

Warwickshire Local Pension Board

18 July 2023

Pensions Administration Activity and Performance Update

Recommendation

That the Board notes and comments on the content of the report.

1. Executive Summary

- 1.1 This report updates the Board on the key developments affecting pensions administration and the performance of the Pensions Administration Service (PAS).

2. Financial Implications.

- 2.1 All financial implications are dealt with in the body of this report.

3. Environmental Implications

- 3.1 None arising directly from the content of this report.

4. Member Self Service - MSS

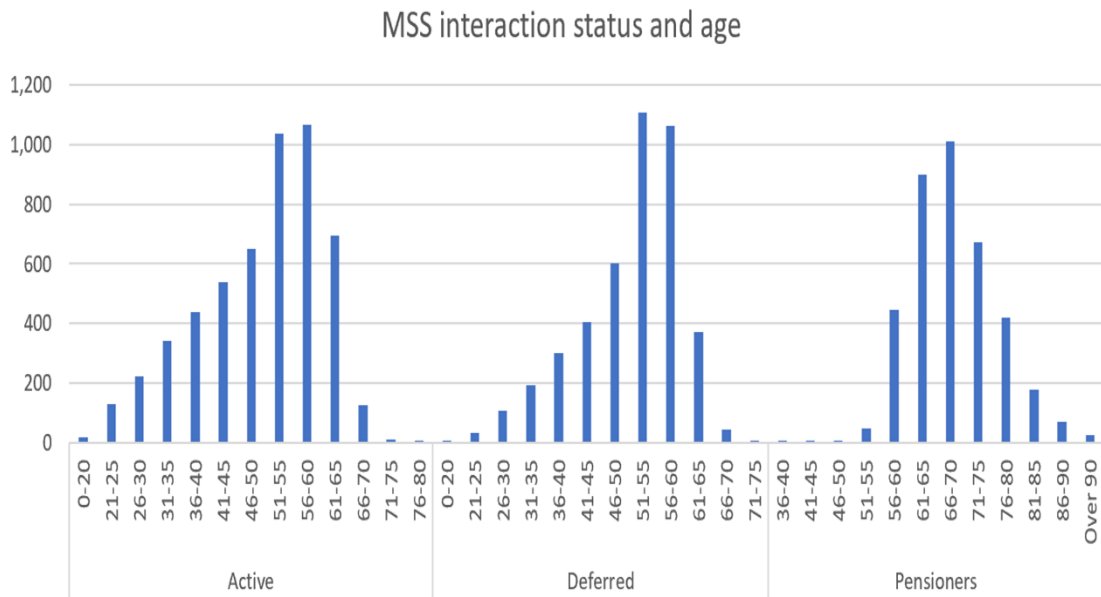
- 4.1 We continue to promote the use of MSS with our pension scheme membership and are reviewing how to promote the service to those groups that have not yet signed up. This includes looking at targeted promotions to employers where take up is low, and also looking at age groups. We propose targeting over 45s to encourage them to sign up in preparation for retirement, as we consider that this will provide the greatest success in raising the number of users. There is already an excellent take up for the age range 51-65 (see Table 1 below for more detail).
- 4.2 We can see that the number of pensioner members who are signed up for MSS is continuing to rise. The last paper payslips were sent out at the end of May and in the pensioner newsletter that was sent out at the end of June, we reminded pensioners that they can sign up for e-payslips. This should also mean that they can use MSS too.

4.3 The take up split by our different types of members is as follows:

Active	5,065 (31.7%) +0.6
Deferred	4,056 (22.8%) +0.6
Pensioner	3,552 (23.7%) +7.3

The table below shows the members who have interacted with MSS.

Table 1



5. E-payslips

5.1 The last paper payslips were sent out at the end of May.

5.2 The table below shows the pensioner and dependant members who currently have an email address registered on their pension record, sorted by the member's age. The total of 9,486 represents nearly 66%. These people will automatically receive an e-payslip from June onwards.

