

# Warwickshire Local Pension Board

24 October 2023

## Pensions Administration Activity and Performance Update

### Recommendation

That the Warwickshire Local Pension Board (“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 The take up of MSS, split by our different types of members is as follows:

Active	5,841	33.04% of active members	+1.34%
Deferred	5,085	23.8% of deferred members	+1%
Pensioner	4,521	29.5% of pensioners	+5.8%

- 4.4 The Pensions Administration Service (PAS) has begun to look at data regarding the profiles of members using MSS and those that have not yet engaged. From this we will develop a programme for contacting members to promote this facility further. This will include roadshows, where we will visit employers with low take up and encourage members to sign up. We will also provide an update to stakeholders in our AGM scheduled for November.

### 5. E-payslips

- 5.1 June was the first month where we did not issue paper payslips, and as such we anticipated a larger number of queries from pensioners, following pay day.
- 5.2 Both the pensions team and customer service centre received a number of queries. These were largely with regard to registering for e-payslips, from those that had not already registered, password queries or requests for paper payslips. An FAQ sheet was created and shared with the teams in order to help deal with the queries.
- 5.3 We have received some feedback that for those that cannot access e-payslips, we should consider the need to still communicate on other matters with written correspondence. There is an option for members to opt out of digital communications and continue to receive information via post and this is being highlighted to those members without digital access.

## **6. Key Performance Indicators (KPIs)**

- 6.1 Appendix 1 shows the KPI performance for the period 1 April 2023 to 31 August 2023.
- 6.2 8 out of 14 KPIs are meeting their target and the remaining 6 have all seen improvements in the total number of cases being completed within the KPI deadline.
- 6.3 KPI 1 – there has been a delay in processing these cases due to the team having to hold processing while we waited for new transfer factors to be provided by the Government Actuaries Department (GAD).
- 6.4 KPI 2 – The KPI continues to improve. For transfers out there is an increased level of due diligence required because of the risk of pension scams. This means it can take longer to ensure the member has a right to a transfer out and to check whether this is to be paid to a suitable pension arrangement.
- 6.5 KPI 3 – this KPI has fallen slightly due to staff leave in August but is generally improving and is at 96.67% in September.
- 6.6 KPI 4 – This KPI is improving; it was met at 100% during August and we expect this to continue.
- 6.7 KPI 8 – The team have been reminded about checking for these tasks daily and ensuring enough information is gathered during the initial contact with the member's family to enable them to complete the process. We have ensured that all outstanding cases are now completed.
- 6.8 KPI 9 - This KPI is improving and is now being monitored on a weekly basis to ensure the improvement is sustained.

6.9 KPI 11 – There has only been one case, which was delayed due to new factors being released by GAD.

6.10 For context, the table below shows the volume of cases per KPI and the number of cases that were dealt with within the KPI target.

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	179	53%	95
2.Letter detailing transfer out quote	10 days	141	84%	118
3.Process and pay a refund	10 days	135	90%	122
4.Letter notifying estimate of retirement benefits (Active)	15 days	124	91%	113
5.Letter notifying actual retirement benefits (Active)	15 days	158	100%	158
6.Process and pay lump sum (Active)	10 days	158	98%	155
7.Process and pay death grant	10 Days	54	97%	52
8.Initial letter notifying death of a member	5 days	221	92%	203
9.Letter notifying amount of dependents benefits	10 days	60	84%	51
10.Divorce quote letter	45 days	42	96%	40
11.Divorce settlement letter	15 days	1	100%	1
12.Send notification of joining scheme to member	40 days	182	100%	182
13.Deferred benefits into payment	15 days	335	99%	332
14.Calculate and notify deferred benefits.	30 days	813	96%	780

## 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.

Indicator	Description	Measure	Q1	Q2
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
Accuracy	Paying people accurately.	99% of all requested staff payments will be paid accurately.	100%	99.99%
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%
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%
Satisfaction with service	We will achieve constantly high levels of customer satisfaction	Traded wide net promoter score will be 8.8 or more.	10	NIL

## 8. Workloads

- 8.1 The PAS continues to monitor work being received by the team and ensure we have the resources to manage the workload.
- 8.2 From the 1 January 2023 to 31 August 2023 there have been 25,720 cases created and 26,183 completed, this compares to 27,564 created and 28,069 completed in the same period last year.
- 8.3 The drop in number of cases created is a net result of the introduction of Member Self Service (MSS) where members of the scheme can now update their details online rather than submitting them through to the team. However, the use of MSS is increasing members awareness on pensions, which is a positive outcome, and so we are seeing an increase in general enquiries.
- 8.4 While we do not currently have a telephony system that records and provides reporting on the number of calls we are receiving, the team are indicating that more calls are being dealt with. We hope to have a telephony system in place next year, which will help us to monitor workload received via phone and direct enquiries more efficiently.
- 8.5 We are also dealing with a lot more email traffic for both login queries and general questions about information held on the MSS system. We have recently recruited to a vacant part time post on the employer relations team,

