

DUNDEE CITY COUNCIL

REPORT TO: Personnel and Management Services Committee - 10 February 2003

REPORT ON: Finance Department - Review of Pensions Section Contributions Team

REPORT BY: Director of Finance and Director of Personnel and Management Services

REPORT NO.: 51-2003

1 PURPOSE OF REPORT

- 1.1 To identify the staffing and resources required to ensure the efficient and timeous processing of the Team's current and foreseeable future workload.

2 RECOMMENDATIONS

It is recommended that: -

- 2.1 one temporary Clerical Assistant post, graded GS1/2 (£9,680 - £12,899), be deleted and one post of Clerical Assistant, graded GS1/3 (£9,680 - £13,664), be established;
- 2.2 three additional posts of Pensions Assistant, graded GS3/AP1 (£13,124 - £14,618), be established;
- 2.3 the Pensions Section examines the potential of using Workflow to streamline paper based systems across the section.

3 FINANCIAL IMPLICATIONS

- 3.1 The cost of the above recommendations will be £53,522 including employer's costs for a full financial year. Details are included in Appendix 2. All costs will be met from the Superannuation Fund.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6 BACKGROUND AND PROPOSALS

6.1 The Contributions Team within the Pensions Section is currently staffed as follows:-

- 1 Pensions Officer, graded AP4;
- 3 Pensions Assistants, graded GS3/AP1, one of which is job shared;
- 1 Clerical Assistant, graded GS1/3;
- 1.5 Clerical Assistants, graded GS1/2 (one full-time temporary and one part-time).

The Principal Pensions Officer, graded PO11-14 and the Senior Pensions Officer, graded PO3-6, supervise the section (see Appendix 1a).

6.2 The Council's Pension Section manages the Fund for 46 employers in the Tayside area. A change in the Pension Scheme Regulations has meant that all new part-time employees are automatically brought into the Pension Scheme on their employment. These employees can opt out at any time, but few do so. Frequently part-time employees have more than one part-time job within an organisation and also work varied hours depending on the demands of the job. This has created substantial ongoing additional work for the team. Presently, one full-time temporary Clerical Assistant post is fully occupied with the gathering of data and calculations required to establish annual full-time equivalencies for all the part-time posts in the fund. Management has been restricted in the type of work they can allocate to the present postholder as the post is graded GS1/2. It would improve the flexibility within the section if this post was graded GS1/3 with the same job description as the existing GS1/3 Clerical Assistant post in the Contributions Team. It is, therefore, recommended that the temporary Clerical Assistant post graded GS1/2 be deleted and a post of Clerical Assistant graded GS1/3 be established.

6.3 In addition to the increased number of part-time employees, four new employers have joined the scheme. The number of pensioners has increased due to the number of local authority staff who retired early and the fact that former employees and their dependants are living longer and, therefore, receiving their pension for a longer period. There has also been an increase in the number of deferred pensioners because, under the changes to the Regulations, once an employee has two years in the Pension Scheme, they must either defer their benefits or transfer them to another pension scheme. Previously, employees could only defer their pensions if they had been employed for five years. Most employees choose to defer their benefits because of the adverse publicity surrounding private pension schemes in recent years. As a result of all of these factors, the Team's work has become backlogged. Measurement of the backlogs shows that it would take one full-time employee 17 months to clear. However, at the present rate of growth, with the present number of staff, the backlog will continue to grow. It is estimated that it will require an additional three Pensions Assistants to prevent this backlog from recurring and to assist in clearing the present backlog. It is, therefore, recommended that three Pensions Assistant posts, graded GS3/AP1, be established (See Appendix 1b).

- 6.4 The Pensions Section recently received approval to purchase document imaging software to replace its microfiche equipment. At present, only the document imaging part of the software is being purchased. No work has been done on examining the potential for using Workflow. Workflow systems automate paper-based systems, effectively routing information to appropriate persons. This approach saves money on photocopying and hand delivery and automatically reminds staff of required tasks while notifying supervisors of action and inaction. The current systems in the Pensions Section are computerised, but a lot of paper is still generated. For instance, almost 43% of the Pensions Officers' time is spent sorting and distributing mail that could be scanned in at the start of the process and picked up by the relevant Pensions Assistant on their PC using a workflow system. It is suggested that it would be worthwhile examining what systems could be streamlined and improved using Workflow.