Table 2

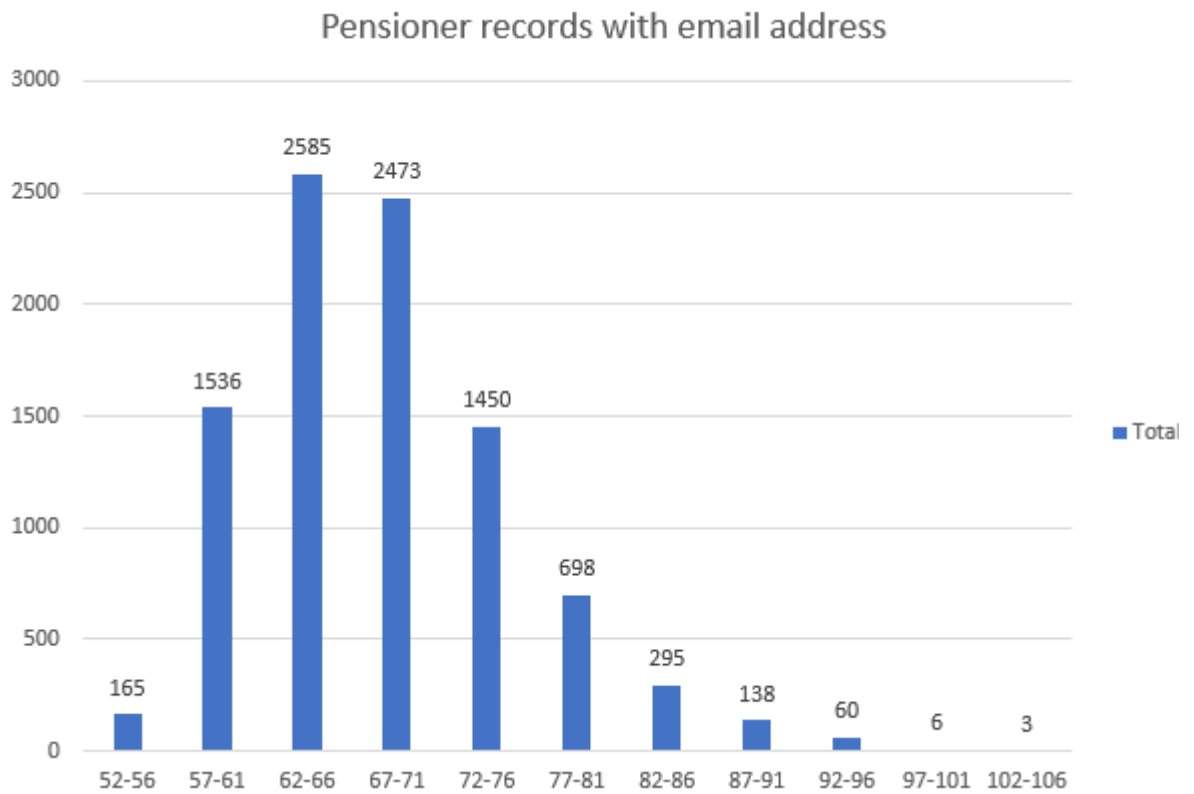
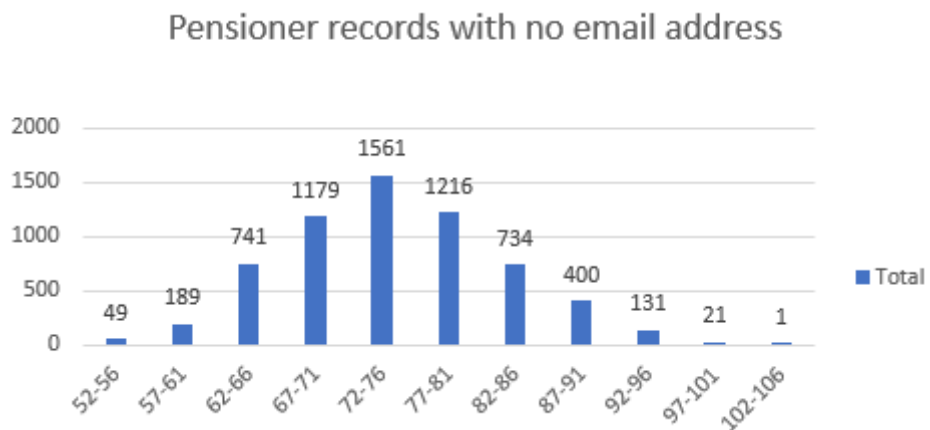


