



REPORT TO:	Westminster County Council
DATE PREPARED:	Friday 3 <sup>rd</sup> December 2021
TITLE:	Pensions Administration Update

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## 1. Summary

- 1.1. The purpose of this report is to update Westminster County Council with the current position of their local government pension scheme membership; performance against service level agreements and to provide other important and current information about the administration of Westminster County Council Local Government Pension Fund.

## 2. Background

- 2.1. Hampshire Pension Services administer the local government pension scheme on behalf of Westminster County Council (WCC) with effect from 8<sup>th</sup> November 2021.
- 2.2. Hampshire Pension Services also administer the Local Government Pension Scheme for Hampshire County Council, West Sussex County Council and the London Borough of Hillingdon; the Fire Pension Schemes for both West Sussex and Hampshire, and the Police Pension Schemes for Hampshire.

## 3. Transfer of administration

- 3.1. The implementation of the transfer of the administration service to Hampshire from Surrey County Council was completed on 8<sup>th</sup> November 2021. There were a minimal number of challenges on the journey to go-live, and the collective efforts of staff in the Hampshire Pension Services, Civica and WCC teams, as well as colleagues in the Surrey Pensions team, enabled the service commencement to go-live as planned.
- 3.2. Based on the data quality checks that have been carried out up to this point, we are confident that there are no unanticipated data quality issues or issues which will hinder the administration of the pension scheme; although over 400 unprocessed leavers have been identified and a project to clear these cases will begin in January 2022.

- 3.3. The majority of images and electronic documents provided by Surrey County Council (SCC) have been loaded successfully to the relevant member records, and historic benefit statements produced by SCC have been published on the Member Portal; to allow members to access these as required.
- 3.4. There are 3,470 images which have not yet been loaded to UPM as they exceed the maximum file size of 25mb. After discussions with our colleagues in the IT department we will be storing these files on our secure UPM server and loading a place holder document to each of the effected member records which will link back to the original file.
- 3.5. Ahead of the go-live on 8<sup>th</sup> November, we successfully reconciled the payroll in our administration system for period 7 to that actually paid by SCC – and have since processed the live pensioner payroll for period 8. Payments were made on 30<sup>th</sup> November 2021.
- 3.6. The HMRC scheme event reporting for the tax year ending 5 April 2021 is due by 31 January 2022 and needs to be submitted by Westminster. The information that Westminster will require to complete this reporting will need to be obtained from SCC as they produced the pensions saving statements for 2019/2020 which were sent to members in October 2020. SCC have provided Hampshire with the list of members who received pension savings statements in October 2021, which will be required for the event report in January 2023.

#### 4. Membership

- 4.1. The table below details the number of members against status for each of the Local Government pension schemes and is correct as of the date this report was prepared.

Scheme	Active*	Deferred	Pensioner	Preserved Refunds**	Total
<b>Local Government</b>	4,705*	6,744	6,492	1,233	19,174

\*The active membership includes 401 leavers which are to be processed.

\*\*The preserved refund members are included for completeness but are not counted for the purposes of reporting membership to the Pensions Regulator and DLUHC (previously MHCLG).

#### 5. Administration Performance

- 5.1. Hampshire Pension Services' performance against agreed service level agreements for key processes are monitored monthly. They are calculated based on the number of working

days taken to complete the process and are adjusted for time that we are unable to proceed, due to requiring input from the member or third party.

5.2. The table below shows performance from 1<sup>st</sup> November to 30<sup>th</sup> November 2021; the performance target for all cases is 15 days (except Deferred Benefits which is 30 days, and Rejoiners which is 20 days).

#### Time to Complete

Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31-40 days	Total	% completed on time	Total Cases (previous month)	% completed on time (previous month)
Active Retirement	4	2	0	0	0	0	6	100.00%	N/A	
Deferred Retirement	12	2	1	0	0	0	15	100.00%	N/A	
Estimates	1	2	8	0	0	0	11	100.00%	N/A	
Deferred Benefits	1	0	0	0	0	0	1	100.00%	N/A	
Transfers In & Out	0	0	0	0	0	0	0	100.00%	N/A	
Divorce	0	1	0	0	0	0	1	100.00%	N/A	
Refunds	7	0	3	0	0	0	10	100.00%	N/A	
Rejoiners	0	0	0	0	0	0	0	100.00%	N/A	
Interfunds	1	0	3	0	0	0	4	100.00%	N/A	
Death Benefits	6	1	0	0	0	0	7	100.00%	N/A	
<b>GRAND TOTAL</b>	<b>32</b>	<b>8</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>55</b>	<b>100.00%</b>	<b>N/A</b>	

5.3. The table below shows outstanding work as of 30<sup>th</sup> November 2021. The time outstanding reflects the time from date of receipt of the initiating request, and includes time whilst cases are on hold pending further information.

5.4. Those cases which currently exceed the agreed service level agreement are on hold waiting for information from the member, their employer or another party and the time taken to process will be adjusted once the work has been completed.

5.5. These cases do not include the inherited outstanding leavers which are discussed in section 6 below.

### Time Outstanding

Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31+ days	Total	Total Outstanding (previous month)
Active Retirement	1	3	1	0	0	0	5	N/A
Deferred Retirement	5	3	1	0	0	0	11	N/A
Estimates*	25	17	8	2	0	0	52	N/A
Deferred Benefits	3	7	4	0	0	0	14	N/A
Transfers In & Out	0	0	0	0	0	0	0	N/A
Divorce	0	0	0	0	0	0	0	N/A
Refunds	2	0	0	0	0	0	2	N/A
Rejoinders	1	1	1	1	0	0	4	N/A
Interfunds	7	4	3	2	0	0	16	N/A
Death Benefits	1	4	0	0	0	0	5	N/A
<b>GRAND TOTAL</b>	<b>45</b>	<b>41</b>	<b>18</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>109</b>	<b>N/A</b>

\* Estimates include all 'quote' calculations for retirement, transfers, divorce, and refunds.

