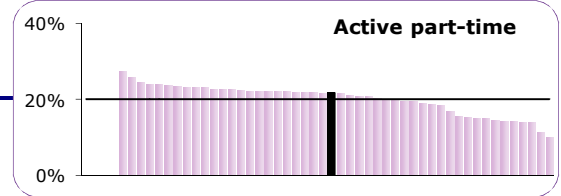
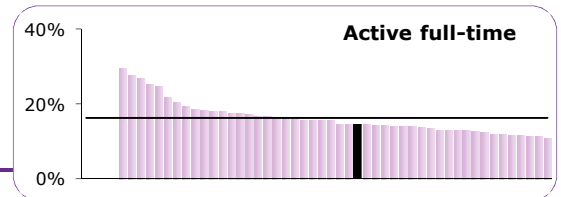
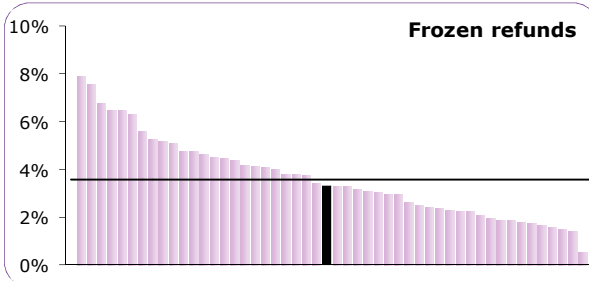
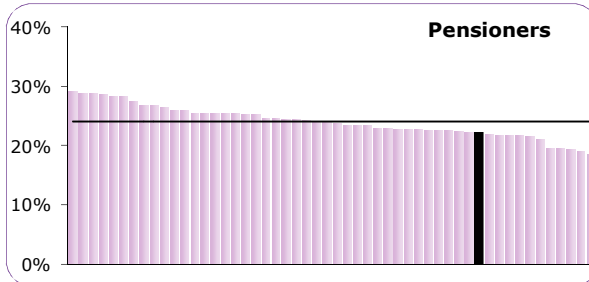
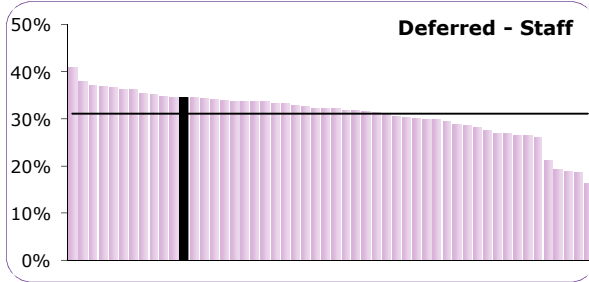
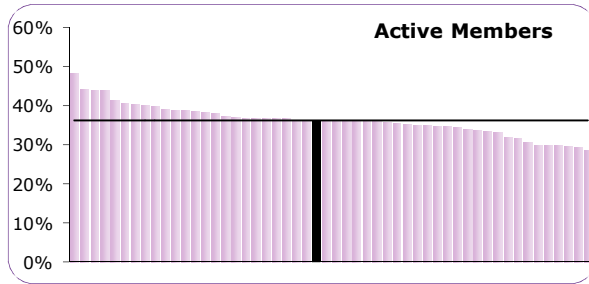
Overheads	£'000	£	Avg
IT - Pensions admin	411	£7.21	£2.91
IT - All other	15	£0.26	£0.78
Accommodation	-	£0.00	£0.78
Other central charges	179	£3.14	£1.88
External audit	12	£0.21	£0.43
<b>Total</b>	<b>617</b>	<b>£10.83</b>	<b>£6.49</b>



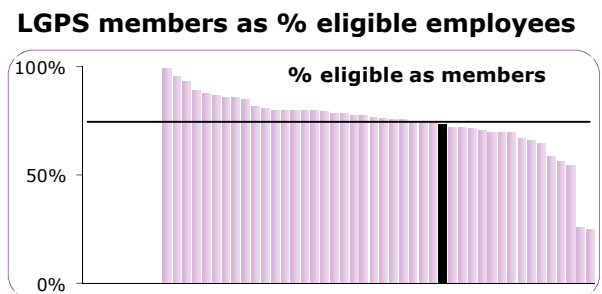


## SECTION 3 - WORKLOAD MEASURES

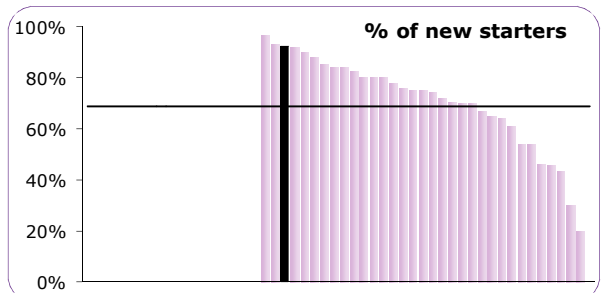
### COMPOSITION OF MEMBERS AS AT 31/03/13



Composition of members			
	No.	%	Avg
<b>Active:</b>			
- full-time	8,276	15%	16%
- part-time	12,392	22%	20%
- no. of elected Members	13	0.0%	0.1%
<b>- sub-total</b>	<b>20,681</b>	<b>36%</b>	<b>36%</b>
<b>Deferred:</b>			
- Staff	19,675	35%	31%
- Elected Members	5	<min	0%
Pensioners	12,632	22%	24%
Dependants	1,867	3.3%	4.2%
Frozen refunds	1,886	3.3%	3.6%
Leavers unprocessed	245	0.4%	1.0%
<b>Total</b>	<b>56,991</b>		

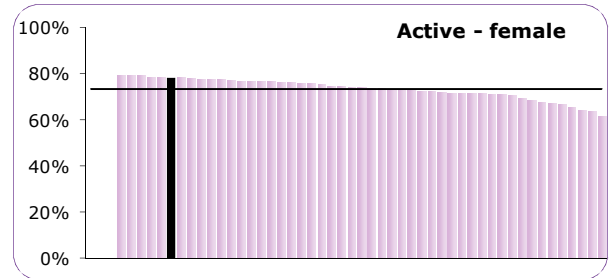
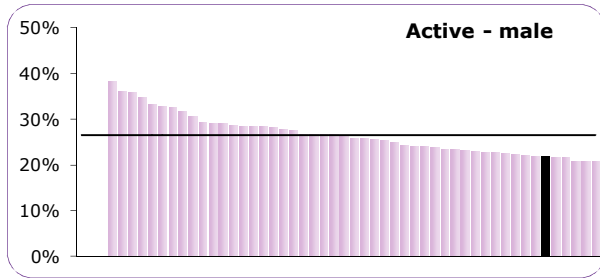


Buckinghamshire 73% Avg 75%



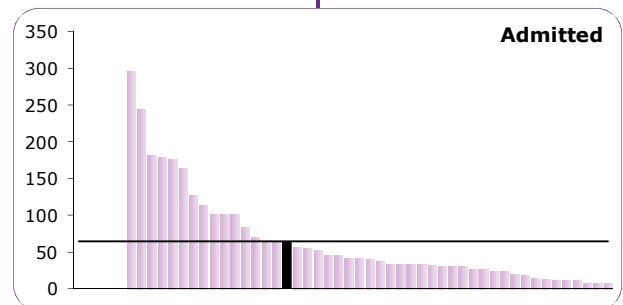
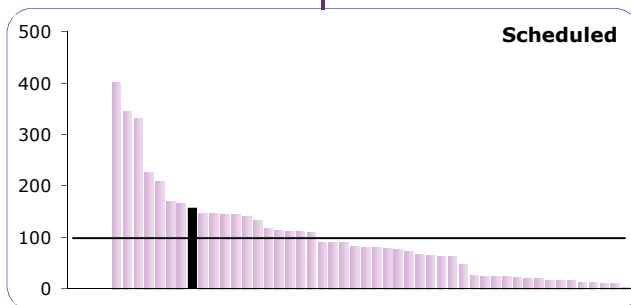
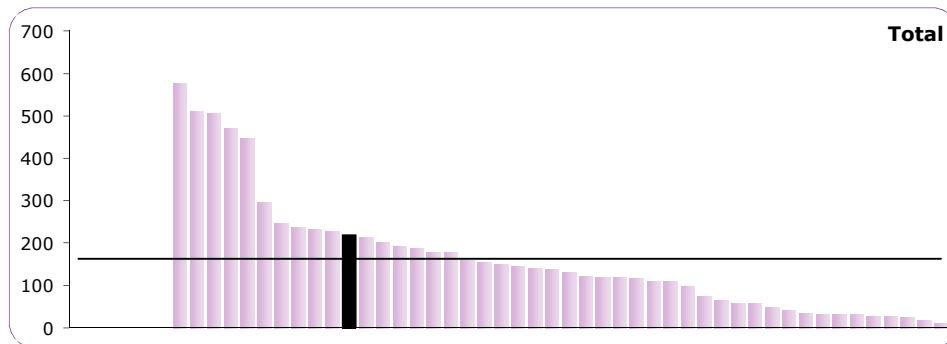
Buckinghamshire 92% Avg 69%

