

**ITEM No ...6.....**

**REPORT TO: PENSION SUB-COMMITTEE OF THE POLICY & RESOURCES COMMITTEE & PENSION BOARD– 5<sup>th</sup> JUNE 2017**

**REPORT ON: PENSION ADMINISTRATION PERFORMANCE – QUARTERLY UPDATE**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 196-2017**

**1 PURPOSE OF REPORT**

This report provides information on the recent quarter's operational performance in relation to Pension Administration.

**2 RECOMMENDATIONS**

The Sub-Committee are asked to note the contents of the report.

**3 FINANCIAL IMPLICATIONS**

There are no financial implications.

**4 BACKGROUND**

Following the Pension Administration Performance Report (article VIII of minutes of the meeting of the Pension Sub-Committee and Pension Board of 6<sup>th</sup> June 2016, Report 217-2016 refers) detailing the review undertaken by AON Hewitt following the retirement of the Pensions & Payroll Manager, the Sub-Committee and Board members requested a quarterly update report to inform of key issues identified and achievements in the previous quarter and to maintain an operational understanding of service levels, demands and constraints.

**5 SERVICE SUMMARY**

<b>Actual Pensions Brought into Payment in Quarter</b>	<b>Oct - Dec</b>	<b>Jan - Mar</b>
Efficiency/Redundancy	32	25
Ill Health	11	15
Flexible	14	15
Preserved into Payment	61	75
Voluntary (inc Employers consent)	29	45
Voluntary Age 65	20	22
<b>Total Pensions Brought into Payment</b>	<b>167</b>	<b>197</b>
<b>Estimates - VER Exercises &amp; Operational since last report</b>	<b>Oct - Dec</b>	<b>Jan - Mar</b>
VER DCC	20	19
VER Other *	92	191
<b>Total Estimates Received</b>	<b>112</b>	<b>210</b>
<b>Total Estimates Outstanding as at 31/03/2017</b>	<b>17</b>	<b>51</b>
VER P&K being processed to payment **	50	40
<b>Other Pension Events</b>	<b>Oct - Dec</b>	<b>Jan - Mar</b>
Deaths	155	160
Survivors Pensions	63	55

\* 141 Redundancy Estimates requested and issued to Angus Council

### **Queries & Complaints**

- Approximately 20-25 e mail queries were received daily during the period
- Approximately 90% are dealt with within 20 working days, with the remaining 10% referred to other agencies or employers for further information.
- No formal complaints were received during the quarter.
- All counter visits were accommodated within 10 minutes of arrival.

### **Recruitment & Outsourcing**

- 2 Temporary Staff have been recruited for a period of six months (1 at full-time and the other at 15 hrs per week – commencing during the next quarter).
- Tender exercise to outsource the GMP Reconciliation Project and the backlog of preserved benefit (leavers) and concurrent employment (active) calculations will be published on Public Contracts Scotland (during next quarter).

### **Other**

- Tayside Pension Fund have been nominated for an OSCA in the Improvement and Innovation Category for the PensionsWeb Project.
- Employers' Forum held on 24<sup>th</sup> April 2017 with presentations by Tracey Russell, Lynne McKenzie, Graeme Muir of Barnett Waddingham and Hazel Hardie of Perth & Kinross Council
- Presentation by Lynne McKenzie provided to Councillors on 8th March 2017, presentation focused on a summary of main scheme benefits but with an emphasis on retirement benefits.
- A meeting is arranged with the HR Team from Dundee and Angus College for the next quarter to provide scheme information to new and existing HR Team members.
- A presentation held on 20<sup>th</sup> April 2017 at Kingspark School to give a scheme overview and to provide a surgery at the end for questions. Presentation and Surgery to be provided by Mark Anderson and Amanda Smith.
- Increasing volume of requests being generated via Freedom & Choice which was introduced by the government to allow greater flexibility for individuals aged over 55 to access defined contribution pension saving. Approximately 40-50 requests for transfer out calculations are being received per month to be issued to Financial Advisers (over and above normal volumes of 10-15 per month expected).

## **6 CONCLUSION**

The increased VER workload continues to stretch the existing resources available with the emphasis now on the payment of benefits for those retiring via these initiatives.

## **7 POLICY IMPLICATIONS**

This Report has been screened for any policy implications in respect of sustainability, strategic environment assessment, anti poverty, equality impact assessment, privacy impact assessment and risk management.

There are no major policy issues

**8 CONSULTATIONS**

The Chief Executive and Head of Democratic and Legal Services have been consulted in the preparation of this report.

**9 BACKGROUND PAPERS**

None

**MARJORY M STEWART  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**26 MAY 2017**