Table 3



5.3 At the end of June, the pensioner newsletter 'The Next Chapter' was sent out to pensioners. This was a paper version which included a reminder for pensioners to sign up to e-payslips. We will also be looking to put a further communication together for those that are not signed up help identify why they are not using this facility.

6. Key Performance Indicators (KPIs)

6.1 Appendix 1 shows the KPI performance for the period 1 April 2023 to 31 May 2023. The KPIs and target timescales are listed in Appendix 2.

6.2 8 out of 14 KPIs are meeting their target. 1 KPI has no cases to report (KPI 11)

For those that are not achieving 95%:

6.2.1 KPI 1 = Transfers in have been suspended whilst we wait for new transfer factors to be released following a change to the SCAPE rate.

6.2.2 KPI 2 = Refunds – this is at 93% with only 3 cases out of 32 not meeting the target

6.2.3 KPI 3 = Transfer out quote: this is at 93% and is consistently improving

6.2.4 KPI 4 = Retirement estimates information: this has dipped slightly as the benefits team have been working on the e-payslip project. The team are encouraging members to run their own estimates through the MSS portal, to help reduce this workload.

6.2.5 KPI 9 = We are now looking at all death with dependant cases on a weekly basis to improve this KPI. We have also had a training session with staff during May to ensure people are recording the work done in the correct way within the system. The procedure and recording process within the workflow system are complex, and when not used correctly can affect the number of cases recorded that are processed within the agreed timeframe.

6.3 For context, please see the chart below that confirms the volume of cases and the number of cases that have been processed by the KPI target: (1 April 2023 to 31 May 2023).

Key Performance Indicator	Fund Target	Total Year Cases	Full Year KPI	Total Cases Within KPI
Target performance			95.00%	
1.Letter detailing transfer in quote	10 days	85	38%	32
2.Letter detailing transfer out quote	10 days	32	90%	29
3.Process and pay a refund	10 days	50	93%	47
4.Letter notifying estimate of retirement benefits (Active)	15 days	52	87%	45
5.Letter notifying actual retirement benefits (Active)	15 days	62	100%	62
6.Process and pay lump sum (Active)	10 days	62	100%	62
7.Process and pay death grant	10 Days	19	100%	19
8.Initial letter notifying death of a member	5 days	95	94%	89
9.Letter notifying amount of dependents benefits	10 days	22	68%	15
10.Divorce quote letter	45 days	1	100%	1
11.Divorce settlement letter	15 days	0	100%	0
12.Send notification of joining scheme to member	40 days	56	100%	56
13.Deferred benefits into payment	15 days	127	98%	124
14.Calculate and notify deferred benefits.	30 days	354	94%	333

6.4 The PAS continues to monitor work being received by the team and ensure we have the resources to manage the workload.

6.5 Appendix 3 shows on a monthly basis the amount of work received, and the amount of work being completed. From the period 1 January 2023 to 30 May 2023 there have been 16,064 cases created and 16,259 completed, this compares to 17,597 created and 15,552 completed in the same period last year. There are currently 3,352 open cases across the section.

7. Pensioner Payroll Key Performance Indicators

7.1 Pensioner payroll for Warwickshire Pension Fund is administered by Warwickshire County Council's payroll team.

- 7.2 The table below provides information on the pensioner payroll service KPIs. Priority is given to ensuring payments are made by the agreed payment dates. Please note the customer care indicator is only recorded for formal complaints. Nil indicates no complaints have been received