## COMPOSITION OF MEMBERS AS AT 31/03/13



Composition of active members			
	No.	%	Avg
Male	4,496	22%	27%
Female	16,185	78%	73%

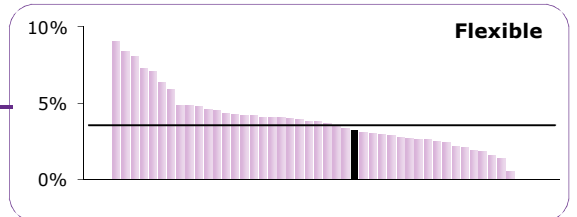
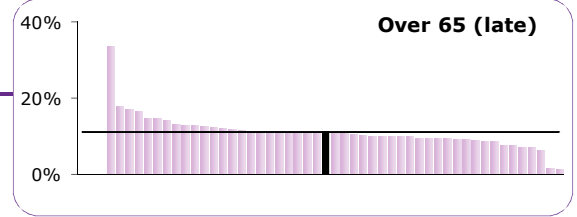
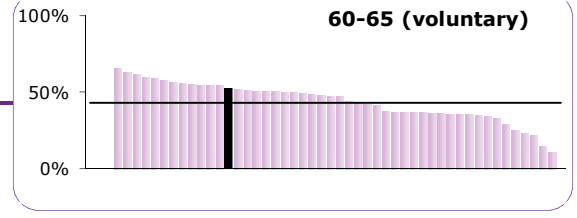
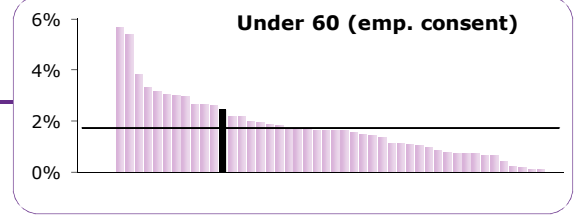
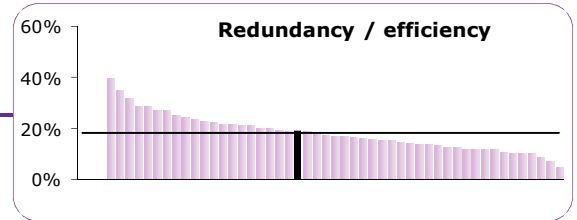
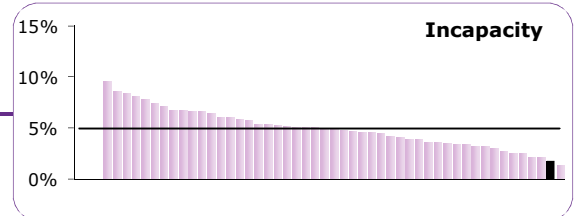
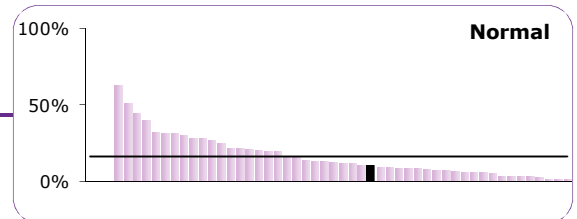
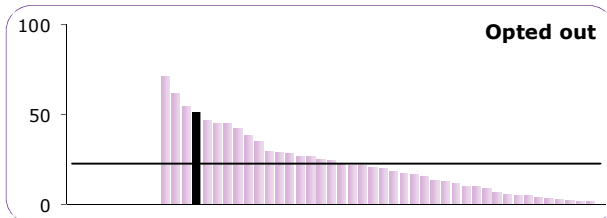
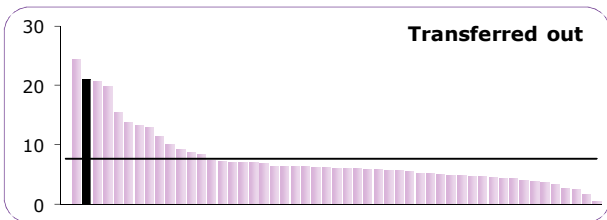
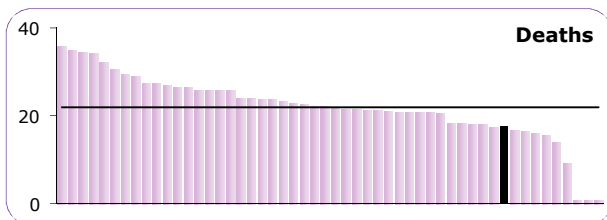
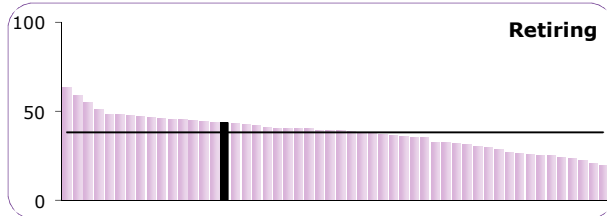
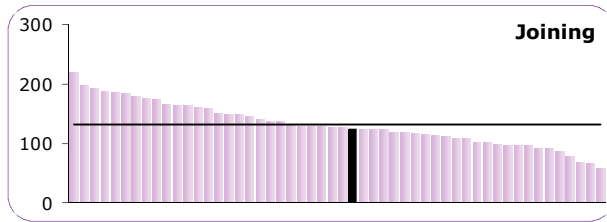
## NUMBER OF LGPS EMPLOYERS AS AT 31/03/13



LGPS employers (31/3/13)						
	No.	Avg	of which:	No.	%	Avg
Scheduled	157	99	Local Authorities	52	33%	12%
Admitted	63	64	Transferee	30	48%	41%
<b>Total</b>	<b>220</b>	<b>163</b>				

Employer changes 2012/13						
	Applied		Admitted		Leaving	
	No.	Avg	No.	Avg	No.	Avg
Scheduled	17	14	15	15	13	2
Admitted	5	7	5	6	-	2

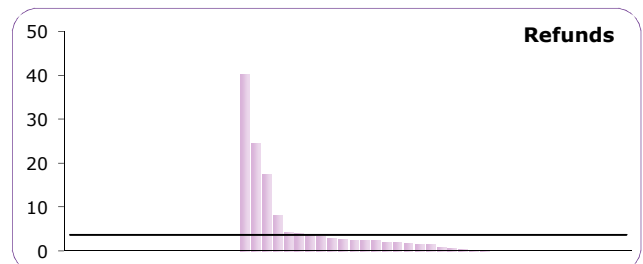
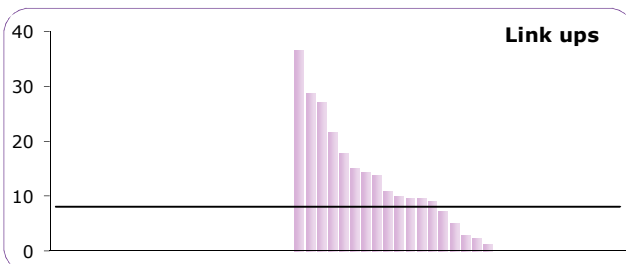
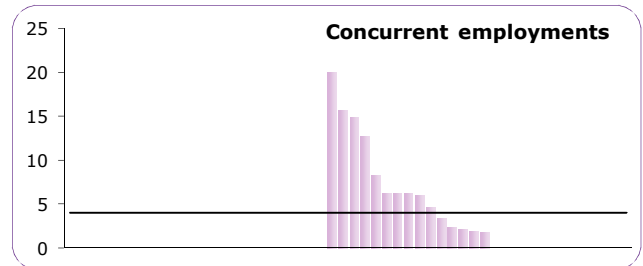
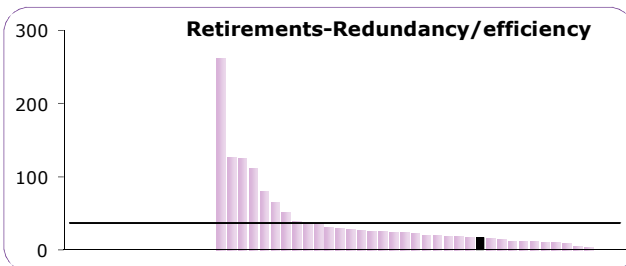
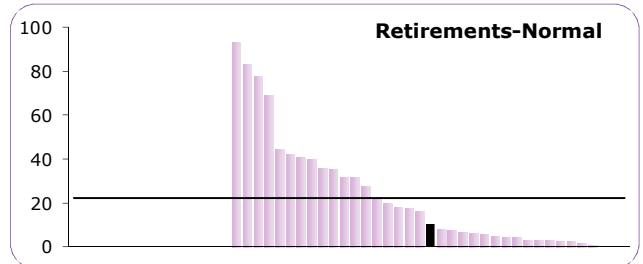
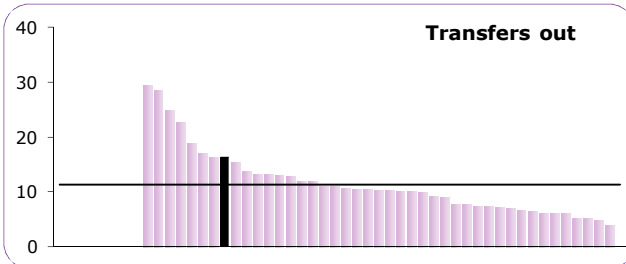
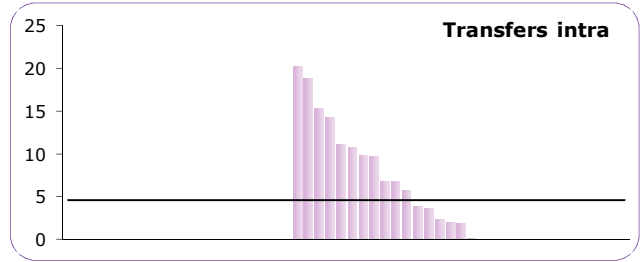
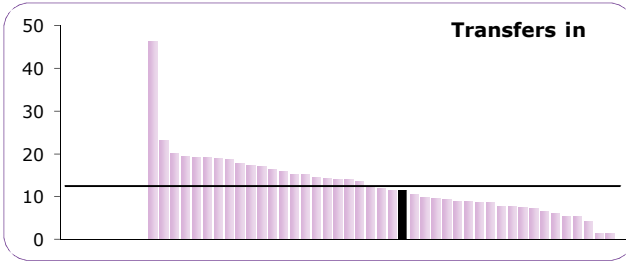
## JOINERS & LEAVERS (per '000 active members)



