



Report of: Corporate Director of Finance and Resources

Meeting of	Date	Agenda Item	Ward(s)
Pensions Sub Committee	15 July 2014	B2	n/a

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## SUBJECT: PENSION ADMINISTRATION PERFORMANCE

### 1. Synopsis

- 1.1 This report provides Members with information on the administration activities of the Pension administration section of the Finance Department. The information is in respect of the period from 1 February 2014 to 31 May 2014.
- 1.2 The report also provides information regarding the Internal Dispute Resolution Procedure, compliments, complaints and communications.
- 1.3 In addition there is an update regarding the invite to non-members of the LGPS to join the scheme.

### 2. Recommendations

- 2.1 To note the performance against key performance indicators for the relevant period.
- 2.2 To note the information in respect of the Internal Dispute Resolution Procedure, compliments and complaints.
- 2.3 To note the information regarding the invitations to non-members.

### 3. Background – Statistics and key performance indicators

3.1 The membership profile at 31 January 2014 and 31 May 2014 is shown in the following table.

Category	Jan - 14	May - 14
Number of current active members	6,077	6,131
Number of preserved benefits	6,437	6,463
Number of Pensions in payment	4,967	5,020
Number of Spouses/dependants pensions in payment	920	935
Total	18,401	18,549

3.2. Key performance indicators from 1 February 2014 to 31 May 2014:

Process	Target days to complete	Volume	Target % Achievement	% Achieved within target days	Actual average days
Deaths	5	29	95%	93.10%	2.71
Retirement benefits	5	73	95%	90.41%	4.83
Pension estimates	10	108	95%	90.74%	4.44
Preserved benefit calculations	15	76	95%	75.00%	12.33
Transfer-in quotation	10	14	95%	71.43%	9.07
Transfer-in actual	10	21	95%	71.43%	8.23
Transfer out actual	12.5	15	95%	80.00%	8.20
Transfer out quotation	15	4	95%	75.00%	5.10
All processes	-	676	-	89.61%	-

3.3 The overall performance for the previous period 1 November 2013 to 31 January 2014 was 91.12%. There was an improved performance in respect of Retirement benefits processed within target; up from 83.72% last time. However the lower priority processes of Preserved benefit calculations and Transfers each showed a lower performance compared to the previous period. The reason for the lower performance was because of the resource requirements to ensure a successful transition from the LGPS 2008 scheme to the 2014 scheme, which came into effect on 1 April 2014.

3.4 During the 2 year period to 31 May 2014, 116 communications have been received thanking Pension Administration for the service, including 21 since the previous meeting of the Sub Committee.

3.5. No complaints have been received since the previous meeting of the Sub-Committee.

3.6 There were no new Internal Dispute Resolution Procedure (IDRP) cases.

## **4. Invitation to join the LGPS for employees who are non-members**

- 4.1 It was reported to the March 2014 meeting of the Sub-Committee that invitations had been sent to 667 employees to join the new look LGPS.
- 4.2 The number of employees who have chosen to join the LGPS has been disappointing. A total of 19 individuals have become members of the LGPS, of whom 8 opted to pay half rate contributions in accordance with the '50/50 section' of the LGPS.
- 4.3 Auto-enrolment of new employees into the LGPS has been in place since April 2013, and the 6,131 current active members shows the highest membership since March 2010. Consideration will be given to sending a further invitation to non-members in 2015.

## **5. Implications**

### **5.1 Financial Implications**

- 5.1.1 The cost of administering the Local Government Pension Scheme is chargeable to the Pension Fund.

### **5.2 Legal Implications**

- 5.2.1 There are no specific legal implications in this report.

### **5.3 Equalities Impact Assessment**

- 5.3.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
- 5.3.2 In respect of this report, an Equality Impact Assessment is not being made because the contents of the report relate to processes that are strictly in accordance with the statutory Local Government Pension Scheme Regulations. The LGPS Regulations are made under the Superannuation Act 1972, and the Council has a statutory duty to comply with the LGPS Regulations.

### **5.4 Environmental Implications**

- 5.4.1 The environmental impacts have been considered and it was identified that the proposals in this report would have no adverse impacts

## 6 Conclusion and reasons for recommendations

6.1 The report is made to each meeting of the Sub-Committee and is provided in order to assess administration performance.

### Background papers:

None

### Final Report Clearance

Signed by

Corporate Director of Finance and Resources

Date

Received by

Head of Democratic Services

Date

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