



Report of: Corporate Director Resources

Meeting of	Date	Agenda Item	Ward(s)
Pension Board	8 December 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 August 2020 to 31st October 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 the new working arrangements for the Pensions Office and the impact that the coronavirus is having on our services.
- 2.4 To note the initial impact of the public-sector exit payment cap by government on members.

3. Background – Statistics and key performance indicators

3.1 The membership profile at 1 August 2020 and 31 October 2020 is shown in the following table.

Category	Aug - 20	Oct - 20
Number of current active members	6,468	6,438
Number of preserved benefits	8,362	8,272
Number of Pensions in payment	5,968	6,013
Number of Spouses/dependants pensions in payment	987	995
Total	21,785	21,718

The number of preserved benefits have reduced by just over 1% following our data cleansing exercise which has led to the aggregation of member service into one record.

3.2. Key performance indicators from 1 August 2020 to 31 October 2020:

Process	Target days to complete	Volume	Target % Achievement	% Achieved within target days	Actual average days
Deaths	5	18	95%	97.00%	6.00
Retirement benefits	5	64	95%	95.00%	6.00
Pension estimates	10	60	95%	88.00%	11.00
Preserved benefit calculations	15	37	95%	80.00%	17.00
Transfer-in quotation	10	21	95%	90.00%	12.00
Transfer-in actual	10	22	95%	100.00%	9.00
Transfer out actual	12.5	14	95%	96.00%	14.00
Transfer out quotation	15	33	95%	100.00%	13.00
Legacy Cases - Valuation	=		=	=	=
All processes	=	422		84.00%	

3.3 There has been an increase of 1% in overall performance from the 83.00% achieved in the last quarter in completed processes within the target days. There has also been an increase of just over 5% of total cases processed over this quarter in comparison with the last quarter which is mainly attributable to work done on the production of the annual benefit statements.

3.4 Number of members auto-enrolled into the LGPS from August to October 2020:

Month	Starters No.	Opt Outs	Opt Outs %
August	44	5	11
September	45	7	16
October	93	6	6
Total	182	18	10

3.5 Since the September 2020 report to the board -5- communications have been received thanking Pension Administration staff for their service and -1- complaint in relation to the exit payment cap.

3.6 There are no Internal Disputes to report.

4. Impact of coronavirus on Pensions Administration

- 4.1 The Pensions Office receives a high volume of post and as a consequence pension staff have continued to access the Office to scan the post twice a week onto our database for processing. This is done on a rota basis and social distancing is practiced at all times.

5. Cap on Public Sector Exit Payments

- 5.1 The introduction of the 95K exit payment cap has led to a number of queries and concerns raised by our employees. The information we have been able to provide is limited because of the conflict between the LGPS and the exit cap regulations.

6. Implications

6.1 Financial Implications

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

6.2 Legal Implications

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

6.3 Resident impact assessment

- 6.3.1 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.

- 6.3.2 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.

6.4 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

7 Conclusion and reasons for recommendations

7.1 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

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