

Staff and Pensions Committee

10 March 2025

Pensions Administration Activity and Performance Update

Recommendation

That the Staff and Pensions Committee notes and comments on the content of the report.

1. Executive Summary

- 1.1 This report updates the Committee 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	7,853	40.67% of active members	0.91% Increase
Deferred	6,490	29.85% of deferred members	0.65% Increase
Pensioner	5,859	33.92% of pensioners	0.90% Increase
Dependants	197	9.05% of dependants	0.07 % Decrease

- 4.2 The PAS continues to advertise the MSS system in their email signatures and promote the system during interactions with members.

- 4.3 The PAS is proceeding with preparations for the switch from the current MSS system to Engage. The new system will be available for training and testing within the PAS from 17th February with the aim to go live around the beginning of April 2025.

- 4.4 Communications with members to advertise the new system will be staggered, firstly targeting members who have already registered for MSS. These users will have their login transferred over to the new system, with minimum effort required on their part.
- 4.5 Communications will then be issued to members that do not currently use our portal, to advertise the new system and updated functionality.

5. Pensions Administration Key Performance Indicators (KPIs)

- 5.1 Appendix 1 shows the KPI performance for the period 1 April 2024 to 31st January 2025.
- 5.2 For the period to end of January 2025, nine of the sixteen KPIs are meeting the 95% target. Of the remaining seven KPIs that are not hitting the 95% target, five of these are higher than 90%.
- 5.3 For context, the table below includes the volume of cases per KPI and the value for the previous year. In all but three cases where the KPI data is available for both current and previous years, performance to date in 2024/25 is equal to or better than 2023/24.

	Key Performance Indicator	Fund Target	Total Year Cases	Apr-Jan KPI	Last Year Average
	Target performance	95%		95%	
B1	Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	5 days	363	96.0%	92%
B2	Communication issued confirming the amount of dependents pension	10 days	111	92%	88%
B3	Communication issued to deferred member with pension and lump sum options (quotation)	15 days	1177	83%	N/A
B4	Communication issued to active member with pension and lump sum options (quotation)	15 days	286	92%	90%
B5	Communication issued to deferred member with confirmation of pension and lump sum (actual)	15 days	697	98%	98%
B6	Communication issued to active member with confirmation of pension and lump sum (actual)	15 days	305	98%	99%

	Key Performance Indicator	Fund Target	Total Year Cases	Apr-Jan KPI	Last Year Average
B7	Payment of lump sums (actives and deferred)	15 days	998	98%	97%
B8	Communication issued with deferred benefits	30 days	1427	94%	96%
B9	Communication issued to scheme member with completion of transfer in	15 days	395	71%	N/A
B10	Communication issued to scheme member with completion of transfer out	15 days	389	97%	N/A
B11	Payment of refund	10 days	334	94%	91%
B12	Divorce quotation	45 days	88	100%	98%
B13	Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	15 days	3	100%	33%
B14	Communication issued to new starters	40 days	300	92%	98%
B15	Member estimates requested by scheme member and employer	15 days	390	97.47%	N/A
B16	Process and pay death grant	10 days	137	100%	96%

6. Pensioner Payroll Key Performance Indicators

- 6.1 The pensioner payroll for Warwickshire Pension Fund is administered by Warwickshire County Council's payroll team.
- 6.2 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.

Performance of the payroll team in managing the Pensioner payrolls

Indicator	Description	Measure	Q3 23/24	Q4 23/24	Q1 24/25	Q2 24/25
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%	100%	100%
Assurance	Paying people on time	100% of input submitted onto Your	100%	100%	100%	100%

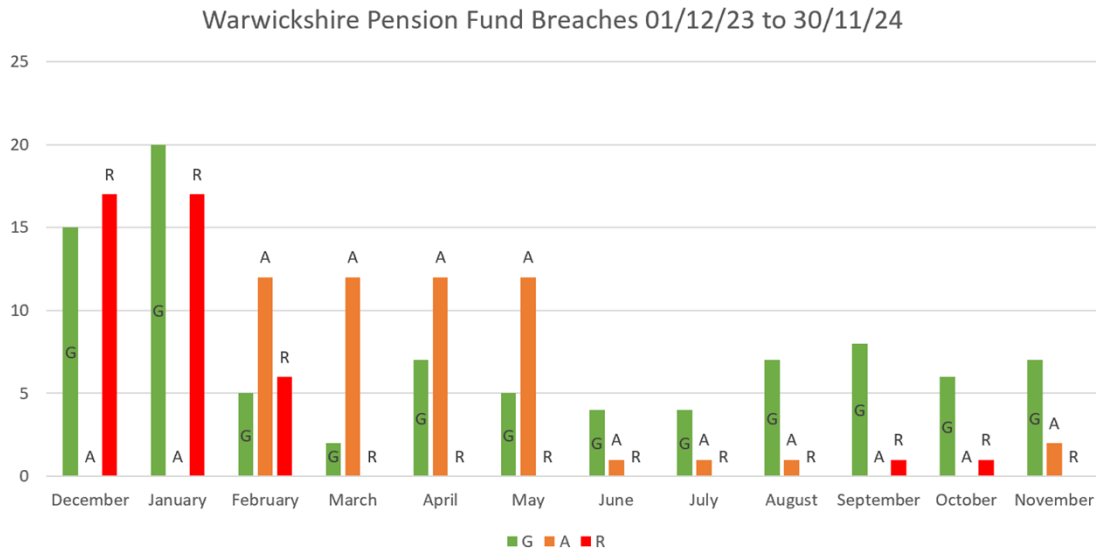
		HR before deadline will be paid on the relevant scheduled pay day.				
Statutory returns	We will make all statutory returns by the required deadlines	100% of third-party payments and statutory returns will be submitted on or before the deadline.	100%	100%	100%	100%
Satisfaction with service	We will achieve constantly high levels of customer satisfaction	Traded wide net promoter score will be 8.8 or more.	10	7.4	9	8.7

