

ITEM No ...7.....

REPORT TO: PENSION SUB-COMMITTEE OF THE POLICY & RESOURCES COMMITTEE & PENSION BOARD– 5 SEPTEMBER 2016

REPORT ON: PENSION ADMINISTRATION PERFORMANCE – QUARTERLY UPDATE

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 287-2016

1 PURPOSE OF REPORT

This report provides information on the recent quarters 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 report in June 2016 (217-2016 Pension Administration Performance) detailing the review undertaken by AON Hewitt post 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 APRIL – JUNE 2016

Annual Returns & Statements

All year end employer returns and part-time proformas were issued to the 44 employers and the pensions administration system (Altair) has subsequently been updated with new data received to enable the issue of Annual Benefit Statements by 31st August (issue previously required by end of financial year).

Pensions Estimates & Actuals

Actual Pensions Brought into Payment in Quarter	
Efficiency / Redundancy	180
Ill Health	11
Flexible	19
Preserved into Payment	73
Voluntary (inc employers consent)	43
Total Pensions Brought into Payment	326

- The fund's largest employer (DCC) continued their VER scheme. During the quarter, 163 estimate requests were received with 117 completed and others awaiting further employer information.
- As no other large employers were mid VER exercise, there were only approximately 50 non VER estimates during the period.

Queries & Complaints

- Approximately 20-25 e mail queries were received daily during the period which equates to over 2000 queries over the quarter. Approximately 90% are dealt with within 20 working days, with the remaining 10% referred to other agencies or employers for further information.
- 2 formal complaints were received during the quarter. Both have received initial response within 10 working days, and are currently being reviewed.
- All counter visits were accommodated within 10 minutes of arrival.

Historic Caseload

- New processes were introduced in April to ensure that incoming concurrent and preserved cases were scheduled into daily task allocation 229 preserved cases calculated during the period.
- Temporary resource is being recruited to address the historic backlog of approximately 1200 concurrent and preserved cases.

6 CONCLUSION

The increased workload as a result of the current large VER scheme currently underway and the subsequent pensions being brought into payment across many employers has strained the existing resources available. This, coupled with the imposed legal requirement to issue annual benefit statements by the end of August, have meant that the team have had to prioritise their workload and not had the resource to address the historic backlogs.

Although the following quarter is also expected to be challenging, it is anticipated that the use of additional resource together with redeployed resource from other tasks will address the outstanding backlog within normal workload where possible.

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

26 AUGUST 2016