



Pension Fund Committee

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Title:	Pension Administration Update
Report of:	Sarah Hay, Pensions Officer People Services
Wards Involved:	All
Policy Context:	Service Delivery
Financial Summary:	£

1. Introduction

1.2 This report provides a summary of the performance of Hampshire Pension Services (HPS) with the Key Performance Indicators (KPIs) for the month of June 2023 through to September 2023. In Section 3 I update the Committee on the ongoing data work and on the fund employer scores that have been produced for the first time this year. Lastly I update the Committee on fund engagement activities that have taken place.

2.1 KPI Performance

2.2 The scope of the KPIs in this report have been agreed between WCC and HPS in our agreement.

2.3 This paper covers the period of June 2023 to September 2023.

2.4 KPI performance for each month is within each partnership report. HPS report 100% compliance within the agreed KPI in each month. The majority of our KPIs require cases to be completed within 15 days. HPS do provide a breakdown for each category that shows the number of cases processed in each 5-day block.

2.5 Below I have summarised the cases completed in each category in the month.

KPI	Target Days	Jun-23	Jul-23	Aug-23	Sep-23
Active Retirement	15 days	5	9	6	11
Deferred Retirement	15 days	19	18	31	25
Estimates	15 days	27	74	24	57
Deferred Benefits	30 days	44	26	29	66
Transfers In & Out	15 days	1	1	16	2
Divorce	15 days	5	1	2	3
Refunds	15 days	10	14	13	5
Rejoiners	20 days	4	0	3	2
Interfunds	15 days	22	24	0	34
Death Benefits	15 days	9	12	15	8
Grand Total		146	179	139	213
		100%	100%	100%	100%

- 2.6 I am pleased to say that BAU work progresses well, and I have no general concerns. There are currently 182 business as usual cases pending action at the end of September. I am comfortable with that number of cases in the workflow.
- 2.7 We have been working with HPS since November 2021 and have established a positive working relationship with a stable core service. I have agreed with HPS that we will meet with their management from April 2023 onwards on a bimonthly basis instead of every month. The fund will still receive a monthly partnership report with full details of the service, and we can request meetings if there is anything we need to discuss. With the service in such a strong position I feel our time can be spent more productively than meeting every month.
- 2.8 The fund strategy working with HPS is to increase the interaction the fund has with members via the member portal. In the last Committee report I updated that at the end of May 2023 we had 35.50% of members signed up to the member portal. This has now increased to 40.19 % as at the end of September 2023 as broken down below. We are steadily increasing portal access; I am really pleased with the growth in portal access over the summer months. This I believe is particularly linked to the funds promotion to active members to review their annual benefit statement.

Portal	Opted IN
Active	49.79%
Deferred	30.74%
Pensioner	43.53%
TOTAL	40.19%

- 2.9 The fund had no complaints during the reporting period. I am pleased to say that HPS received two compliments in June, one in July, two in August and one in September from our members as below:

"Thank you so much for your email and the news that Utmost has now released my AVC fund. As I've said to a few of your colleagues over the past few months, if I had my time again, I'd remember to transfer my AVC when I transferred my main pension! Thanks also for your apology. However, I do realise that an awful lot of the delay has been down to Utmost and please accept my thanks to whoever kept chipping away at them! Could you please also pass on my thanks to everyone in the Hampshire team who has helped me - along with my apologies for having mithered them so much over the past few months. Everyone I've dealt with has been extremely polite and prompt in dealing with all my phone calls and emails."

"Everything was perfect, and Carla was very friendly and professional and very good at explaining all."

"Answered questions clearly".

"Prompt Response"

"It was explained to me that the login system changed in June."

"Easy and clear information"

- 2.10 As an update the two transfer cases referenced in the last admin update have now been settled. In one case the member re-entered the LGPS with our fund is backdating membership and has settled at IDRPs stage two. In the second case the transfer to the other Local Authority is now completed.

3. Data Work

- 3.1 We are making steady inroads to our remaining backlog cases. Of the 43 cases that we had left when I last updated the Pension Committee, we are now down to 22 cases. I believe that number will reduce further in the next few weeks.
- 3.2 Clearing these last backlog cases is proving difficult due in part to employers not having the correct data and sometimes knowledge to provide the fund with the correct information. We also have some cases where the fund is waiting for data from other funds for transfers in before we can complete a deferment. Engagement with employers has taken place and I am now reaching out to funds as well to try and clear the remaining cases.
- 3.3 I am pleased to advise the Pension Committee that we had 455 queries in total from this year's annual returns. The vast majority of these queries have been resolved the few remaining are primarily linked to one employer, but we are working to clear these up. You will note below the excellent Annual Benefit

Statement (ABS) rates which is only possible because the queries have been closed down quickly.

