



Report to Pension Fund Board

Date: 23 July 2020

Reference number: N/A

Title: Administration Performance Statistics

Relevant councillor(s): N/A

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Ward(s) affected: N/A

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

Executive summary

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

Content of report

- 1.2 The following areas of performance have been covered in this report:

[Incoming Communications](#)

[Workload/Performance Measures](#)

[Projects](#)

[Pension Administration Team Structure](#)

[Covid-19 impact](#)

Incoming Communications

We receive a high volume of communications into the Pensions Administration Team from scheme members, employers & others and sub-teams are very proactive in processing these within set timeframes to ensure that requests can be dealt with as quickly and efficiently as possible.

The following table provides an analysis of the incoming communications received between 1 April 2020 and 30 June 2020. From 1 April 2020, we introduced the online facility where scheme members can upload documents via their 'my pension online' account which are directly updated onto their pension records. This allows quicker processing and a reduced level of involvement by the team. So far, this has been utilised by members for a variety of reasons with the highest area being to return completed retirement forms.

Type of incoming communication	Number received
Post	3,438
Pensions Inbox	5,088
Employers Inbox	212
'My Pension Online' registration/query Inbox	3,081
Document uploads via 'My Pension Online'	569
Telephone calls	2,930
Total Communications	15,318
<i>Ave. Daily Communications</i>	<i>251</i>

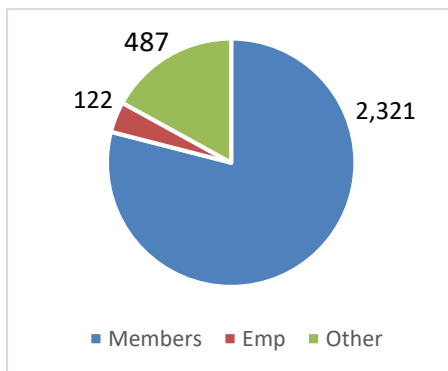
There was a significant increase in post received this quarter in comparison to previous quarters where the average incoming post is around 2600 items. In March 2020, the pensioner In-Touch newsletter was issued to all pensioner scheme members. This advised them that the 2019/20 P60 would be the last issued as a paper copy and going forward these would be issued via the online portal unless they have opted out of this service. This resulted in an increase in the number of pensioner opt-outs received during April 2020 and some days increased post from an average of 40 items received to 400.

Each sub-team that is responsible for the areas of communication above have a set target for responding or dealing with the communication within. The table below provides details of the targets and performance against these targets within the period 1 April 2020 to 30 June 2020.

Type of incoming communication	Target	Achieved
Post	Same day*	100%
Pensions Inbox	Same day*	100%
Employers Inbox	10 working days	100%
'My Pension Online' registration/query Inbox	Same day	100%
Document uploads via 'My Pension Online'	1 working day	97.69%
Telephone calls	Ave queue time < 40 sec	49 sec
	Ave calls answered > 97%	95%

*The same day target is for Pensions Assistants to process each individual item by uploading the document to the scheme members pension record and creating the relevant workflow/updating the existing workflow.

The average call queue time is higher than aimed for & average calls answered lower than the target however during the period of reporting we were operating with two Member Liaison Officers in post rather than three. We have now successfully recruited to the vacant post and have had three in post since 15 June 2020. It is expected that the average queue time will reduce over the next quarter.



Of the 2,930 calls received, most of these calls were from scheme members as shown on the chart. Almost 50% of the member calls were from pensioner scheme members which was a considerable increase from previous months, this was due to pensions increase & P60 queries.

The 'other' category relates to calls from Financial Advisors, Next of Kin of scheme members and calls from other pension providers

Workload/Performance Measures

The Board has previously been advised that a review of all workflow processes on our pension software system has been taking place over the past year or so. The aim was to replace all existing processes with new 'cases' that are in line with current procedures, provide checklists for officers undertaking the work & to also allow reporting against targets. The review was completed in April 2020 and all workflow processes are up to date. For reporting purposes, this allows us to keep track of the level of cases being started & complete within a period and also to report against the turnaround targets that have been set. This new workflow also allows us to 'exclude' any out of office time such as when we are waiting on information from an employer or scheme member, to allow in department performance to be measured.

The table below provides the Board with statistics relating to all areas of pension administration workloads based on in department turnaround times.

Retirements

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
<i>Active Scheme Member</i>					
Retirement pack issued	10	97%			
Admin process completed	20	90%			
Retirement payroll process completed	5	93%			
Whole Retirement process	25	90%	252	246	254
<i>Deferred Scheme Member</i>					
Retirement pack issued	10	87%			
Admin process completed	20	93%			
Retirement payroll process completed	5	93%			
Whole Retirement process	25	93%	369	269	501
Retirement Queries	10	94%	18	137	140
Retirement re-calculations	10	88%	6	18	14

Deaths

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Death of active scheme members	11	100%	4	7	9
Death of deferred scheme members	11	83%	19	15	17
Death of pensioner scheme member	11	93%	55	136	136
Death of widow/dependant	11	92%	16	40	42
Death payroll process completed	5	87%			
Whole Death process	16	90%	94	198	204
Death Queries	10	94%	1	59	54
Death Re-calculations	10	88%	0	3	3
Death Estimates	10	88%	0	3	2

The above two areas, along with refunds shown below make up our priority areas of work. These are the main areas where scheme members will be waiting payment of a benefit and we prioritise daily to ensure a quick turnaround. We have a target to achieve a minimum of 90% of priority tasks completed within relevant turnaround times and this is reported on quarterly. For quarter 1 2020/21 the team achieved 92.44%.

