

## PENSIONS ADMINISTRATION MONITORING REPORT

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### 1. Summary

- 1.1 The report provides Members with monitoring information on the performance of and issues affecting the Pensions Administration Team.

### 2. Recommendations

- 2.1 Members are asked to accept the position as set out in the report and;

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

3.1 **Risk Management**

Performance is considered and monitored to ensure regulatory timescales and key performance indicators are adhered to.

3.2 **Human Rights Act Appraisal**

The recommendations contained in this report are compatible with the Human Rights Act 1998.

3.3 **Environmental Appraisal**

There is no direct environmental, equalities or climate change consequence of this report.

3.4 **Financial Implications**

There are no direct financial implications arising from this report. Managing team performance and working with other Administering Authorities ensures costs to scheme employers for Scheme Administration are reduced. However, it must be noted that the introduction of the 2014 LGPS and the increased governance being introduced by the Public Services Pension Act 2013 will increase the resources required by the administration team.

#### 4. Performance and Team Update

- 4.1 The team's output and performance levels to the end of October 2014 are attached at **Appendix A**.
- 4.2 Over the last quarter the number of procedures outstanding has reduced which is very encouraging. Backlogs are coming down in line with the plan in place to clear these by the end of this financial year.
- 4.3 Development work is now being undertaken and projects moving forward with regards to data cleansing, work flow review and electronic data transfer from employers. Several employers are sending a monthly return to ensure CARE data is recorded against individual records.
- 4.4 A new middleware service called I-Connect (supplied by I-connect Ltd) is being piloted for 2 years. This will use data from the payroll systems at Shropshire Council and Telford & Wrekin Council on a monthly basis and feed it into the Pensions system Altair, resulting in less manual intervention so reducing risks around corrupting data. To do this manually would need more staffing resource as ultimately this procedure is completing a year end balancing exercise on a monthly basis.
- 4.5 Both Council's act as a payroll bureau for other Fund Employers so 40 employers will be captured through I-Connect in total.

#### 5. Help Desk Statistics

- 5.1 The following chart shows the number of queries received through the helpline number and the number of emails received to the generic Pensions email inbox.

	August 2014	September 2014	October 2014
Telephone calls answered	763	867	898
Queries dealt with by helpdesk at first point of contact %*	99.08%	82.24%	95.54%
Emails received and responded by help desk	256	190	205
Hits to the website	1196	1321	1855

\* Where queries have not been dealt with by helpdesk, this will usually mean that the calls have been picked up by the rest of the team outside of the helpdesk.

- 5.2 It's interesting to note the increase in hits to the website over the last quarter. The helpdesk actively encourage all scheme members to visit

the website for information and to use the Member Self-Serve (MSS) facility – now being advertised as My Pension Online.

## 6. Communications

- 6.1 The InTouch newsletter (**Appendix B**) was sent to all retired members at the end of September.
- 6.2 Work is underway on the 2015 Benefit Statement production. From next year statements must be sent out by 31<sup>st</sup> August, this is 2 months earlier than the current deadline so consideration is being given to how this date will be met. A project plan is being drawn up to look at whether online benefit statements can be used from next year. This will consider the costs for implementation as well as ensuring compliance with the Disclosure regulations can be assured.
- 6.2 Pension information sessions were held on 30<sup>th</sup> and 31<sup>st</sup> October following the Annual Benefits Statements being sent out. Over 80 scheme members attended over the 2 days and the presentations given were very well received.
- 6.3 An employer meeting is being planned for January 2015. The Pensions Regulator and Pensions Ombudsman are being booked to provide a presentation to employers on the importance of good data and their own increased regulatory roles from April 2015.
- 6.4 Work is continuing on the development of the website. Using feedback from google statistics, the menu structure has been reviewed. Shropshire Council's web team are to move this site to a new server before this new structure can be implemented. The new menu structure has been based around the 'top viewed page' and will include quick links to these pages.
- 6.5 The top 10 pages visited are:
- Home Page
  - View your pension account online
  - View your payslips online
  - Active member
  - Forms and Guides
  - Retired Member
  - Opting out of the LGPS
  - Contributions
  - Latest News
  - Topping up your pension

6.6 The following trends have been spotted during the last quarter:

- There was a spike in interest after an email to overseas pensioners went out asking them to view InTouch on the website
- When the employer area was launched, website views jumped, however whilst the initial guide page had a lot of hits none of the inside pages did. This suggests that people were printing PDF versions instead.
- InTouch advertised the website and encouraged retired members to use it, resulting in users of that page more than doubling. There were also over 200 more views of payslips.
- Interestingly, very few people view the website on a Sunday.

6.7 The Communications Officer attends the LGA Communications Working Group which has been recognised by the LGPS Advisory Board Sub Committee for Administration and Communications. The below was taken from the minutes of the meeting on the 4<sup>th</sup> September 2014 (which can be read in full here <http://www.lgpsboard.org/index.php/sub-comms/administration-and-communications>).

4c.

*Work plan items for the Administration and Communications Sub-Committee – working with the Communications Working Group*  
*The sub-committee noted the extremely useful work being undertaken by Communications Working Group (CWG). It was agreed that the Chairperson of the CWG should be invited to attend meetings of the sub-committee when there are communication matters on the agenda.*  
*Action: Secretariat to notify the CWG of the decision to invite its Chairperson to meetings of the sub-committee when there are communication matters on the sub-committee's agenda.*

## 7. DCLG Consultation

7.1 In October, DCLG began a second consultation on the revised draft Local Government Pension Scheme (Amendment) (Governance) Regulations 2014. The draft regulations seek to provide better governance and improved accountability in the LGPS. There are also new provisions relating to the implementation of cost control measures in the LGPS.

7.2 The Pension Fund responded to the first consultation which closed in August and is not intending to submit a second response as there are very few changes. The changes to note are:

- The prohibition on elected members sitting on pension boards as employer members has now been lifted, subject to some other restrictions.

- But no officer or elected member of an administering authority who is responsible for the discharge of any function under the regulations (apart from any function relating to local pension boards or the Local Government Pension Scheme Advisory Board) may be a member of a local pension board.
- Membership of the Scheme Advisory Board remains at between 2 and 12 but now all the appointments, including the chair are to be made by the Secretary of State. Previously, only the chair was directly appointed by the Secretary of State with the other appointments being made by the chair and approved by the Secretary of State.

7.3 Employer Cost cap. The operation of the employer cost cap (as part of the Government's policy on cost control in public service pension schemes) has already been set out in detail in Treasury Directions. It is difficult to comment fully on this Regulation when the level of the employer cost cap has still to be finalised. We will support the Fund's Advisors comments on this area when further details are known.

## 8. Annual Meeting

- 8.1 This year's annual meeting was held at the Walker Theatre, Theatre Severn, Shrewsbury on 21 November 2014 at 10.00am.
- 8.2 Presentations were given by the Pension Scheme Administrator, Head of Treasury and Pensions, Pension Administration Manager and HarbourVest. The meeting was once again very successful.

### List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Pensions Committee Meeting 19 September 2014 Pensions Administration Report

#### Cabinet Member (Portfolio Holder)

NA

#### Local Member

NA

#### Appendices

Appendix A – Performance Monitoring

Appendix B - InTouch