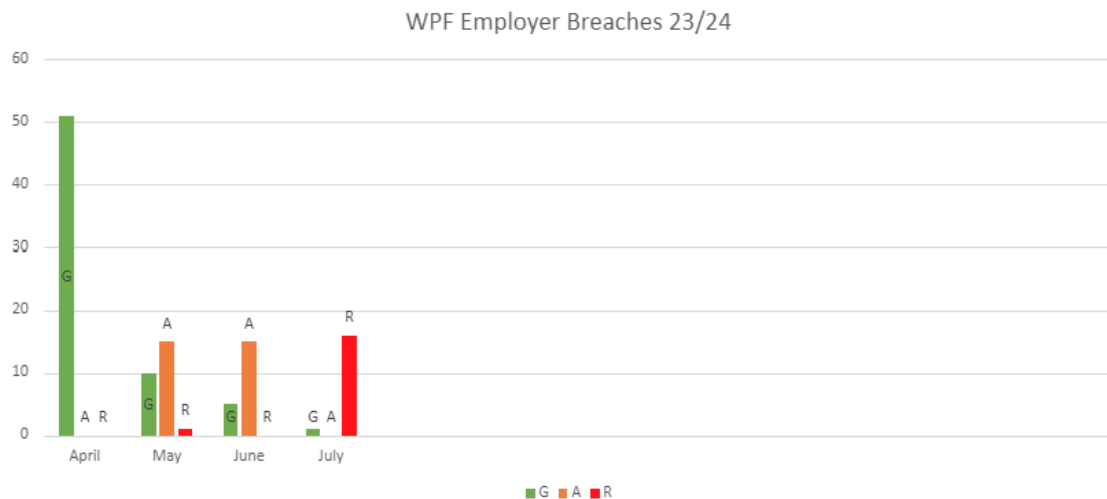
and this post is now dedicated to dealing with this work, freeing other team members to focus on other key tasks.

- 8.6 With the introduction of pension dashboards, we will need to consider how we will resource queries coming into the team as awareness regarding pensions and planning for retirement increases.

## 9. Breaches

- 9.1 In accordance with the Fund's Breaches Policy, any amber breach results in direct contact with the employer responsible to resolve the issue. If this does not result in the necessary action required, further escalation can be used.

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



- 9.3 2 Red breaches were recorded in July, 1 for the late submission of the Fund Accounts and 1 for the non-receipt of information from a Multi Academy Trust (MAT) which covers a number of individual schools.

- 9.4 The MAT changed its payroll provider in April, and this has led to a delay in providing information to the Fund. The trust is working with the new payroll provider to deliver a working extract so that data can be sent across, but this is taking longer than we would like.

## 10. Internal Dispute Resolution Procedure (IDRP)

- 10.1 The Fund has no outstanding IDRP cases.

## **11. Pensions Dashboards**

- 11.1 On 8 June, the Department for Work and Pensions (DWP) issued a [written ministerial statement providing an update on the connection deadline for pensions dashboards](#). The statement explains that the Pensions Dashboard Programme will be unable to meet the connection deadlines set out in the legislation, and the timeline will need to be revised. The new connection deadline is October 2026.
- 11.2 The PAS will continue to look at the work needed to be ready for dashboards, focusing on data quality. Our software provider has provided a data readiness report that shows the quality of our data and areas that require improvement.
- 11.3 As part of the dashboard workplan, we will need to consider how to tackle issues such as 'gone aways', where members have moved and not kept us informed of their change of address; and mortality screening, so that we can reduce the risk of overpayment of pensions and help to track next of kin for members who have not kept in touch. We will also need to consider how we resource the additional queries we will receive once the dashboard goes live.
- 11.4 The introduction of Member Self Service (MSS) has given us an indication as to how many additional queries can be created when members are given access to an online service. Not only do we receive queries regarding a members' pension benefits, we are also having to assist with login queries. The dashboard will create queries for pension providers for members who have a partial match to data we hold. Therefore, these will have to be investigated to see if the person is a member of the fund. A set timeframe will be given for pension providers to respond to these.
- 11.5 In October/November of this year, we will also be able to access the LGPS Framework in order to procure the Integrated Service Provider (ISP). The ISP is a service that sits between the PDP Central Digital Architecture and multiple Pension providers. The service accepts Find and View requests from the Central Digital Architecture and returns matching pensions and subsequently, their values and administrative data to scheme members.

## **12. Annual Benefit Statements (ABS)**

- 12.1 The PAS have been working through the summer to produce ABSs for all Active and Deferred members.
- 12.2 A total of 21,187 (100%) statements were produced and published online for deferred members. These were made available to members by 31 July, within the statutory deadline. 29 ABSs were sent out in paper format as requested by the member.

- 12.3 A total of 16,855 (97%) statements were produced without error for active members. The majority have been published online with only 145 sent out in paper at the request of the member.
- 12.4 The remaining 534 statements, which were not produced due to an error on the member's record, have been investigated. The majority of these are casual or variable time members where CARE pay is missing for 31 March 2023. Checks will be done to see if these members are actually due a statement, as they may no longer be working for the employer but have not been ceased on the payroll system.