Joiners & leavers (per '000 active members)			
	No.	'000	Avg
Joining	2,568	124	132
Retiring	903	44	38
Deaths	361	17	22
Transferred out	435	21	8
Opted out	1,061	51	23

Retirements			
	No.	%	Avg
Normal	93	10%	16%
Incapacity/ill-health	16	2%	5%
Redundancy/efficiency	172	19%	18%
Under 60 (emp. consent)	22	2.4%	1.7%
60-65 (voluntary)	472	52%	43%
Over 65 (late)	99	11%	11%
Flexible	29	3.2%	3.6%

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

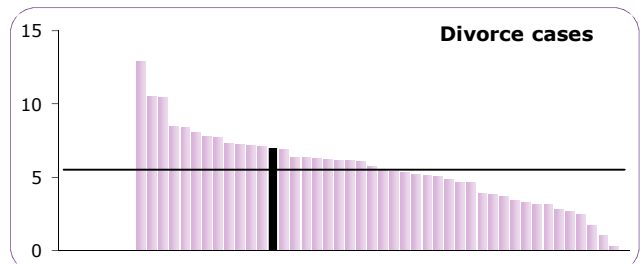


### Active members

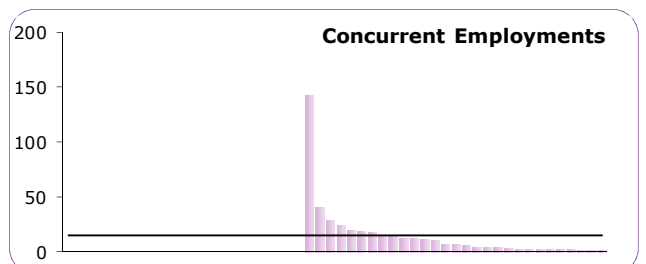
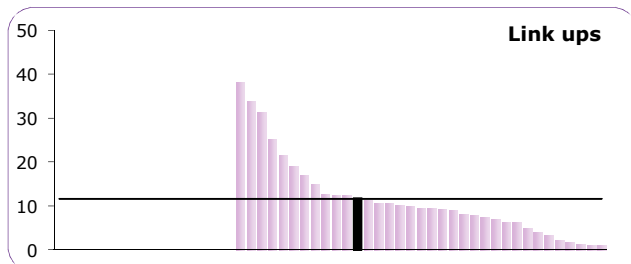
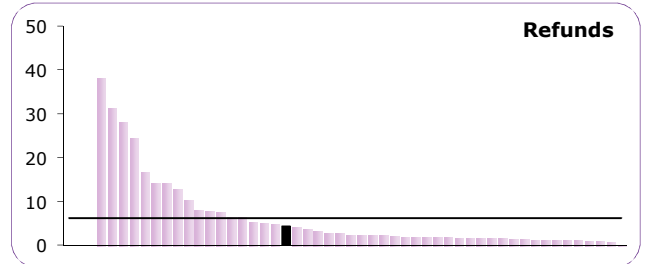
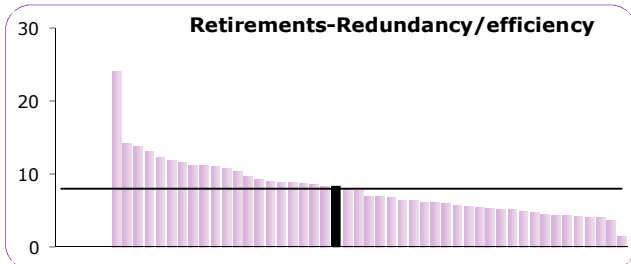
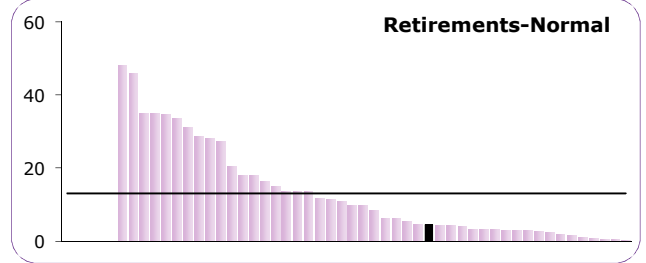
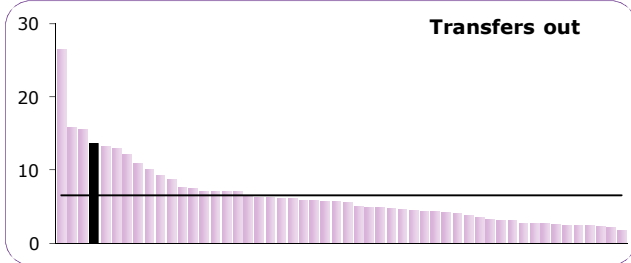
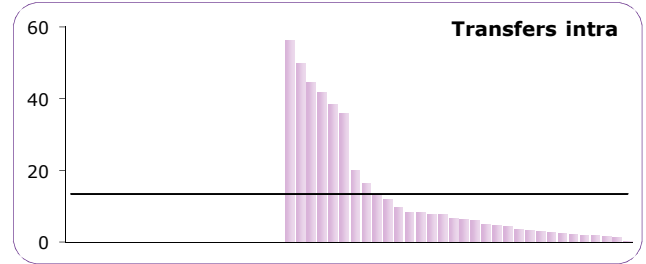
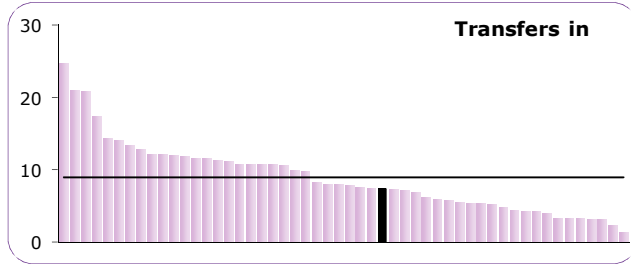
20,681

### Quotations provided

	No.	'000	Avg
Retirements:			
- Normal	210	10	22
- Incapacity/ill-health	20	1	3
- Redundancy/efficiency	335	16	36
- Felxible	58	3	2
- All other	588	28	21
Transfers in	235	11	13
Transfers out	337	16	11
Transfers intra	-	-	5
Link ups	-	-	8
Concurrent employments	-	-	4
Refunds	-	-	4
Divorce cases	144	7	5
Deaths in service	2	0	0
Deaths of pensioners	-	-	2



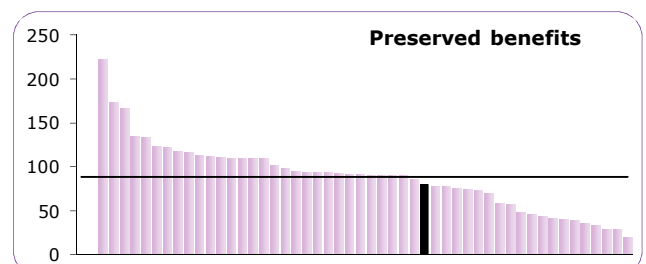
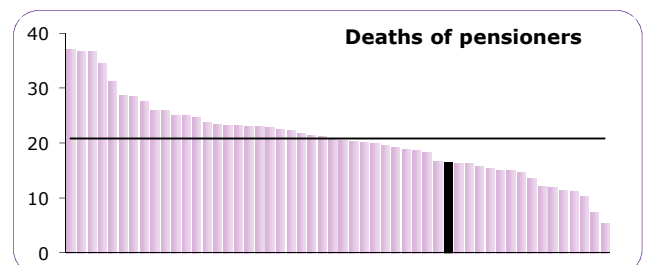
## NUMBER OF ACTUAL EVENTS (per '000 active members)