## 6. Unprocessed historic casework

- 6.1. As mentioned in section 3 above, the Westminster dataset contains 401 historic unprocessed leavers. All of the dates of leaving for these members are prior to September 2021.
- 6.2. Over the next two months, we will be working through at a high level the leavers we have been passed, so we can provide a more detailed plan and estimated timeline for the completion of this work. Part of this work will include an initial analysis of the leavers across the different employers to feed into the valuation work.

## 7. TPR Data Scores

- 7.1. In October we calculated the common and conditional data scores for reporting to the Pensions Regulator. We have validated a total of 19,056 records, with 5,341 records failing one or more of our Common data checks and 2,460 records failing one or more of our Conditional data checks.
- 7.2. The table below sets out this years' scores which can be submitted as part of your Scheme Return;

Common Data Score	Conditional Data Score
72.%	87%

7.3. We have identified some key themes in the process of validating the Westminster data which are detailed in the table below.

Data type	Data check	Issue	Resolution
<b>Common</b>	Date Pensionable Service Started	This date is not recorded consistently across the member's record and is responsible for 3,214 of the fails.	<i>A data cleansing project will be required, which we will organise in the coming months.</i>
<b>Common</b>	Address status 'Lost Contact'	This affects 1,751 members and is a theme across other schemes we administer.	<i>We will be discussing an address tracing project with you next year, to reduce this number.</i>
<b>Conditional</b>	'CARE Revaluation'	The CARE pension for a previous or current year is either missing, or the correct revaluation rate has not been applied. This currently impacts 692 members – a combination of active and deferred members.	<i>This will be picked up in data cleansing work.</i>
<b>Conditional</b>	'Pre and post 88 GMP'	The GMP details held for 1,156 members is not complete.	<i>We would expect these cases to be reduced/cleared by GMP rectification.</i>

7.4. It is important to note that neither of the two main conditional data errors will affect the payment of the member's benefits as if they were to retire, the Member Services team would check and tidy the record as part of processing the retirement.

7.5. There are smaller groups of members who have failed our other validations, and these will also be picked up in the data cleansing work we carry out across the department – some of this is naturally tidied as part of bulk processing, for example when pensions increase, CARE revaluation or benefit statements are processed; and the Delivery & Compliance team also work specifically on highlighting trends in data issues, and working through lists of members to tidy their records.

## 8. Call and Email Volumes

- 8.1. Up to 30<sup>th</sup> November 2021, we received 314 calls from members of the Westminster LGPS – the total number of calls for all schemes we administer received into the Pension Customer Support Team (PCST) were 3,439 and 46 of these were abandoned. Abandoned calls are caused by the member ending the call before we can answer, and in some cases, this can be because they have heard one of our automatic messages asking them to visit our website or Portal.
- 8.2. Our call reporting software does not allow us to report which of our ‘abandoned’ calls were Westminster members, but based on the number of abandoned calls above, we answered 98.34% of all calls received.
- 8.3. PCST also monitor and handle all of the emails received from members into our main pension’s inbox – as this email address is used by members of all the pension schemes we administer, it is not currently possible to report the number of emails received specifically from members of the Westminster LGPS.
- 8.4. We are investigating a new approach to the handling of emails, with the aim of providing specific email statistics. However, this is work in progress and we want to be confident in the accuracy of any numbers we provide so it has not been included in this report.

## 9. Online Services

### Member Portal

- 9.1. Active, Deferred and Pensioner members of the LBH LGPS have the ability to register for our Member Portal and update their personal details, death grant nominations, and bank details; securely view annual benefit statements, payslips and P60s; and run online estimates for voluntary retirements over age 55.
- 9.2. The table below shows the total number of current registrations for each status as of 30<sup>th</sup> November 2021.

Status	Registrations to date	% of total membership
Active	1,087	23.10%
Deferred	676	8.87%
Pensioner	552	5.36%
<b>TOTAL</b>	<b>2,315</b>	<b>12.91%</b>

## Employer Hub

9.3. As of 30<sup>th</sup> November 2021, there are 37 Westminster employers signed up to the Employer Hub, and 114 individual users with access.

## 10. Scheme Legislation Updates

10.1. Legislation updates that have been received during November 2021 for the Local Government Pension Scheme, are detailed in Appendix 1, including any actions that Hampshire Pension Services have taken.

## 11. Employer and Member Communications

11.1. **Employer communications** – We updated our website with a welcome notice in November 2021 to confirm the transfer of administration to Hampshire pension services.

11.2. **Member communications** sent in November are shown in the table below.

Members	Method	Details	Date Sent
Active and deferred	Email	Welcome and how to register for Portal	09/11/2021, 11/11/2021 and 18/11/2021
Pensioners	Letter	Payslip and Welcome letter. How to register for Portal and change of pay date info.	30/11/2021
Active and deferred	Letter (where no email held)	Welcome and how to register for Portal	23/11/2021

## 12. Quality Assurance

12.1. **Data Protection Breaches** – We have identified one data protection breach in November 2021, caused by incorrect address data which was transferred to us by Surrey. We have since asked Target to trace the correct address for this member.

## 13. Compliments & Complaints

13.1. During November 2021 we received two complaints in respect of the administration service we provide, from members of the Westminster LGPS. Further details can be found in Appendix 2.

13.2. In November 2021 we received no compliments from members of Westminster County Council pension scheme.