

**ITEM No ...8.....**

**REPORT TO: PENSION SUB-COMMITTEE OF THE POLICY & RESOURCES COMMITTEE & PENSION BOARD– 6 JUNE 2016**

**REPORT ON: PENSION ADMINISTRATION PERFORMANCE**

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

**REPORT NO: 217-2016**

**1 PURPOSE OF REPORT**

This report provides information on the recent operational performance of 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 agreed flexible retirement of the Pensions & Payroll Manager and loss of Depute Pensions Manager, a review of Pension Administration of Tayside Pension Fund was instructed. This was undertaken at the end of August 2015 by Karen McWilliam of AON Hewitt (the Fund's consultants), an expert within the pension administration field and also a previous LGPS manager.

The review highlighted a number of key issues. These issues have since been addressed, and the current position not only shows improvement across all key priority areas identified, it also demonstrates a focused approach to better quality service delivery.

**5 APPROACH**

Service delivery enhancements have been achieved by undertaking the following key actions:

- AON Hewitt provided management with a short term service plan, detailing key tasks required, giving clear priorities and deadlines.
- New management was introduced by extending the remit of those currently responsible for investment management of the fund from October 2015, and restructure of the service is currently underway utilising skilled and experienced resource from the existing team.
- Arrangement of work is under weekly review and allocation to meet requirements, however it is important to note that due to unforeseen long term absence of two experienced staff, some improvements have been unable to be achieved in full.
- Staff have now received targeted systems training in order to address some backlogs through bulk processing system tasking.

- PensionsWeb is in the final stages of implementation for all employers, and although the original decision was to introduce this to members. Following staff engagement, it was decided to introduce the system initially to employers to improve processes and increase efficiency.
- Employers have undergone training alongside staff on the new systems, and are now using them to enable them to undertake tasks instantly without assistance, freeing up staff to deal with issues of greater importance to their customers.
- Staff are now fully engaged with improvements and are planning further process improvements to assist them in meeting their objectives.

## **6 CONCLUSIONS**

Whilst there have been a number of positive outcomes achieved, the team still face a number of challenges as the nature of the service dictates that workload is not controllable. There are also large VER schemes currently underway which have increased demands on limited resources in the team.

## **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 were consulted in the preparation of this report.

## **9 BACKGROUND PAPERS**

None

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

**27 MAY 2016**