



Report of: Corporate Director Resources

Meeting of	Date	Agenda Item	Ward(s)
Pension Board	30 June 2020		

Delete as appropriate		Non-exempt	
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SUBJECT: PENSION ADMINISTRATION PERFORMANCE

1. Synopsis

- 1.1 This report provides the Board with information on the administration activities of the Pension Administration. The information is in respect of the period from 1 February 2020 to 30 April 2020 and includes the number of LGPS members auto-enrolled into the scheme for this period.
- 1.2 The report also provides information regarding the Internal Dispute Resolution Procedure, compliments and complaints.

2. Recommendations

- 2.1 To note the number of members' auto-enrolled into the Local Government Pension Scheme during the relevant period.
- 2.2 To note the information in respect of the Internal Dispute Resolution Procedure, compliments and complaints.
- 2.3 To note that there may be a possible delay of one month in issuing the active benefit statements.

3. Background – Statistics and key performance indicators

3.1 The membership profile at 31 January 2020 and 30 April 2020 is shown in the following table.

Category	Jan - 20	Apr - 20
Number of current active members	6,481	6,569
Number of preserved benefits	8,215	8,243
Number of Pensions in payment	5,864	5,906
Number of Spouses/dependants pensions in payment	966	968
Total	21,526	21,686

3.2. Key performance indicators from 1 February 2020 to 30 April 2020:

Process	Target days to complete	Volume	Target % Achievement	% Achieved within target days	Actual average days
Deaths	5	22	95%	91.00%	6.10
Retirement benefits	5	58	95%	88.25%	7.50
Pension estimates	10	49	95%	75.30%	15.20
Preserved benefit calculations	15	34	95%	82.40%	18.00
Transfer-in quotation	10	21	95%	100.00%	9.80
Transfer-in actual	10	10	95%	100.00%	9.20
Transfer out actual	12.5	34	95%	90.00%	14.50
Transfer out quotation	15	34	95%	85.00%	18.55
Legacy Cases - Valuation	-		-	-	-
All processes	=	374		81.00%	

3.3 There has been a drop of 6.5% overall performance from the 87.5% achieved in the last quarter in completed processes within the target days. It should also be noted that there was an overall increase of 16% of cases processed over this period, a number of which were covid-19 related. The Pensions Office following guidance from the Pensions Regulator is focusing resources on the most critical areas of work (i.e. ensuring pensioners and death cases are paid correctly and on time).

3.4 Number of members auto-enrolled into the LGPS from February to April 2020:

Month	Starters No.	Opt Outs	Opt Outs %
February	45	5	11.11
March	39	1	2.56
April	36	1	2.78
Total	120	7	5.83

3.5 Since the March 2020 report to the board -9- communications have been received thanking Pension Administration staff for their service and -2- complaints.

3.6 There are no Internal Disputes to report.

- 3.7 Details of the revamped pension webpages and the departmental and salary profile of Islington employees who were not in the LGPS was included in March's report to the Board.

4. Annual Pension Statements

- 4.1 The deferred annual benefit statements (ABS) will be sent to former members of the pension scheme in July 2020. The ABS for active members is being worked on however it is unlikely that the statements will be sent out by the statutory deadline of 31st August 2020. Agreement has been reached with our external printer to aim to produce the statements by 30 September 2020. The Pensions Regulator has announced in light of the covid-19 situation, they are not requiring organisations to notify them of a breach of regulations providing statements are sent out by 30 November 2020.

5. Implications

5.1 Financial Implications

- 5.1.1 The cost of administering the LGPS is chargeable to the Pension Fund.

5.2 Legal Implications

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

5.3 Resident 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, a Resident 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 and contribution to achieving a net zero carbon Islington by 2030:

None applicable to this report. Environmental implications will be included in each report to the Pension Board Committee as necessary. The current agreed investment strategy statement for pensions outlines the policies and targets set to April 2022 to reduce the current and future carbon exposure by 50% and 75% respectively compared to when it was measured in 2016 and also invest 15% of the fund in green opportunities. The link to the full document is https://www.islington.gov.uk/~/_media/sharepoint-lists/public-records/finance/financialmanagement/adviceandinformation/20192020/20190910londonboroughofislingtonpensionfundinvestmentstrategystatement.pdf

6 Conclusion and reasons for recommendations

6.1 The report will be made to each meeting of the Pension Board and is provided in order to assess administration performance and dispute resolution.

Background papers:

None.

Final report clearance:

Signed by:

Corporate Director of Resources

Date

Report author : Patrick Fullerton
Tel : 0207 527 2588
Fax : 0207 527 2596
E-mail : patrick.fullerton@islington.gov.uk