

REPORT FOR: Pension Board

Date of Meeting: 7 March 2017

Subject: Information Report - Performance Monitoring of Pensions Administration Service

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No

Wards Affected: All

Enclosures: None

Section 1 – Summary

Summary

This report presents the Board with performance monitoring information as currently available and invites it to consider what further information it would wish to receive.

For information

Section 2 – Report

1. At its last meeting on 2 November 2016 the Board received a report which presented the currently available performance monitoring information. As minuted, the Board commented and resolved as follows:

- *key performance indicators should be relevant and further information was required before any were set. The officer undertook to establish which performance indicators were used by other Boards and to report back to the next meeting;*
- *the number of complaints should be included;*
- *the Pension Board should receive the annual newsletter.*

RESOLVED: That the report be noted and a further report be submitted to the Board in relation to performance indicators.

2. The Board was advised that in the Annual Newsletter produced for all members and employers in the Fund and other stakeholders the following information in respect of pensions administration in 2015-16 was published:

SERVICE	Performance target (%)	Actual (%)
Issue letter notifying of dependant's benefit in 3 days	95	41.67
Provide transfer details to member in 5 days	95	100.00
Calculation and notification of all retirement (including ill-health) benefits estimate in 7 days	95	81.73
Issue letter to new pension provider detailing transfer-out quote in 9 days	97	100.00
Calculation and notification of deferred benefits in 8 days	97	92.71
Calculation and notification of all retirement (including ill-health) benefits in 3 days	95	71.60
Process refund and issue payment within 5 days	98	93.24
Contact next of kin on notification of death in 3 days	100	100.00
Issue statutory notification on receipt of transfer funds in 5 days	95	63.16

3. Elsewhere on the agenda the Board is asked to consider the draft Communications Policy Statement which makes the commitment that:

We will measure against the following target delivery timescales:

Communication	Audience	Statutory delivery period	Target delivery period
Scheme booklet	New joiners to the LGPS	Within two months of joining	Within 3 working days of joining
Annual Benefit Statements as at 31 March	Active members	On request	July each year
Telephone calls	All	Not applicable	All calls to be answered within 3 rings
Issue of retirement benefits	Active and deferred members retiring	Within two months of retirement	Within 5 working days of retirement
Issue of deferred benefits	Leavers	Within two months of withdrawal	Within 10 working days of relevant paperwork being received
Transfers in	Joiners/active members	Within two months of request	Within 10 working days of relevant paperwork being received
Issue of forms i.e. expression of wish	Active members	N/A	Within 3 days of joining the LGPS
Changes to scheme rules	Active/deferred and pensioner members, as required	Within two months of the change coming into effect	Within one month of change coming into effect
Annual Pension Fund Report and Financial Statements	All	Within two months of request	Within five working days

Quality

Audience	Method	To consider	Notes
Active and deferred members	Paper based survey with annual benefit statements	All services	Client can benchmark against published service targets.
All member types	Assessment against system report	Performance against task management pre-defined performance measures.	One task chosen each quarter from: <ul style="list-style-type: none"> • retirements • new starts and transfers in • transfers out • deferred leavers
Employers	Electronic	Scheduled / Admitted body specific issues	feedback

4. Performance indicators used by other Boards have been reviewed and it is observed that few of them receive a significant amount of data beyond that recommended above. However both that review and further consideration by officers suggest that the following should be added to the matters considered above:
 - Transfers out actuals
 - Contributions from employers received by the statutory deadline
 - Quality of data
 - Posting of material on website
 - Member satisfaction survey
 - Number and progress of internal dispute cases
 - Number of complaints received
 - Use of discretions

5. Relevant Audit matters will also be reported to the Board as a matter of course including:
 - Internal audit
 - Annual opinion from external audit
 - Annual letter and report from external audit

6. In the context of performance monitoring the Board will note elsewhere on the agenda that the Fund's external auditors KPMG have indicated in their External Audit Plan 2016/2017

As part of our audit of the Pension Fund, we will undertake work on a test basis to agree the data provided to the actuary back to the systems and reports from which it was derived and to understand the controls in place to ensure the accuracy of this data. This work will be focused on the data relating to the Authority itself as largest member of the Pension Fund.

7. Tables and commentary covering the most current information on all the above services could be presented to the Board at each of its meetings.
8. The Board is asked to consider whether the information discussed in this report would meet its requirements for regular performance monitoring and to comment as it sees fit.

Financial Implications

9. Whilst the provision of performance monitoring information should assist in the efficient and effective management of the Pension Fund there are no financial implications arising from this report.

Risk Management Implications

10. All risks are included within the Pension Fund Risk Register.

Equalities implications

11. There are no direct equalities implications arising from this report.

Council Priorities

12. The financial health of the Pension Fund directly affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert Chief Financial Officer

Date: 23 February 2017

Ward Councillors notified: Not applicable

Section 4 - Contact Details

Contact: Ian Talbot, Treasury and Pension Fund Manager
0208 424 1450

Background Papers – None