Table 5

A table that depicts the Key Performance Indicators for the payroll service

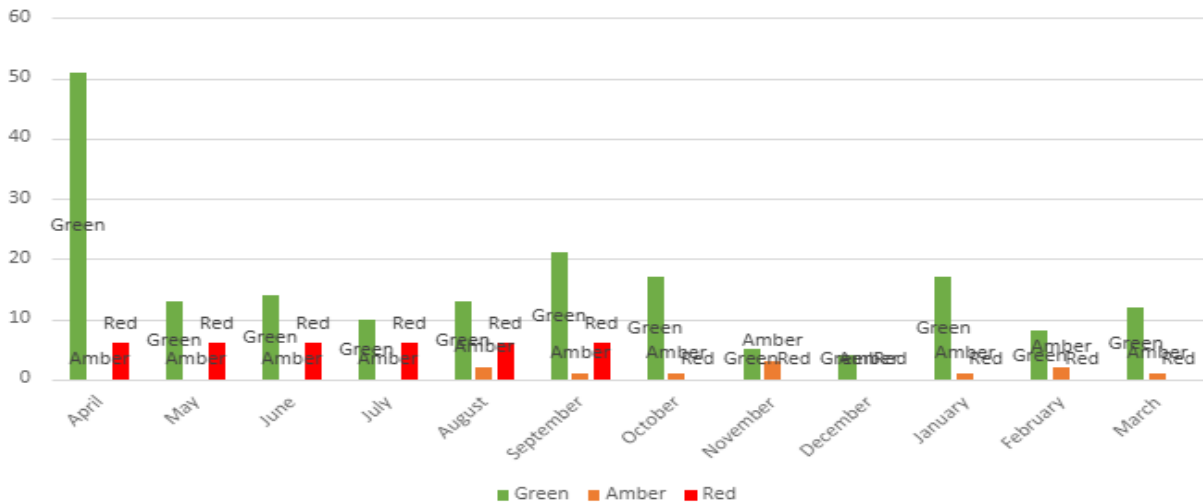
Indicator	Description	Measure	Q1	Q2	Q3	Q4
Customer Care	We will respond to any queries about service delivery within 5 days. (Formal complaints)	95% of queries will be responded to within 5 days.	NIL	NIL	NIL	NIL
Accuracy	Paying people accurately.	99% of all requested staff payments will be paid accurately.	100%	100%	99.99%	100%
Assurance	Paying people on time.	100% of input submitted onto Your HR before deadline will be paid on the relevant scheduled pay day.	100%	100%	100%	100%
Statutory returns	We will make all statutory returns by the required deadlines.	100% of third party payments and statutory returns will be submitted on or before the deadline.	100%	100%	100%	100%
Satisfaction with service	We will achieve constantly high levels of customer satisfaction	Traded wide net promoter score will be 8.8 or more.	9.3	9.2	9.1	10

8. Breaches

- 8.1 The table below indicates the number of breaches the Fund has recorded for the period 1 April 2022 to 31 March 2023:

Table 6

WPF Employer Breaches 22/23

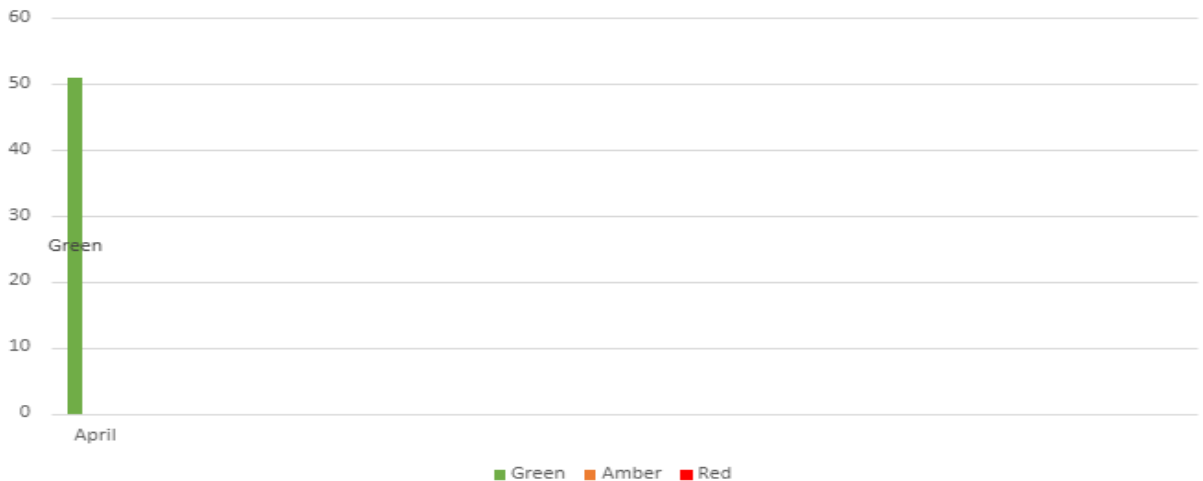


8.2 For almost all of 2022/23 we can see a low level of breaches being recorded, which is encouraging. Continued engagement with employers is helping to maintain the low number of breaches.

8.3 The table below shows the number of breaches recorded for April 2023. If we compare this to the 2022-23 chart we can see that April appears to be a month where our employers struggle to get data in on time. The majority of our employers are Academies and data for April has to be supplied to the Fund by 19 May. For schools this is a period where there is a 2 week break for Easter and this year we also had 2 bank holidays before the 19 May, which we believe has impacted on the ability to get data to us on time.

Table 7: A table that shows the number of breaches for the 2023-2024

WPF Employer Breaches 23/24



9. Internal Dispute Resolution Procedure (IDRP)

9.1 The Fund has no outstanding IDRPs cases, which is a positive reflection for the Fund.

10. Pensions Dashboards

10.1 The Department of Work and Pensions (DWP) are running the Dashboards Programme which will give individuals access to all of their pension schemes information in one place. On 2 March 2023, the DWP made a written ministerial statement outlining the changes to the mandatory connection deadlines for pension schemes.

10.2 A statement was released on 8 June 2023 to confirm that the date for which pension schemes will need to connect to the Dashboards is now 31 October 2026.

10.3 The PAS will continue to review the requirements of the Dashboard and look to put a business case together to ensure we can meet our obligations and have the resource needed to achieve this.

10.4 In October/November we expect the LGPS Framework to be available for the procurement of the Integrated Service Provider (ISP). This will safely connect the Dashboards to the Pensions data held by the Fund via an ecosystem.

11. McCloud – Age Discrimination Remedy

11.1 The PAS have been working on the creation of a data view on each member record in scope for remedy. This will ensure that an underpin should be applied to a member's pension benefits where applicable. Following this any members who are already in receipt of benefits and should have an underpin, will see their benefits rectified when the final legislation is put in place from 1 October 2023.