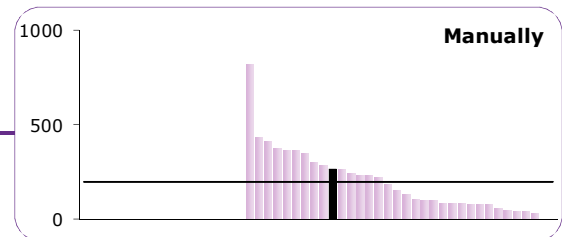
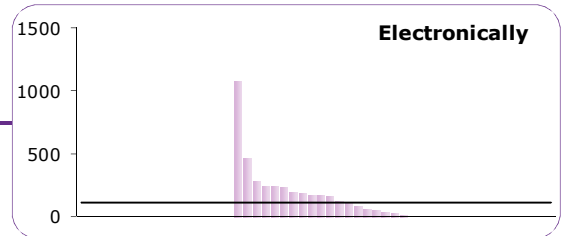
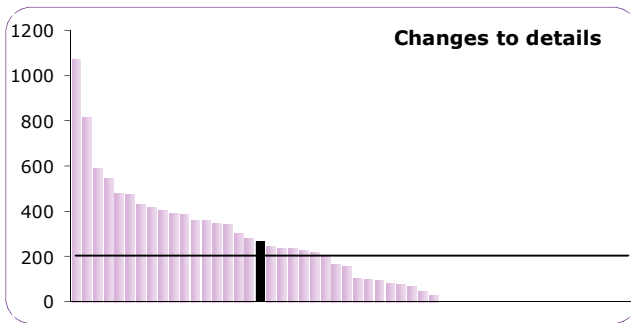
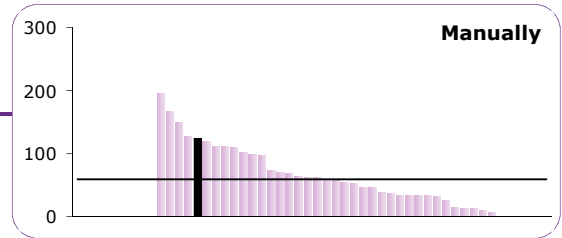
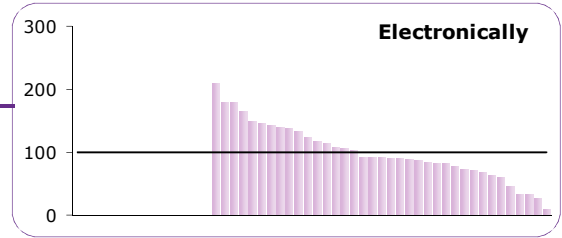
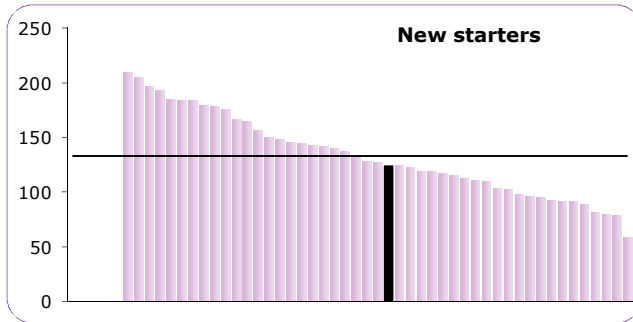
### Active members

20,681

Actual events	No.	'000	Avg
Retirements:			
- Normal	93	4	13
- Incapacity/ill-health	16	1	2
- Redundancy/efficiency	172	8	8
- Flexible	29	1	2
- All other	593	29	17
Transfers in	153	7	9
Transfers out	282	14	7
Transfers intra	-	na	13
Link ups	248	12	12
Concurrent Employments	-	na	15
Refunds	93	4	6
Frozen refunds	86	4	3
Preserved benefits	1,650	80	88
Divorce cases	6	0	1
Deaths in service	19	1	1
Death of pensioners	342	17	21
Single Status / Job Evaluation	-	na	0



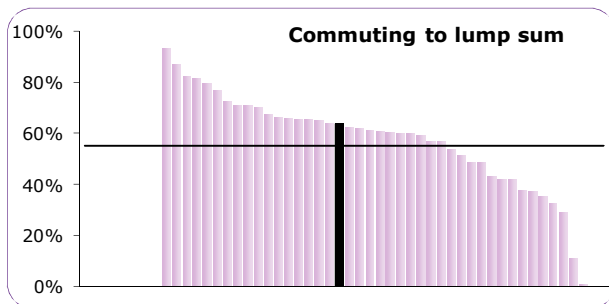
**ACTUAL CALCULATIONS (per '000 active members)**



Active members
20,681

**RETIREMENTS**

**Retirements commuting to lump sum**

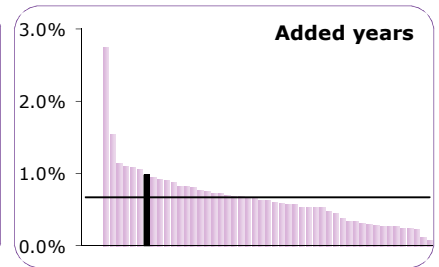
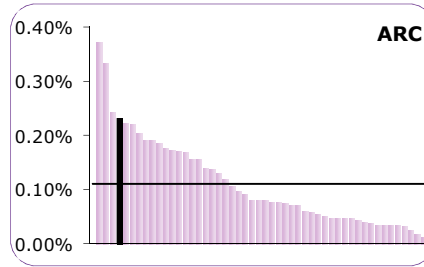
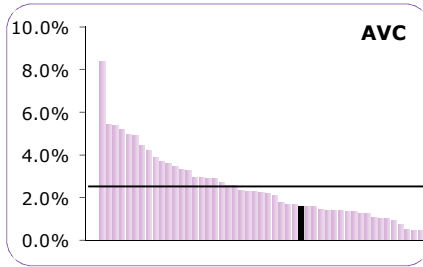


Actual calculations			
	No.	'000	Avg
<b>New starters</b>	2,568	124	133
- electronically	-	na	100
- manually	2,568	124	60
<b>Changes to details</b>	5,473	265	203
- electronically	-	-	112
- manually	5,473	265	195

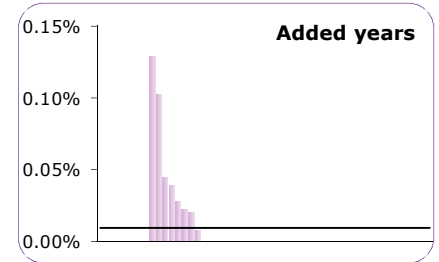
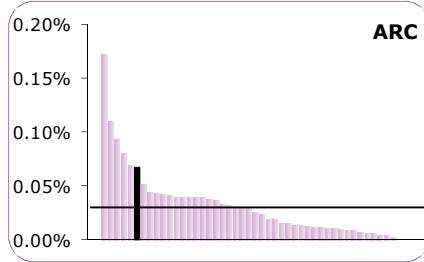
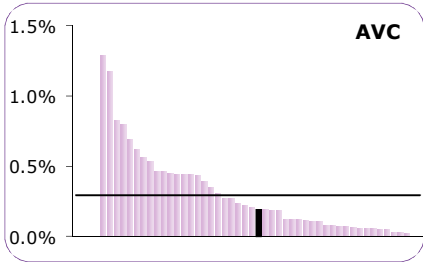
Retirements commuting to lump sum		
Number	% total	Avg
577	64%	55%

## AVCs, ARCs and Added years

### % Currently contributing



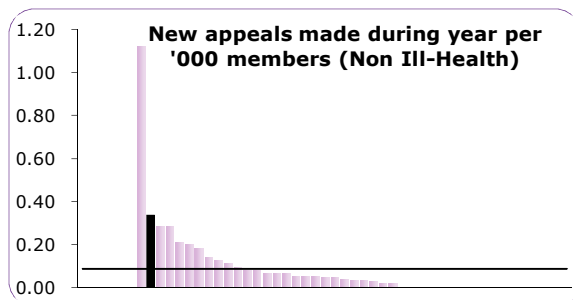
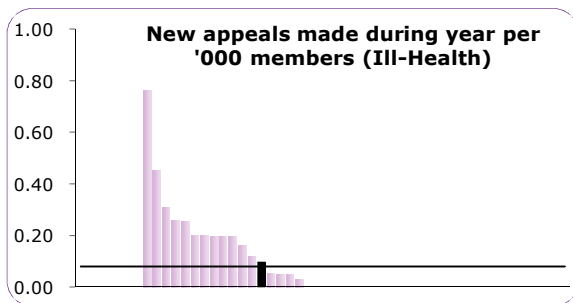
### % New contributors this year



Contributors to AVCs and ARCS			
	No.	%	Avg
<b>Currently contributing</b>			
- AVC	334	1.6%	2.5%
- ARC	48	0.2%	0.1%
- Added years	204	1.0%	0.7%
Total	586	2.8%	3.1%
<b>New contributors this year</b>			
- AVC	41	0.20%	0.29%
- ARC	14	0.07%	0.03%
- Added years	-	0.00%	0.01%
Total	55	0.27%	0.31%

