

<b>Date:</b>	<b>29 January 2018</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Pension Administration Update</b>
<b>Report of:</b>	<b>Lee Witham, Director of People Services</b>
<b>Wards Involved:</b>	<b>All</b>
<b>Policy Context:</b>	<b>Service Delivery</b>
<b>Financial Summary:</b>	<b>Limited</b>

## **1. Executive Summary**

- 1.1.** This report provides a summary of the performance of the City Council, Surrey County Council and BT. The report also gives an update on the Key Performance Indicator (KPI) performance of the pension administrators Surrey County Council (SCC) for the period September 2017 to December 2017. The detailed KPIs are shown in Appendix 1.
- 1.2.** The scope of the KPIs in this report have been agreed between WCC and SCC based on the section 101 agreement, however they will continue to be reviewed on feedback from all parties, including Board members.

## **2. Surrey County Council (SCC) Performance**

- 2.1.** This paper covers September, October, November and December 2017, with the previous reporting period also shown for comparison. The last review meeting with Surrey was held on 29<sup>th</sup> November 2017 and focused on the September – November figures: this is why they are shown together as one result. December is therefore a standalone month and is shown separately on the KPIs.
- 2.2.** People Services continue to hold regular meetings with SCC to discuss both day to day issues plus any future matters that need to be planned for, such as pension workshops, future re-organisations which may result in bulk leavers/retirements as well as performance against KPIs. We have previously highlighted areas where a need for improvement was identified. These areas are shown below with an update on recent performance against the September to December KPIs:

- 2.2.1. Retirement Options Issued to Members.** We are pleased to note the improvement from 92% to 94% in the period September through to November and then onto 100% in December. This is considered one of our more important KPI measures.
- 2.2.2. New Retirement Benefits Processed for Payment.** This has increased from 97% in the previous reporting period to 100% in this period. Again we are pleased as this is a key priority for the team.
- 2.2.3. Pension Payment, Member paid on the next available Pension Payroll.** This KPI saw a fall for September to November to 95% but is now back to 100% in December, although the number of cases in that month were low. People Services will continue to closely monitor as this is one of our key measures.
- 2.2.4. Deferred benefits Statement Issued.** There was one case late in December but due to low numbers this reduced the KPI to 86%. This is the first month it has dropped since before June.
- 2.2.5. Lump Sum Payment made in 5 days.** Fell to 97% in September to November but is back to 100% in December.
- 2.2.6. Interfunds Out Actual Processed in 30 Days.** Fell to 97 % in September to November but is back to 100% in December.

**2.3.** The improvement to the member self-service access originally planned for October 2017 has been delayed to January 2018. This change will improve the appearance of the Annual Benefit Statement (ABS) and enable mobile and tablet access. Once the upgrade has been completed People Services will promote to scheme members.

### **3. BT Performance**

- 3.1.** In an update from the previous Board, WCC People Services have agreed with BT that they will take over the completion of urgent pension leaver forms from 1<sup>st</sup> of January 2018. The agreed process is that People Services raise an Incident with BT when they are aware of an impending retirement case. People Services then advise the pensions lead officer at BT of the incident number so that these cases can be escalated quickly and pension leaver forms can be returned to Surrey before the members last day of employment.
- 3.2.** The new urgent leaver form process is currently in its infancy; however early signs are positive. People Services will monitor forms for accuracy and turnaround time and continue to update the Board.
- 3.3.** In addition to the above agreed process for urgent leavers, BT have produced a number of leavers reports from April 17 to November 17 for all WCC pension

leavers in those months. The reports include whole time pay calculations and care pay figures. Officers will check the reports for accuracy and if acceptable Surrey will use these reports to complete the deferment process or prepare refunds.

- 3.4. The interface process where joining information is submitted by BT to Surrey CC is now up and running with no issues reported. We will not report further on this unless further issues arise.
- 3.5. In a further development since the last Board a monthly conference call has been set up with BT to discuss any outstanding issues relating to the LGPS. This call is now business as usual and replaces the urgent calls that were in place during the recovery programme. The first call took place on the 11/01/18 and was attended by officer representatives of all three boroughs. The call was generally positive.
- 3.6. The matter regarding the correction payroll for previous year's errors, including pension contributions is still outstanding and high level discussions are still ongoing between BT and Directors of the 3 boroughs.

#### **4. Issues Log**

- 4.1. People Services continue to review any pension matters that have been referred to the in house team by individuals, Unison, BT or Surrey.
- 4.2. There are currently 5 issues on the log and one new case has been raised in the last month. The majority of cases involve escalating transfer payments or transfer quotes. There is one case ongoing regarding a transfer of an AVC to a private pension company.

#### **5. Risk Register**

- 5.1. Finance will be presenting the risk register to Board however as it was last reported Operational Administration reference 26 is remaining as Amber until we are satisfied that the leaver process with BT is timely and accurate.

#### **6. Pension Board Membership**

- 6.1. At the last Pension Board, Susan Manning (Scheme Member Representative) confirmed that she would be leaving the Board after her term of membership ends in June 2018. As a number of the Board members have a similar term it was agreed that People Services would write to all Board members to determine if they were happy to continue in their role.
- 6.2. A letter was sent to Board members on 22 January 2018 and a recruitment campaign for new members will take place once we know who wishes to continue.
- 6.3. Committee Services will be discussing the issue of member representation on the Board with the Chief Whip.

## **7. Summary**

**7.1.** There have been improvements by both SCC and BT and People Services will continue to work with both to improve the pension service to members.