7 **CONSULTATION**

- 7.1 The Chief Executive and Director of Support Services, and the relevant Trade Unions have been consulted on this report.

8 **BACKGROUND PAPERS**

- 8.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

D.K. Dorward
Director of Finance

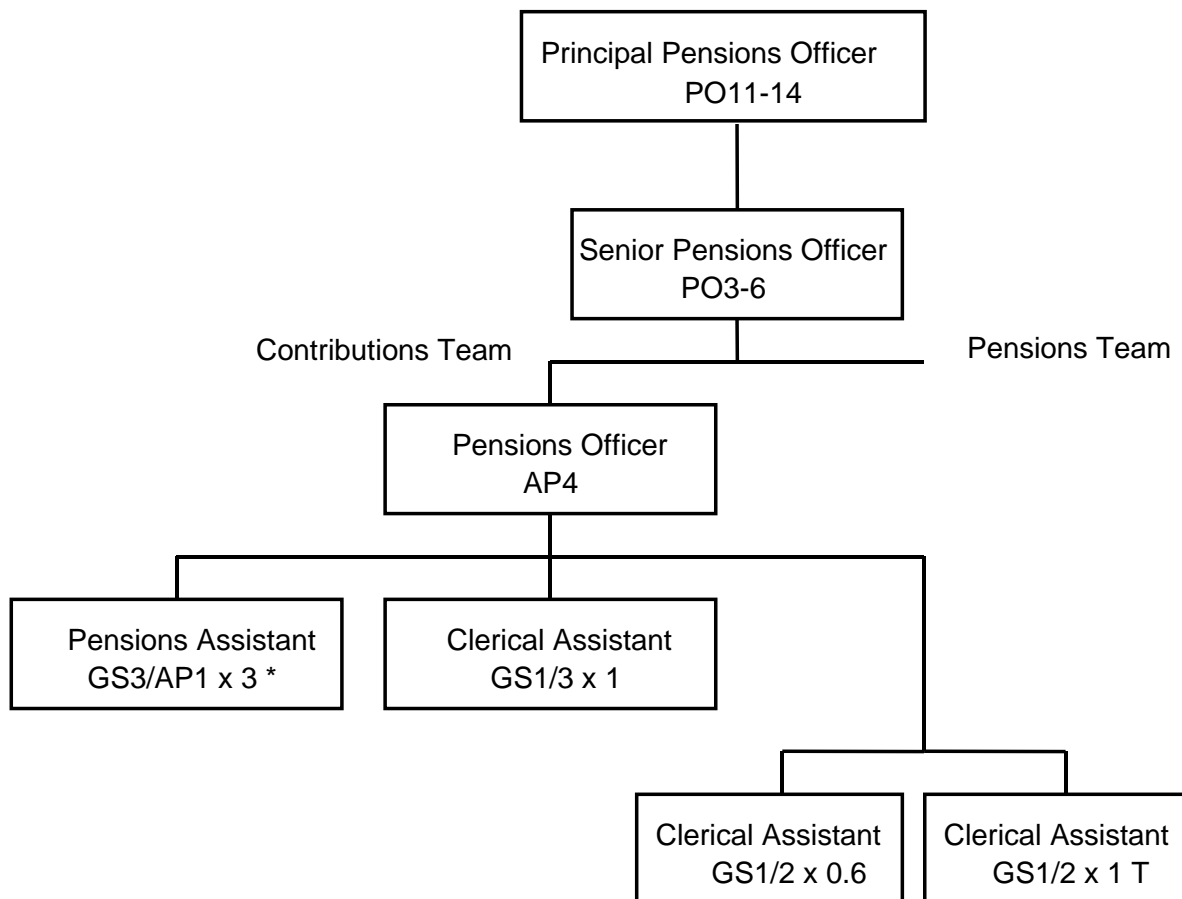
27 January 2003

J.C. Petrie,
Director of Personnel and Management Services

27 January 2003

Appendix 1a

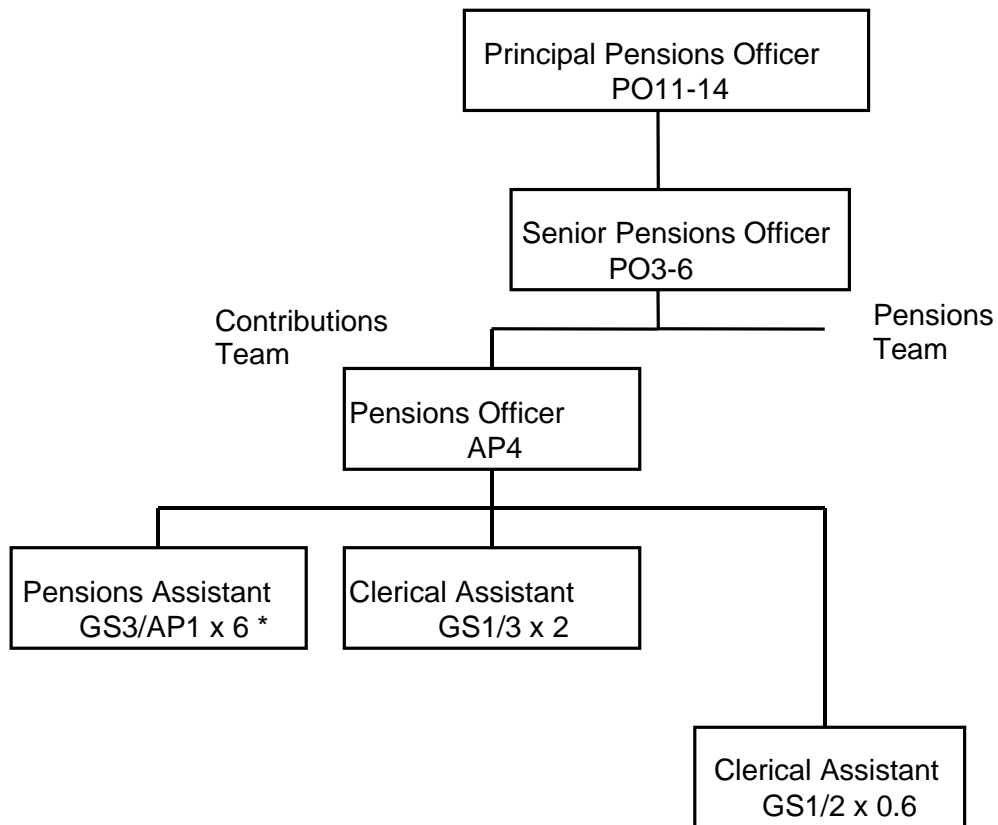
Dundee City Council
Finance Department Pensions Section - Contributions Team
Present Organisation Structure



* Denotes one post jobshare

T Denotes temporary

Dundee City Council
Finance Department Pensions Section - Contributions Team
Proposed Organisation
Structure



* Denotes one post job shared

Appendix 2

Grade	Salary at Maximum	Emp Costs	Cost per FTE	Present Posts	Proposed Posts	<u>Additional Cost/(Savings)</u>
AP4	£20,897	£4,334.96	£25,231	1	1	£0
GS3/AP1 (JS)	£14,618	£2,909.63	£17,527	3	6	£52,583
GS1/3	£13,664	£2,693.07	£16,357	1	2	£16,357
GS1/2 (Temp)	£12,899	£2,519.41	£15,418	1	0	(£15,418)
GS1/2 (20hrs)	£12,899	£2,519.41	£15,418	0.6	0.6	£0
				6.6	9.6	£53,522