Active members	
	20,681

## APPEALS

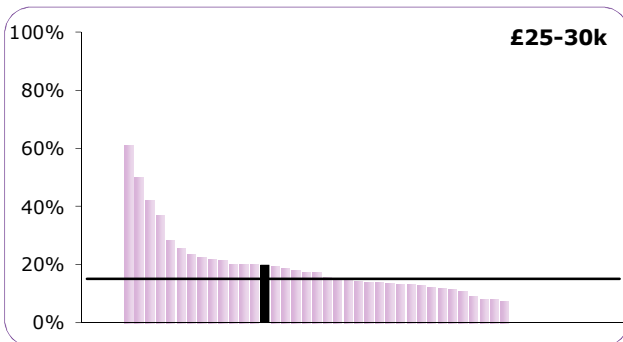
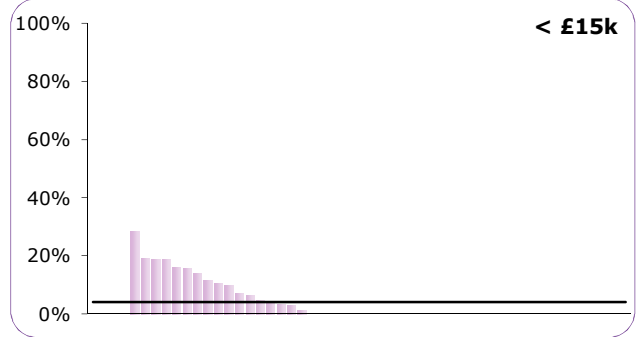
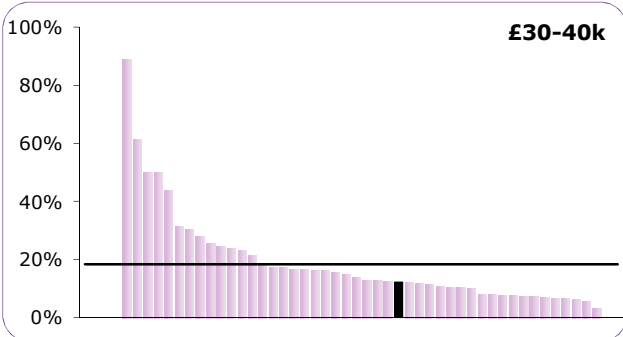
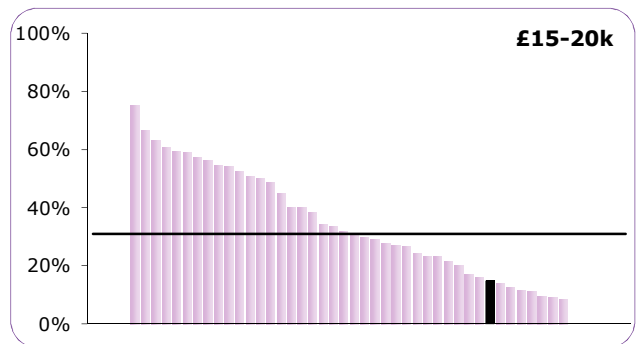
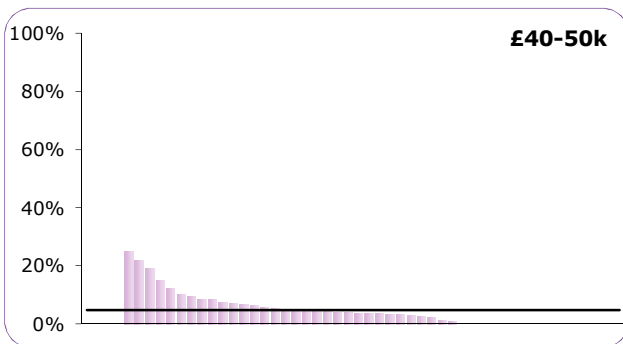
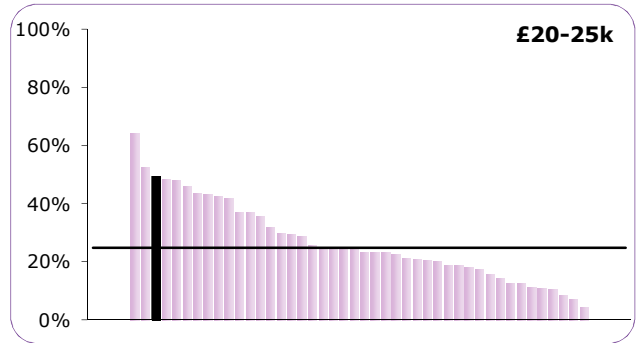
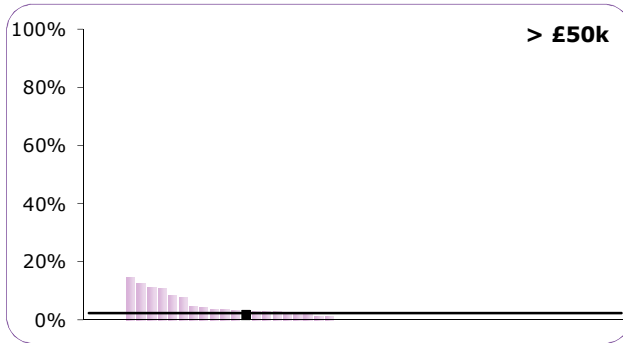


\*Club total: This shows the total for all the Benchmarking Club members 2013.

Number of appeals	No.	Per '000 members	Avg Club*	Club* total
<b>Ill-Health</b>				
In progress at start of year	1	0.05	0.08	31
New appeals during year	2	0.10	0.08	58
<b>Non Ill-Health</b>				
In progress at start of year	1	0.05	0.03	26
New appeals during year	7	0.34	0.09	88
In progress at end of year	3	0.15	0.06	49
<b>1st stage</b>				
Total	8	0.39	0.29	78
Won	7	88%	82%	32
Lost	1	13%	20%	105
<b>2nd stage</b>				
Total	3	0.15	0.15	47
Won	3	100%	83%	13
Lost	..	na	20%	54