As a result of Covid-19, we have seen an increase in the number of deaths over the first quarter of 2020/21. Since April 2020, we have been notified of 198 deaths which is an increase of 58% on the same quarter of 2019/20. The team have been able to keep up to date with all death cases.

Leavers

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Opt outs processed	10	93%	55	121	124
Opt out Query	10	100%	0	14	9
Deferred Benefits calculated	10	74%	942	633	735
Deferred Benefits re-calculated	10	84%	6	5	8
Deferred Refunds calculated	10	97%	243	333	338
Refund Actuals processed	10	98%			
Refund payroll process complete	5	99%			
Whole actual refund process	15	98%	16	210	211
Refund Query	10	98%	3	49	44
Refund re-calculation	10	100%	2	5	4

Additional Contributions

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Additional Voluntary Contributions - Start	10	100%	9	37	38
Additional Voluntary Contributions - Change	10	100%	3	9	10
Additional Voluntary Contributions - Cease	10	100%	2	6	6
Additional Pension Contributions - Start	10	94%	12	25	35
Additional Pension Contributions - Cease	10	100%	0	6	5
Additional Contributions Query	10	N/A	0	0	0

Estimates

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Member requested estimate	10	95%	45	167	173
Employer requested estimate	10	95%	10	25	28

General

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Member Query	10	95%	146	257	257
Pensioner Query	10	93%	18	380	329
Financial Advisor Query	10	96%	12	71	69
My Pension Online' Query	10	100%	3	284	285
Address change (pensioner)	10	100%	0	76	65
Address change (non-pensioner)	10	100%	8	103	103
Change of hours update	10	N/A	0	1	0
Change in personal details update	10	100%	1	53	51
Death grant nomination update	10	100%	1	46	46
Change in bank details update	10	93%	13	65	66
Divorce Quote	10	100%	1	41	32
Divorce actual processed	20	100%	2	1	1
Divorce Query	10	N/A	0	0	0
New starter creation	10	99%	56	311	300

Transfers

	Performance against Target		Case completion statistics		
	Target (working days)	Percentage Achieved	Cases outstanding at the beginning of the period	Total new cases created during the period	Total cases completed during the period
<i>Transfers (non-LGPS)</i>					
Transfer in quote	10	97%	61	49	54
Transfer in actual	20	93%	22	33	15
Transfer out quote	10	93%	25	69	67
Transfer out actual	10	93%			
Transfer payroll process completed	5	100%			
Whole Transfer out process	15	96%	10	42	41
Transfer Query	10	N/A	6	60	58
<i>Interfund Transfer (between LGPS authorities)</i>					
Interfund in	30	86%	397	152	235
Interfund out quote	10	97%	69	119	117
Interfund out actual	10	96%			
Interfund payroll process complete	5	100%			
Whole Interfund out process	15	90%	34	54	75
Interfund Query	10	33%	26	27	40
<i>Aggregation (in-house aggregations)</i>					
Aggregation	30	81%	1522	419	578
Aggregation Query	10	N/A	3	2	3

Processing deferred benefit calculations & aggregations are our lower level priority areas of work and as a result, are an area that we achieve a lower percentage against the target than other areas. They are also the highest volume area. In many cases, we are unable to proceed with an aggregation (which arises when a scheme member leaves employment then re-joins) because we either have not received the leaver notification or have an outstanding query. Over quarter 2 of 2020/21, the Benefit Administration Team are focussing on working through some of the older leaver queries in order to liaise with employers to resolve this. It is then hoped that the result of this will be that both leaver & aggregation tasks can be completed, and the outstanding numbers will reduce.

Projects

Pensions Increase 2020 – The Pensions Increase (Review) Order 2020 confirmed that an increase of 1.7% applicable from 6 April 2020 was to be awarded to pensions in payment. The Systems and Payroll Teams completed the Pensions Increase review in April 2020.

Supplementary Pensions Increase – As a result of the pensions increase above, deferred lump sum payments made during the 2019/20 scheme year also attract an additional pension increase amount that would not have been known at the date of payment. 638 additional lump sum payments were made to scheme members on 31st May 2020 followed by a further 70 relating to death grants which were paid in early June 2020. Previous years,

these payments were not processed until the later two quarters of the scheme year but as a result of a procedure review & update the timescale for completion was vastly improved.