### 13. McCloud Project

- 13.1 The McCloud project continues, with work progressing on the creation of an Indicator on records for members who are in scope.
- 13.2 The regulations are set to be laid on 1 October 2023 and the Local Government Association (LGA) are working on template communications that can be used by funds to inform affected members.
- 13.3 The fund will look to use these communications and will post information on its website to share this with members. An FAQ document will also be produced which will cover more complex issues that arise for members.
- 13.4 Even though there are a large number of members in scope it is not anticipated that many will see an increase in their benefits for the remedy.

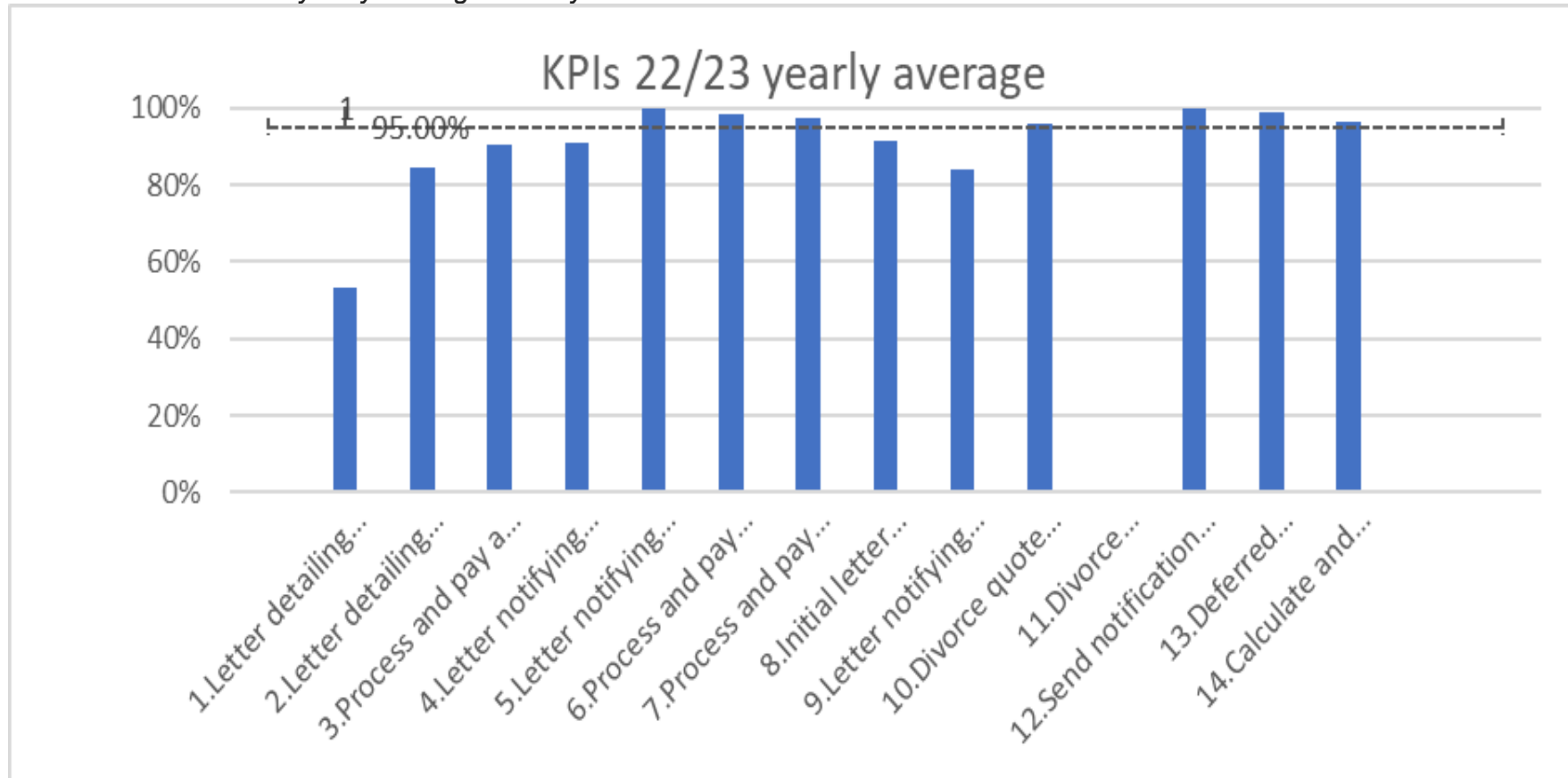
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The report was circulated to the following members prior to publication:

Local Member(s): Cllrs Dahmash and Gifford  
 Other members: n/a

## Appendix 1

A chart that shows the yearly average for Key Performance Indicators





## Appendix 2

A chart that shows the number of workflow cases that have been opened, completed or terminated.



### Total Cases Opened & Total Closed Per Period

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