## SECTION 4 - STAFF RELATED MEASURES

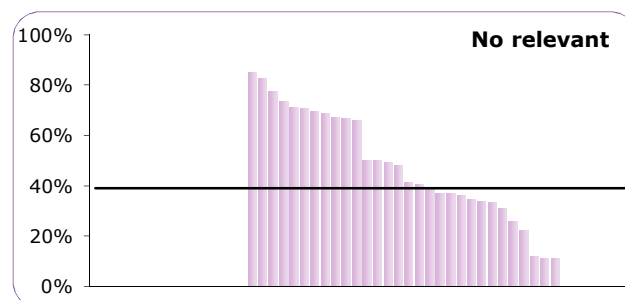
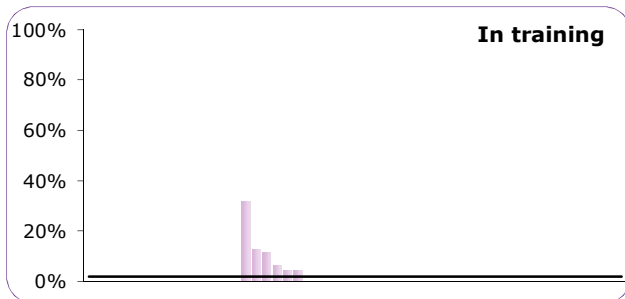
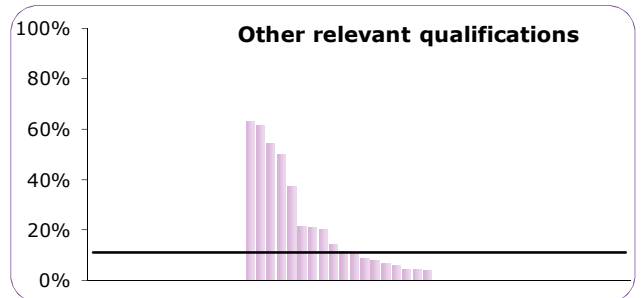
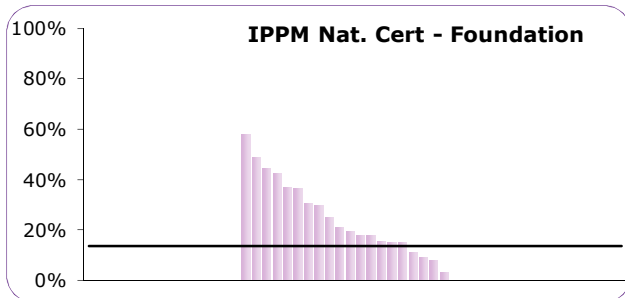
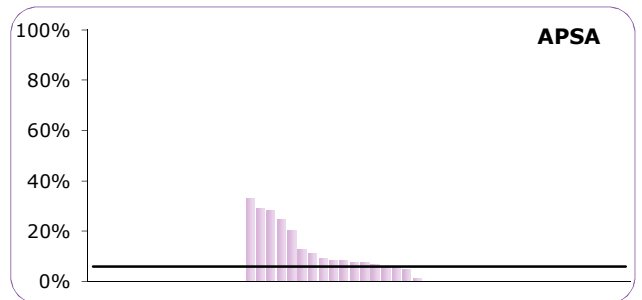
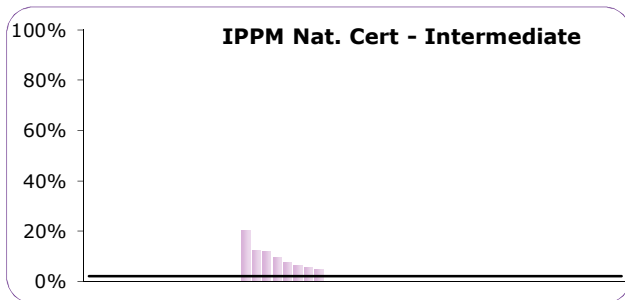
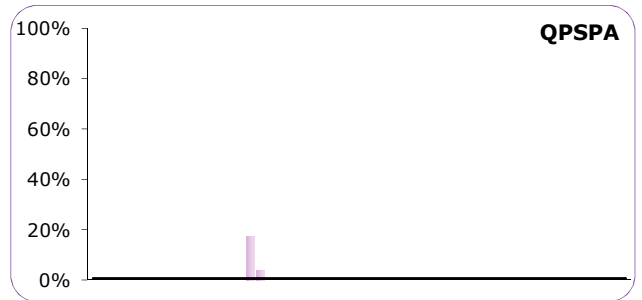
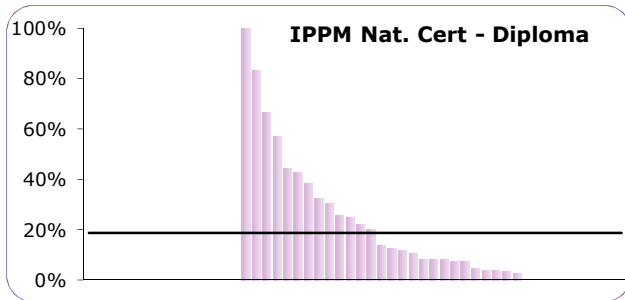
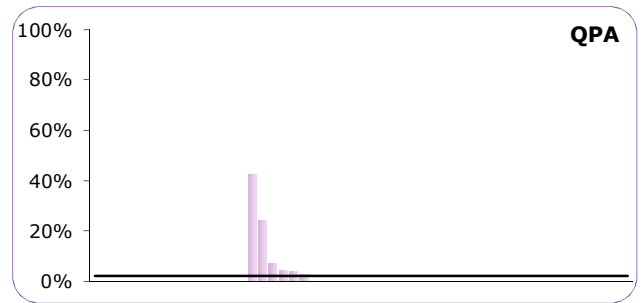
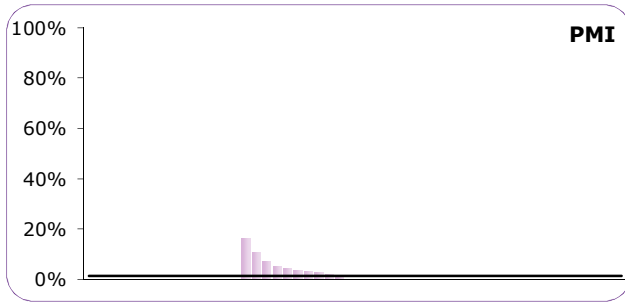
### STAFF PAY



Staff pay			
	FTE	%	Avg
> £50k	1.0	3%	2%
£40-50k	0.0	0%	5%
£30-40k	3.7	12%	18%
£25-30k	6.0	20%	15%
£20-25k	14.9	49%	25%
£15-20k	4.5	15%	31%
< £15k	0.0	0%	4%
<b>Total</b>	<b>30.1</b>		

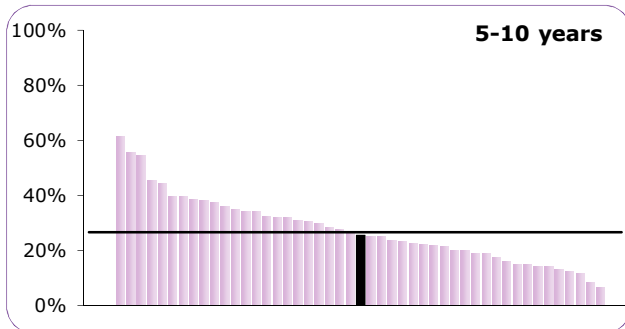
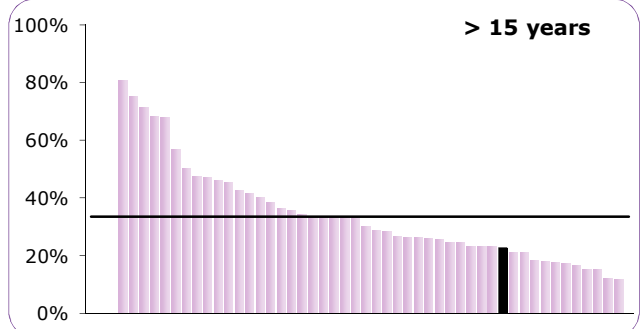
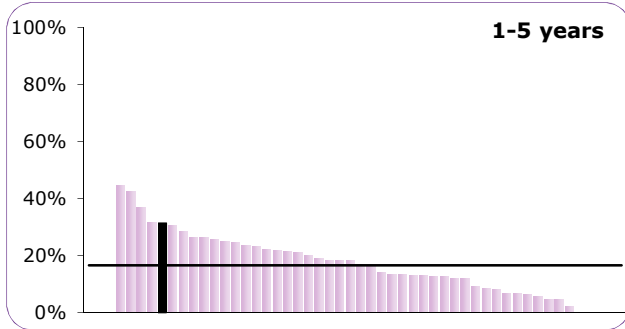
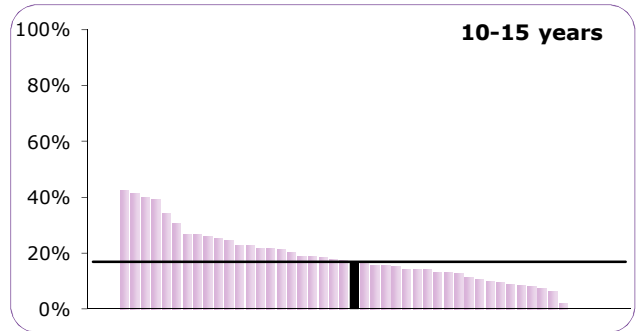
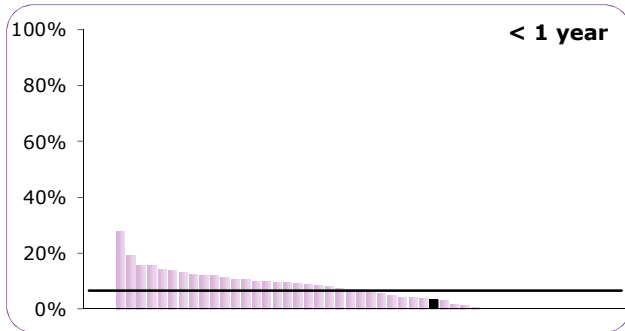


## STAFF QUALIFICATIONS



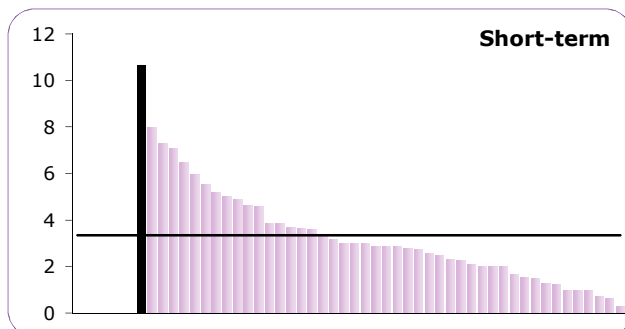
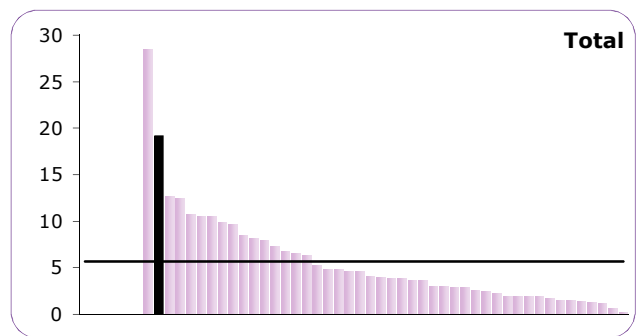
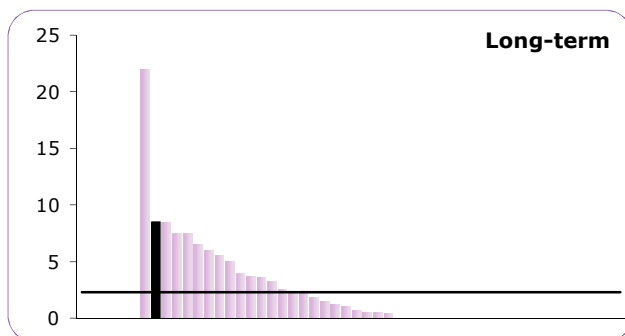
Staff qualifications			
	FTE	%	Avg
PMI	..	na	2%
IPPM Nat. Cert - Diploma	3.9	na	19%
IPPM Nat. Cert - Intermediate	..	na	2%
IPPM Nat. Cert - Foundation	..	na	14%
CIPP Foundation Degree	1.0	na	3%
QPA	..	na	2%
QPSPA	..	na	1%
APSA	..	na	6%
Other relevant	4.9	na	11%
Training	..	na	2%
No relevant	..	na	39%
<b>Total</b>	<b>..</b>		