Online P60's & payslips – Pensioner scheme members have been able to view payroll information via their 'My Pension Online' portal, however previously this was not in a payslip format. The Payroll Team worked with Heywood in early 2020 to add this functionality to the online portal and this was live from May 2020. The result of this is that P60's will now only be issued in paper copy to pensioner members who have opted out of the online service. Payslips will only be issued via the online portal. For fraud prevention purposes a paper copy will be sent to all scheme members in May & September each year. As a result of this, we saw an increase in the number of pensioner scheme members opting out of the online service. Out of approximately 18,000 pensioners we have 2,310 who have opted out.

Data Improvement Plan – a huge improvement in the quality of our scheme and common data was achieved in 2019/2020. The team continued to work on areas where improvement was required between January and March 2020. It is the expectation that updating member records as a result of Pensions increase 2020 & the annual returns will resolve some of the further outstanding issues so the intention is that a new data quality report will be run in September 2020 and any outstanding areas of data improvement will be worked on in the second half of 2020/21.

Annual Benefit Statements – The Employer Liaison & Systems Team are currently processing the annual returns submitted by employers and are undertaking quality checks on the returns so that annual benefit statements for active scheme members can be issued no later than 31 August 2020. A full update on the year-end process will be provided to Board in the 'ABS – Administration Year End Update' report.

Pensions Increase has been applied to deferred scheme member records and the deferred annual benefit statements and these will be issued to scheme members shortly.

All statements will be issued via the 'My Pension Online' portal except where a scheme member has opted out of this service, where a paper copy will be issued. Currently this is 276 out of approximately 24,000 active scheme members and 440 out of 32,000 deferred scheme members.

Annual Allowance – the deadline for providing a pension saving statement to all scheme members who have exceeded the Annual Allowance in the 2019/20 scheme year is 6 October 2020. The Benefit Administration Team have begun work on checking member

records & requesting pay information from employers. The Annual Allowance calculations will be worked on in early September 2020 and all statements issued before the deadline.

Scheme Changes – It is expected that MHCLG will commence a consultation on their proposals on how to remove the unlawful discrimination found in the McCloud and Sargeant cases from the LGPS. In preparation for any remedial action that will be required, we have been communicating to employers the information that we expect they will need to supply. Although not yet confirmed, we are expecting that the remedial actions required will have a great impact on LGPS administration.

MHCLG have confirmed that further discussions on the Exit Cap are due to take place with the Scheme Advisory Board and trade unions around September 2020 so we wait to hear further details on this.

Buckinghamshire Council Unitary Authority – Buckinghamshire Council was established from 1 April 2020. As previously mentioned to Board in the March 2020 report, this caused additional workloads for the Administration Team. All letters, scheme documents & policies were required to be re-branded. This was successfully completed. Our LGPS Technical Officer has liaised with the Buckinghamshire Council Design Team to develop our own logo which will now be added to all our communications.

For all active scheme members that TUPE'd to the new employing authority from 1 April 2020, the 12-month transfer window has now re-opened meaning scheme members can investigate transferring in previous pension rights/LGPS membership that they have previously either elected not to transfer or not investigated. Between 1 April 2020 and 30 June 2020 we have not seen an increase in the number of transfers being investigated however scheme members have until 31 March 2021 to begin these transfers.

These scheme members also have the option to 'split' their LGPS membership as at 1 April 2020. So far, we have only received 11 requests, but we do expect this to increase as further progress is made with internal re-organisations.

Pension Administration Team Structure

A new structure was implemented from April 2019 which increased the number of posts within the structure and re-organised the existing sub-team structure in order to allow greater collaboration between sub-teams and to provide further capacity for project development and customer improvement. Between April & September 2019, recruitment took place and all posts were filled. The new structure has been in place for a year and has proven very successful with many improvements seen as a result. Currently, we have two vacant positions; Project Officer & Pensions Officer. Recruitment is in progress now for the Pensions Officer role.

Covid-19 impact

As a result of Covid-19, the entire Pensions & Investments Team began working from home from the end of March 2020. We were in a fortunate position where the team were already home working enabled & recent laptop updates to Windows 10 had already taken place.

The Team have been incredibly resilient during this time & we have been able to continue to provide a 'business as usual' service to scheme members and have not had a need to backlog any areas of work. With the use of Microsoft Teams, we have been able to keep in regular contact with all staff to ensure high levels of continued communication and to also keep up to date with staff for wellbeing purposes.

We have communicated regularly with scheme employers & members on the impact of Covid-19 and have updated our procedures where possible to allow more flexibility with how we receive information considering it may not be possible for employers & scheme members to print, sign and return forms. We now accept electronic signatures and have implemented the online facility where scheme members can upload documents securely via their online portal. Other than a couple of small delays in receiving annual returns where the employer confirmed this was due to the impact of Covid-19, we have not seen a huge impact in terms of delays/additional workloads.

Other options considered

1.3 N/A

Legal and financial implications

1.4 N/A

Consultation and communication

1.5 N/A

Next steps and review

N/A

Background papers

N/A

Your questions and views (for key decisions)

If you have any questions about the matters contained in this report, please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by telephone [01296 382343] or email [democracy@buckinghamshire.gov.uk]