7. Workloads

- 7.1 The PAS continues to monitor work being received by the team to ensure we have the resources to manage the workload.
- 7.2 From 1 January 2024 to 31 December 2024 there have been 34,412 cases created and 34,793 completed. This compares to 37,394 created and 38,368 completed in the same period last year. The reduction in activity from the previous year is due to the success of the i-connect system, which reduces the need for manual intervention of our data. There are currently 3,294 open cases which is a reduction from 3,704 open cases from the preceding period.

8. Breaches

- 8.1 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. Where a breach is escalated to Red, this must be reported to The Pensions Regulator, along with a plan for remedying the situation.
- 8.2 The table below indicates the number of breaches the Fund has recorded for the period 1st December 2023 to 30th November 2024:



8.3 The amber breach previously reported was upgraded to Red during September and October. This breach has now been resolved with all legal paperwork for the admission completed.

8.4 There are currently two amber cases, one in relation to frequent late iconnect submissions. We have been communicating with this employer to resolve this issue. The main issue can be around size of employer where a small employer may not run a payroll every month. The second breach relates to an employer not paying contributions for October and November. The PAS are working with this employer to agree a payment plan that will ensure that they are up to date with contributions by the end of the financial year.

9. Internal Dispute Resolution Procedure (IDRP)

9.1 The Fund currently has one IDRP case outstanding at the second stage. The Fund also has an open investigation with the pension ombudsman.

9.2 The Fund closed two IDRP stage one cases in the last quarter.

10. McCloud Project

10.1 This project now draws to a close, as the PAS has completed the processing of active, deferred and pensioner members. Pensioners identified as being owed arrears have now received payment.

10.2 The Annual Benefit Statement data issued for 2024/2025 will also include McCloud underpin information for active and deferred members.

11. Pensions Dashboard Programme

- 11.1 The Pensions Dashboard Programme is a government project which will enable individuals to access their pensions information online, securely, and all in one place, thereby supporting better planning for retirement. Dashboards will provide clear and simple information about an individual's multiple pension savings, including their State Pension.
- 11.2 The Local Government Pension Scheme has a staging date by which it must connect to the dashboard, which is 31 October 2025. The Digital Access Point (DAP), when pension dashboards will be available for use by members of the public, is yet to be announced but is expected to be in 2026.
- 11.3 The PAS has now completed stage one of the implementation of the Integrated Service Pathway (ISP) which will connect our administration data to the national dashboard. Stage two of the implementation will be completed in August. Upon completion of stage 2, the PAS will have a connection to the national dashboard.
- 11.4 The PAS is looking at the return of data for members who hold an additional voluntary contribution (AVC). Options are around return of data from the AVC provider or data being returned to the PAS to be linked with the LGPS data.

Appendices

Appendix 1 – Key Performance chart

	Name	Contact Information
Report Authors	Lisa Eglesfield, Pension Administration Service Manager, Ian Morris, Pension Membership Team Manager, Alistair Wickens, Governance and Technical Lead	lisaeglesfield@warwickshire.gov.uk, ianmorris@warwickshire.gov.uk, alistairwickens@warwickshire.gov.uk
Director	Purnima Kandula, Director of Finance	purnimakandula@warwickshire.gov.uk
Executive Director	Rob Powell, Executive Director for Resources	robpowell@warwickshire.gov.uk
Portfolio Holder	Councillor Peter Butlin, Deputy Leader and Portfolio Holder for Finance and Property	peterbutlin@warwickshire.gov.uk

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

Local Member(s):

Other members: Cllrs Dahmash, Gifford

Appendix 1

Pension Fund Administration Key Performance Indicators 2024/2025