## STAFF PENSIONS EXPERIENCE



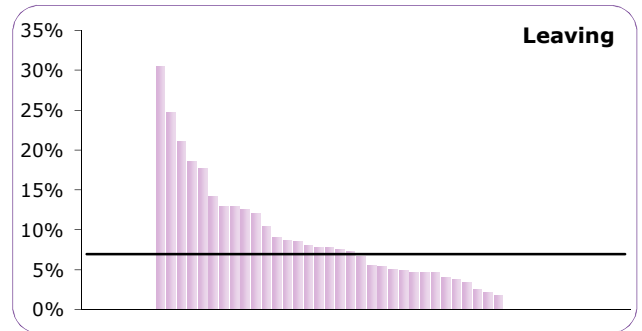
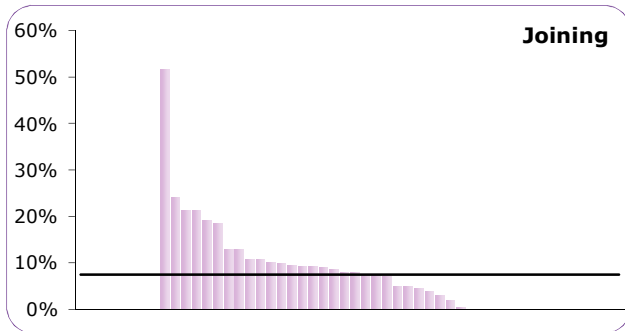
Staff experience	FTE	%	Avg
< 1 year	1.0	3%	7%
1-5 years	9.5	32%	17%
5-10 years	7.7	26%	27%
10-15 years	5.0	17%	17%
> 15 years	6.9	23%	33%
<b>Total</b>	<b>30.1</b>		

## SICKNESS ABSENCE - Lost days per FTE employee



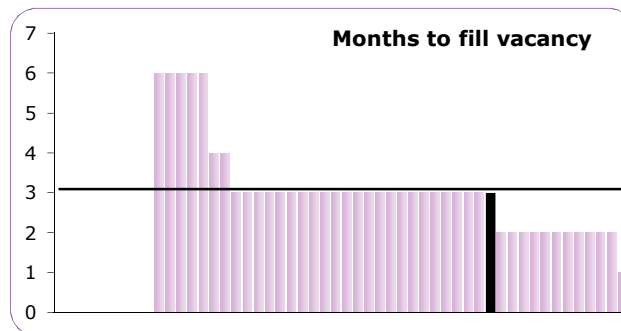
Sickness absence	Days/FTE	Avg
Long-term sickness	8.5	2.3
Short-term sickness	10.7	3.3
<b>Total</b>	<b>19.2</b>	<b>5.6</b>

## STAFF TURNOVER



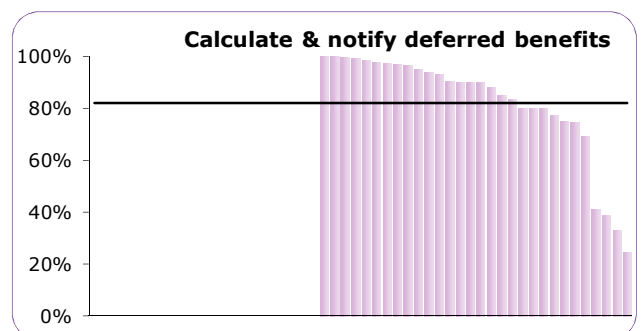
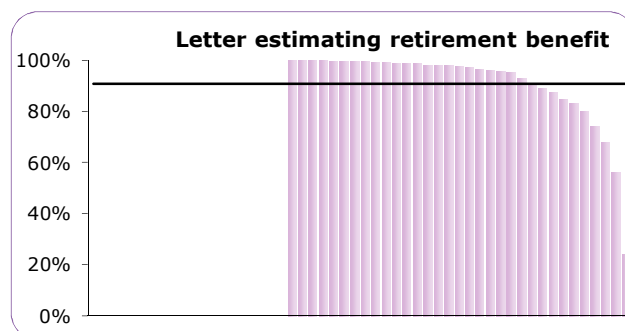
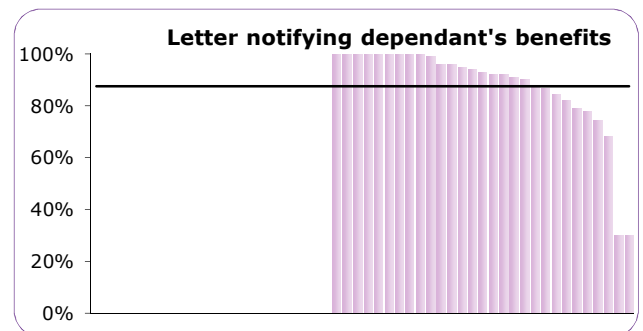
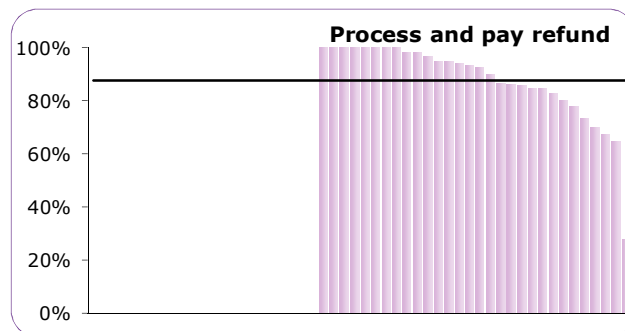
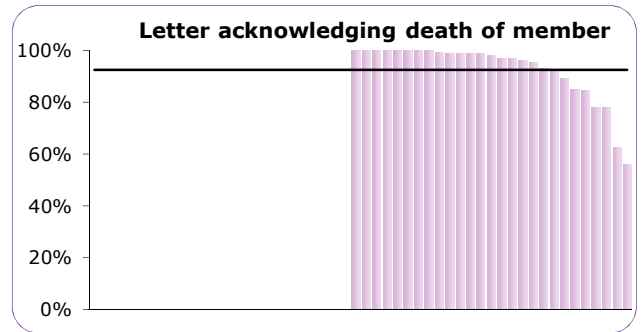
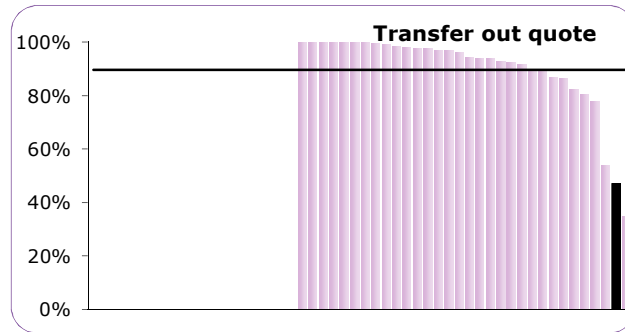
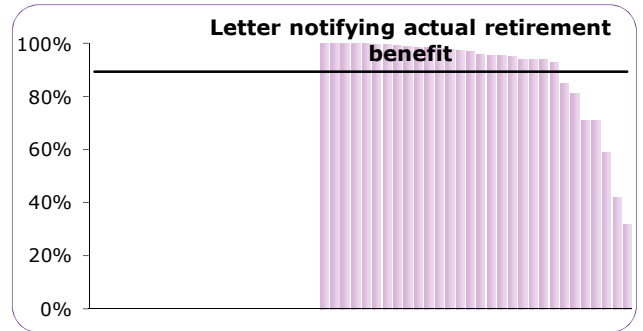
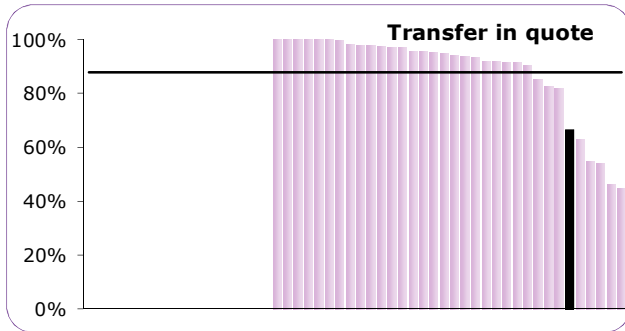
Staff turnover			
	FTE	%	Avg
Total Section FTE	30.1		
Joining Section	0.0	0.0%	7.6%
Leaving Section	0.0	0.0%	6.9%