- 3.4 The production of the deferred Annual Benefit Statements (ABS) has continued with the deferred membership now at 99.94% production with only 4 now outstanding. The active ABS statements have also been produced at a rate of 99.51% with 24 currently outstanding. The 24 cases will be related to data issues still outstanding from the backlog work and from queries with the annual returns but we are getting these slowly cleared.
- 3.5 The fund for the first time this year have had results back from Hampshire Pension Services (HPS) that rate our employers performance following the annual return exercise. Below I have provided you with a table that sets out our fund employer results in three key areas, Timeliness, Financial Control and Data Quality. The table includes the fund position in 2022 and in 2023 and you can see the general improvement we have made in the year. The scoring mechanism puts each employer into a coloured traffic light zone. The employers in the red zone are the lowest performing in that area.

Timeliness	2023			2022		
Return received	30 April or before	Between 1 and 31 May	1 June or after	30 April or before	Between 1 and 31 May	1 June or after
Rating	Green	Amber	Red	Green	Amber	Red
No. of employers	21	13	0	22	13	0
% represented	62%	38%	0%	63%	37%	0%
Financial Control	2023			2022		
	No reconciliation issues	Minor reconciliation issues/quickly resolved	Major reconciliation issues and/or slow/failed to respond	No reconciliation issues	Minor reconciliation issues/quickly resolved	Major reconciliation issues and/or slow/failed to respond
Rating	Green	Amber	Red	Green	Amber	Red
No. of employers	33	1	0	31	1	3
% represented	97%	3%	0%	89%	3%	8%
Data Quality	2023			2022		

	Data quality good	Minor data quality issues, quickly resolved	Major data quality issues and/or slow/failed to respond	Data quality good	Minor data quality issues, quickly resolved	Major data quality issues and/or slow/failed to respond
Rating	Green	Amber	Red	Green	Amber	Red
No. of employers	6	18	10	6	11	18
% represented	18%	53%	29%	17%	32%	51%

3.6 Timeliness is measuring if the employers submitted their returns by the deadline that is the 30th of April each year. You will note that there has not been much change in the percentage of employers submitting their returns by the deadline but I can advise you that those that did send in their returns late generally did so early in May and we did not have to chase as much this year. No one is in the red failure zone for this measure.

3.7 Financial Control is measuring if the returns match what the employer paid us in the year and do the rates applied by the employers look correct. I am pleased that this year there were no significant reconciliation issues for us to clear up with fund employers.

3.8 Data Quality is measuring how good the data quality is and how quickly employers respond to queries raised by HPS. You will note a significant reduction in employers failing the data quality test although it looks like they have tended to move from red fail to the amber warning zone. Employers who are in the red zone in 2023 for data quality will be asked to send in a data reconciliation exercise ahead of the 23/24 returns.

3.9 Letters will be going out to employers to advise them of their performance shortly. You will also want to note that the overall number of queries from the 22/23 return at 455 is significantly less than last year with 775 queries.

4 Member Engagement

4.1 The Internal team have attended a couple of events in 2023, organised by the Westminster Women's network to support members to understand their pension. The first was on the 18th of May 2023 on the Pensions Journey. The second was a follow up event on the 5th of September 2023 to help members

understand their annual benefit statements and to answer questions members had in relation to a range of issues in relation to the Local Government Pension Scheme. I would hope that with the delivery of key projects in the coming months we will be able to provide more individual support to members of the fund across all employers.

5. Summary

- 5.1 In Section 2, I covered the KPI data for the period June 2023 through to September 2023 is 100% within the agreed target.
- 5.2 I have updated the Committee in relation to several compliments received in the period.
- 5.3 In section 3, I update the Pension Committee on the good news that our backlog cases have reduced to 22 outstanding on the 1st of October. I also advise that we have few queries remaining from this years annual returns exercise.
- 5.4 I update the Committee on the high percentage 99.94% of deferred member statements already produced for 22/23. In addition, we have produced 99.51% of active benefit statements.
- 5.5 I have updated the Committee on the employer scoring following this years annual returns exercise and the improvement from 2022 to 2023.
- 5.6 I outlined in section 4 some of the engagement work undertaken by the team this year.