

Pension Fund Committee

Date:	10 December 2018
Classification:	General Release
Title:	Pension Administration Update
Report of:	Jo Meagher, Head of Operational People Services
Wards Involved:	All
Policy Context:	Service Delivery
Financial Summary:	Limited

1. Executive Summary

- 1.1. This report provides a summary of the performance of Westminster City Council Pensions Team, Surrey County Council the final update on BT. WCC went live with Hampshire County Council (HCC), our new providers for Payroll, HR and Finance, on December the 1st. The report gives an update on the Key Performance Indicator (KPI) performance of the pension administrators Surrey County Council (SCC) for the period October 2018. The detailed KPIs are shown in Appendix 1.

2. Surrey County Council (SCC) Performance

- 2.1. 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 committee members.
- 2.2. This paper covers only the period October 2018. The last period reported to committee covered the period June 2018 to September 2018. I have included September 2018 KPI data for reference along with October data. November data was not available at the time of drafting this report.
- 2.3. The headlines from the KPI performance in appendix 1 is summarised below:
 - 2.3.1. **Correspondence.** There is only one reported failure in October and that is one correspondence was not responded to in 10 working days. Due to the number of correspondence in the month, an increase to 48 cases from 18 in

September, the percentage is within timescale at 98%. Although we are pushing Surrey to meet KPI deadlines for all cases we do not consider this a major concern.

2.3.2. Retirement Survey Response. The survey response reported in October remains exactly the same as was reported for the prior period at 87.5% positive response rates as either satisfied or very satisfied but as the survey is anonymous people do not have to give details of any concern that they have. It is possible negative feedback is linked to delays or errors that BT have been responsible for. WCC people services will be working closely with Hampshire to make sure that the retirement process is seamless for members going forward.

2.4. A further update regarding one minor employer in the fund with five active members. This employer provided data late to the fund and the initial file that they did send was inaccurate. A revised file provided after the 31st of August means the five members now have an annual statement. We will be writing to this employer to remind them of their responsibilities under the PAS and reporting the late submission to the Pensions Regulator. Although the PAS gives us the option to fine this employer we have elected not to do so on this occasion but this is considered to be a final warning and any future issues by this employer will result in a fine.

2.5. We are carrying out a data cleansing exercise with Surrey CC who have provided us with our common and scheme specific data scores that the regulator now requires us to monitor. Common data relates to an individuals personal information such as NI number, address etc. Scheme specific data relates to information specific to the LGPS such as whole time pay, CARE pay etc. Our common data score is 77% and the scheme specific data is 71%. The next committee report will include further details regarding the detail behind the data scores and an update on our Data Improvement Plan to improve those scores going forward.

3. BT / HCC Performance

3.1 The BT contract ended on the 30th of November 2018 and the Council has gone live with Hampshire County Council (HCC) on the 1st of December 2018.

3.2 At the time of drafting this report, two days into the new service, we are optimistic of a positive relationship working with HCC. The SAP system used instead of Agresso is generally intuitive and feedback so far from employees has been good. Where there have been teething issues, such as some people not being able to access the Employee Self Service (ESS) portal, we have been agreeing manual work rounds to meet tight December pay deadlines. HCC are being supported with additional borough resources until the end of January 2019 to help ensure that the implementation is successful.

3.3 Due to the change in provider, WCC will need to compile an acceptable LGPS end of year file for the part year in 18/19 that BT was our payroll provider. BT has provided WCC with a data dump, however that data is in a poor state and requires a great deal of manipulation to compile a file that can be added to Hampshire data to produce an acceptable 18/19 return. We have identified some additional resource, currently supporting the HCC go live, to work with the Pensions Team to produce a return. Next year is a pension fund valuation year so it is vitally important that we produce our full return no later than the 30th of April 2019.

4. Risk Register

4.1 The main risk for the Pensions Team remains Risk 27 Operational Administration and the move from BT to HCC. This will be our focus to ensure that people get paid accurately and that pension is deducted correctly.

5. Summary

5.1 The focus for the Pensions Team will be in supporting the transition to a new Payroll provider. We will then be concentrating on developing a Data Improvement Plan and workings on the end of year return for 18/19.