Appendices

Appendix 1 – Key Performance chart

Appendix 2 – Key Performance indicators

Appendix 3 – Workflow chart

Background Papers

None

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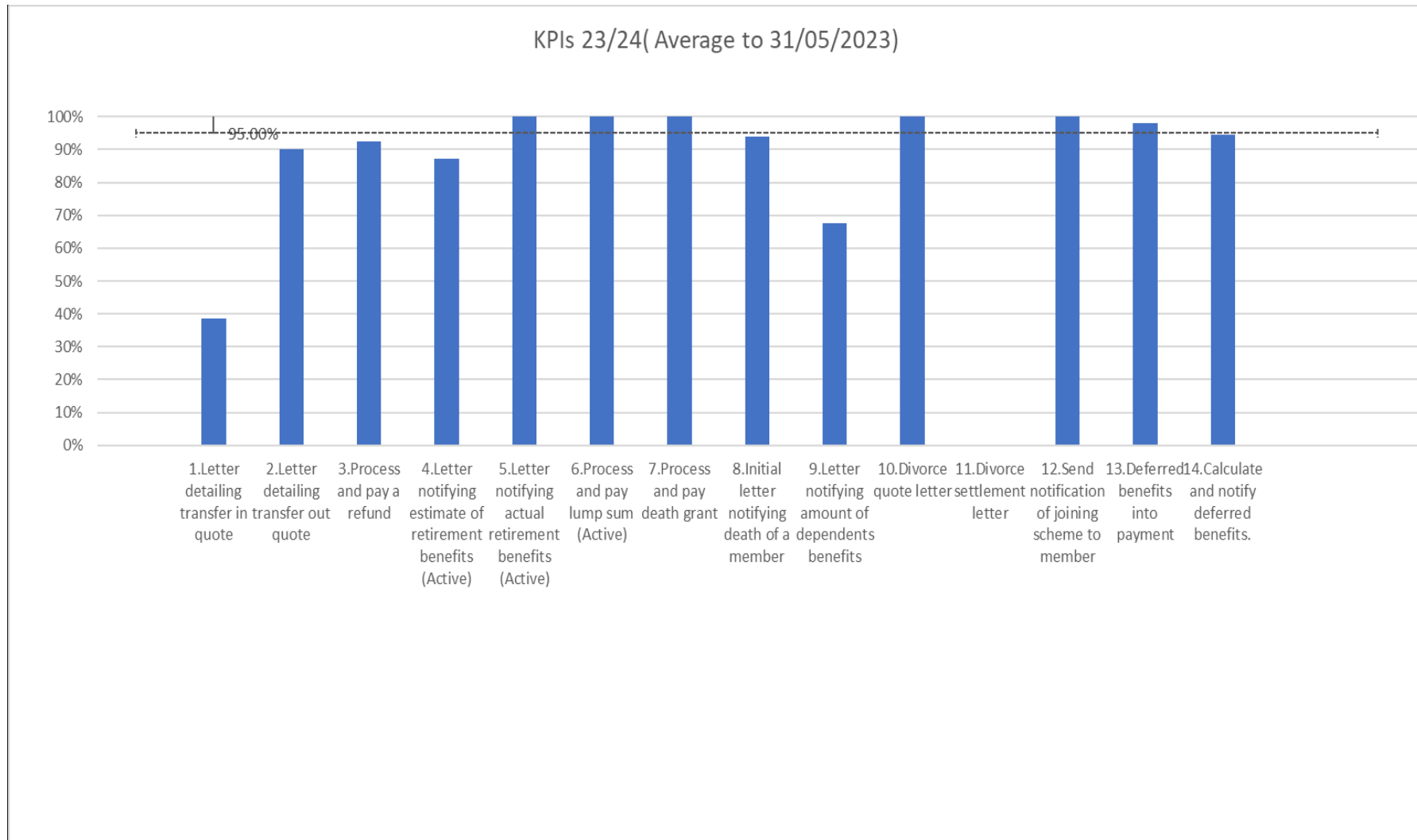
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The report was circulated to the following members prior to publication:

Local Member(s): Not applicable

Other members: Cllrs Peter Butlin, Bill Gifford, and Yousef Dahmash

Appendix 1: A table that shows the 14 KPIs and the level of achievement marked against a target of 95%



Appendix 2: *A table that shows the fund target dates for each KPI*

Key Performance Indicator	Fund Target
Target performance	
1.Letter detailing transfer in quote	10 days
2.Letter detailing transfer out quote	10 days
3.Process and pay a refund	10 days
4.Letter notifying estimate of retirement benefits (Active)	15 days
5.Letter notifying actual retirement benefits (Active)	15 days
6.Process and pay lump sum (Active)	10 days
7.Process and pay death grant	10 Days
8.Initial letter notifying death of a member	5 days
9.Letter notifying amount of dependents benefits	10 days
10.Divorce quote letter	45 days
11.Divorce settlement letter	15 days
12.Send notification of joining scheme to member	40 days
13.Deferred benefits into payment	15 days
14.Calculate and notify deferred benefits.	30 days

Appendix 3: A bar chart that shows the number of workflow cases created and completed per month

16,064	16,259	1,154	17,413	-1,349	108.4%
Cases Opened	Cases Completed	Cases Terminated	Total Closed (Completed + Terminated)	Opened to Closed Variance (Less cases were opened than were closed over the period)	Opened to Closed %

Total Cases Opened & Total Closed Per Period

Total closed cases are broken down to show volume completed and volume terminated