## VACANCIES



Average time to fill vacancy		
	Months	Avg
	3.0	3.1

## SECTION 5 - INDUSTRY STANDARD PI's



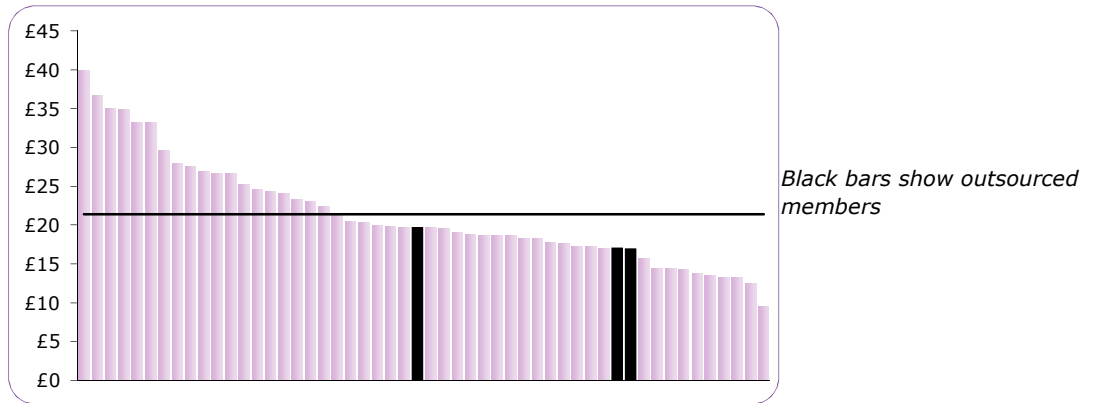
Industry Standard PI's	Target	Achieved	Avg
Letter detailing transfer in quote	10 days	66.7%	87.9%
Letter detailing transfer out quote	10 days	47.3%	89.8%
Process and pay refund	5 days	..	87.6%
Letter notifying <b>estimate</b> of retirement benefit	10 days	..	90.8%
Letter notifying <b>actual</b> retirement benefit	5 days	..	89.5%
Process and pay lump sum retirement grant	5 days	..	90.9%
Letter acknowledging death of member	5 days	..	92.4%
Letter notifying amount of dependant's benefits	5 days	..	87.5%
Calculate and notify deferred benefits	10 days	..	81.9%

# SECTION 6 - COMPARISON BY METHOD OF SERVICE DELIVERY

## COMPARISON OF OUTSOURCED/IN-HOUSE MEMBERS

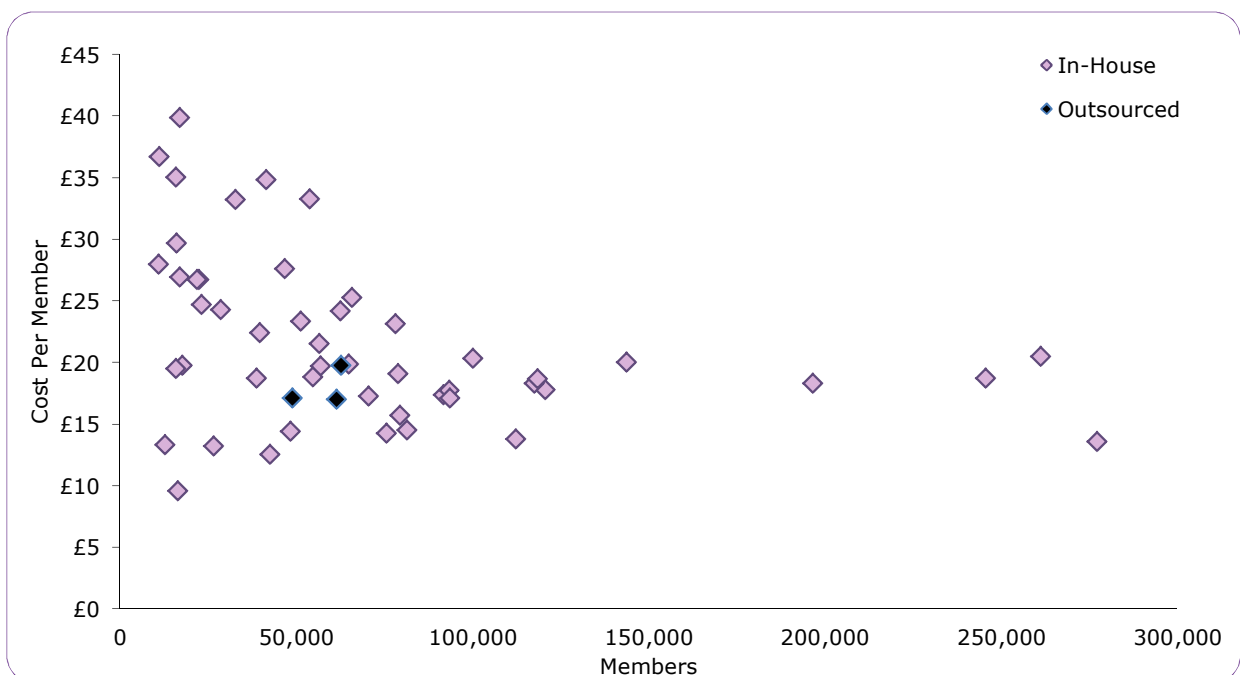
Total members with data:	53
Outsourced members:	3

## LGPS ADMIN COST PER MEMBER (INCLUDING PAYROLL)



	Cost	Members	Cost per Member
Buckinghamshire	£1,123	56,991	£19.70
Club average	£1,360	70,449	£21.38
Outsourced average	£1,041	57,780	£17.94
In-house average	£1,380	71,241	£21.60

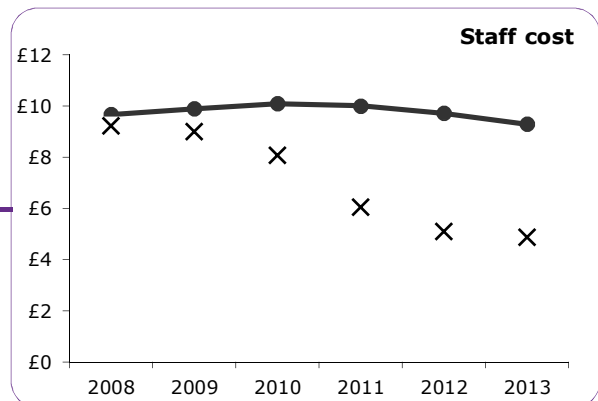
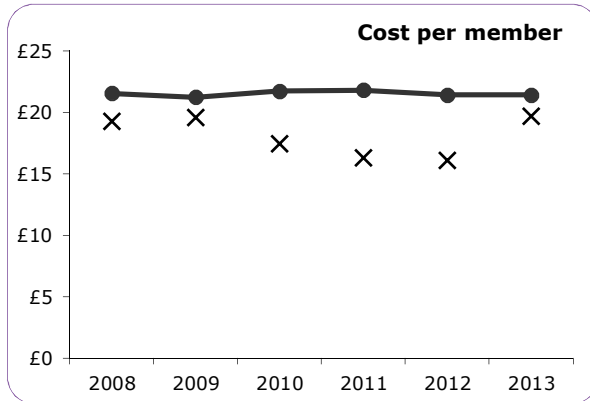
## COST PER MEMBER COMPARED WITH NUMBER OF MEMBERS



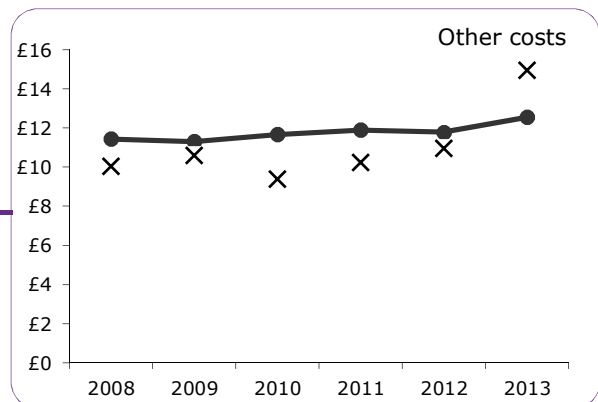
## SECTION 7 - TIMESERIES

The 2013 averages are the actual club averages.

For previous years, the averages shown here are scaled up or down from the 2013 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						
	2008	2009	2010	2011	2012	2013
Members	46,062	48,473	50,340	53,163	54,759	56,991
Net cost (£'000)	888k	950k	879k	866k	880k	1,123k
Cost per member	£19.27	£19.60	£17.47	£16.28	£16.08	£19.70
Average	£21.54	£21.24	£21.73	£21.80	£21.41	£21.42
Staff cost	£9.23	£8.99	£8.07	£6.06	£5.11	£4.88
Average	£9.67	£9.89	£10.09	£10.01	£9.72	£9.29
Other costs	£10.05	£10.61	£9.40	£10.22	£10.96	£14.95
Average	£11.44	£11.30	£11.66	£11.90	£11.78	£12.55