

## **Local Pension Board of the Warwickshire**

### **Pension Fund**

**8 July 2019**

### **Pension Fund Administration Update**

#### **Recommendation**

That the Local Pension Board of the Warwickshire Pension Fund note and comment on the report.

#### **1.0 Introduction**

1.1 This report seeks to update the Board on a number of different areas relating to the administration of the Warwickshire Pension Fund. Board members are requested to note the report and comment on any areas of interest or concern.

#### **2.0 Matters arising from the meeting of 11 March 2019**

2.1 None.

#### **3.0 Web page update**

3.1 The website was originally designed and hosted by a local firm The Edge of the Web.

3.2 It was agreed from the outset back in November 2018 that the website would eventually be hosted by the County Council and this is due to happen in July.

3.3 We have been speaking with the design team at the County about the availability of users completing simple tasks via the website e.g. notification of change of address, nomination forms, registering for e-payslips etc but the move from Google to Outlook in August will delay this. We have to ensure that this is achieved in a secure way rather than simply asking members to email the information from a downloaded form.

#### **4.0 New Employers**

4.1 In accordance with the Fund's Admissions and Terminations policy (which was approved by the Staff and Pensions Committee in June 2017), all prospective employers must submit an application for membership to the Committee for approval.

4.2 As indicated at the July 2017 meeting, a template application is available for new employers together with (where relevant) a template admission agreement. Prospective employers are now able to access this information on our website.

4.3 Below is a list of employers approved by the Staff and Pensions Committee since March 2019:

- ABM Catering contracts for St. Paul's school (1 April 2019) and King Edwards Academy (19 April 2019).
- Bailey's Catering contract for Long Itchington academy (1 January 2019).
- Chartwell Catering contract for Polesworth academy (1 January 2019).
- Kenilworth Academy (1 January 2019).

4.4 The Appendix provides an analysis of Scheme Employers.

## 5.0 Cessations

5.1 The Fund is also dealing with several cessations.

5.2 **Solihull School** the repayment agreement has been agreed between the Fund and the School.

5.3 **The Rowan Organisation;** the Fund is in the process of negotiating a settlement

## 6.0 GMP reconciliation

6.1 No further update.

## 7.0 Performance indicators

Indicator	Target (100%)	2017 / 2018	Number of cases	2018 / 2019
Retirements paid within 30 days of retirement	30 days	not previously measured	262	42%
Retirements paid within 10 days of receiving all relevant paperwork	10 days	76% (previously measured as five days)	262	82%
Deferred Benefits into payment			571	Not measured

Death grants paid 10 days of receiving paperwork	10 days	Not previously measured	20	95%
Process refund	10 days		1,882	See note
Transfers paid	10 days	93%	318	81%
Calculate and notify deferred benefits	10 days	92%	649	81%

- 7.1 The administration team wanted to provide an indication of the number cases dealt with over the year but this identified some failings in reporting on targets. The workflow system is not ideally suited to report KPIs as it is literally a tool for the officer to process a case through the administration system. Therefore, the team have to supplement this with manual systems which can prove to be labour intensive.
- 7.2 The team will review how we report on KPIs and seek advice from other Funds and our system provider.
- 7.3 Analysis of payments and data received from Scheme Employers.

<b>Contributions and monthly returns received by 19<sup>th</sup> of the month following deduction</b>	<b>2018 / 2019</b>
Contributions	92%
Pro-forma	80%

## 8.0 Annual Benefit Statements

- 8.1. Almost 15,000 annual benefit statements for deferred beneficiaries were issued in June 2019.
- 8.2 Contributing members should receive their statement towards the end of August 2019.

## 9.0 Breach

- 9.1 An employer informed the Fund that small number of employees' were not brought into the pension scheme when they were transferred from one position to another.

- 9.2 Twenty six members were affected and the employer concerned has reassured the Fund that the position has been corrected and their systems amended to ensure this does not happen again.
- 9.3 This breach has been entered on the Breach Register as “not material” due to the small number of members impacted, given the size of the employer.

## **10.0 Resources**

- 10.1 The Fund's main employer introduced a new payroll system from December 2017 which resulted in a delay in the production of reports concerning starters, leavers and amendments to members' records.
- 10.2 This delay resulted in a backlog of cases which needed to be addressed and the administration team has taken on four agency staff to assist with this.
- 10.3 The introduction of agency staff enabled more experienced members of staff to deal with data for the triennial valuation and the production of annual benefit statements.
- 10.4 The team continues to look at resources and its ability to provide a service which satisfies all its stakeholders and has identified areas where additional resource may be required to enhance the service.
- 10.5 Particular areas identified to date include:
- the introduction of an employer portal to improve the transfer of information on pay and contributions which will improve data quality.
  - The portal will improve data quality and functionality and the provision of information for scheme members.
  - An online system where members' can perform online calculations.
  - The improved provision of reporting on the performance of the administration team
  - Improved monitoring of information provided by Scheme Employers
  - Improve the provision of information to outside agencies; the Fund's Actuary, The Pension Regulator, HMRC, Government Actuary's Department etc.

## **11.0 Financial Implications**

- 11.1 The cost of additional agency staff is in the region of £2,400 per week.

## 12.0 Background Papers

None

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The report was not circulated to elected members prior to publication

## APPENDIX

### Scheme Employers

Employer type	2017 / 2018			2018 / 2019			2019		
	Joiners	Leavers	Total	Joiners	Leavers	Total	Joiners	Leavers	Total
Schedule	1	-	16	-	1	15	-	-	15
Academies	15	-	91	10	-	101	-	-	101
Colleges	1	2	5	-	1	3	-	-	2
Parish / Town Councils	2	-	33	1	-	34	-	-	34
Transfer Bodies	5	-	62	1	2	63	1	-	62
Community Bodies	-	7	14	-	3	7	-	-	4
Others	-	1	2	-	-	1	-	-	1
<b>TOTAL</b>	<b>24</b>	<b>10</b>	<b>223</b>	<b>12</b>	<b>7</b>	<b>224</b>	<b>1</b>		<b>219</b>

NB Leavers will reduce the total quoted following the year they left.