

Division(s): N/A

PENSION FUND COMMITTEE – 6 SEPTEMBER 2013

Pension Administration – Service Performance

Report by Assistant Chief Executive and Chief Financial Officer

Introduction

1. This report is to update members on the current service performance of the administration team during the year to March 2013.

Team Structure & Staffing

2. Staffing levels have remained stable during the year with minor adjustments to some contracts for the number of hours worked resulting in a drop of FTE from 21.44 to 21.36.
3. Two periods of maternity leave has meant that staff, within the team, has been switching roles to provide cover and maintain service standards.
4. As reported in the most recent CIPFA benchmarking survey a quarter of staff in the Oxfordshire County Council Pension Fund (OCCPF) have between 1 – 5 years' experience. This combined with re-allocation of work to provide cover has resulted in high levels of in-house training.

Continuous Improvement

5. This is now well embedded in team culture. Team members use a feedback spreadsheet to record comments from scheme employers and scheme members along with ideas for improvement to processes that arise as part of their daily routines. Informal complaints and compliments are also recorded.
6. Additionally the team receives and reviews comments from both scheme employers and scheme members who have completed the quarterly customer survey forms.
7. Summaries of comments are evaluated by team managers to determine how these can be used in the review of our processes. This is then discussed at our team meeting and added to the schedule of work.
8. The quarterly newsletter to scheme members will give an update of where processes have changed as a result of comments being received, or where changes cannot be made normally because of a legislative reason.

Formal Complaints

9. If a scheme member wishes to complain about a decision regarding their pension they are encouraged to contact Pension Services to discuss the matter since many complaints arise as a result of misunderstanding or incorrect information.
10. However, if a complaint cannot be resolved informally the regulations set out a formal procedure, The Internal Dispute Resolution Procedure (IDRP). During the calendar year 2012 (the last full year recorded) a total of 15 complaints were received. These are summarised below:

Employer	Referred To	Summary	Decision
OCC	Internal - employer	Member had two part time posts - not told of the requirement to opt out of each post & so contributions were deducted. This matter has been resolved by Pay and Employment Information team.	Found
OCC	Ombudsman	Previous referral to Ombudsman resulted in case being reviewed by employer - again ill health not granted. This resulted in second referral to Ombudsman who has determined that employer has followed procedure.	Not found
Oxford City	IDRP 1 - employer	Seeking payment of pension benefits on grounds of ill-health. New medical assessment undertaken. Review confirms ill health not payable.	Not found
OCC	IDRP 1 - employer	Has three pension records / seasonal contract. Has been made redundant, but only one pension brought into payment - querying that decision. Employer reviewing process - awaiting update. Employer has now confirmed that remaining two records should be brought into payment.	Found
OCC	IDRP 1 - employer	Retired on 3rd tier ill-health - seeking a review of that decision.	Not found
OCC	IDRP 1 - employer	As a result of changes to employment now has two pension records. Complaint that employer had not properly informed of the impact these contract changes would have upon pension benefits. Employer has now confirmed that there should be one contract of employment.	Found
Cherwell DC	Ombudsman	Member disputing final pay used for calculation of benefits. 17.09.12. Ombudsman determination confirms that OCCPF has applied regulations correctly in calculation of final pay.	Not found
OCC	Internal 1	Complaint that deceased partner had provided pension and that no payments had been made. Due to time limits dealt with under OCC complaints procedure.	Not Found
OCC	IDRP 1 - employer	Ill-health retirement has been refused - complaint to employer asking them to reconsider that	Not found

		decision.	
OCC	IDRP 1 - employer	Not granted ill-health - appealing this decision.	Not Found
OCC	Internal 2	Complaint that deceased partner had provided pension and that no payments had been made. Due to time limits dealt with under OCC complaints procedure. Unhappy with stage 1 response - therefore referred to stage 2.	Not Found
Cherwell DC	Ombudsman	Complaint re transfer in outside of the 12 months not being allowed. Further compounded since wrong data used for calculation resulting in significant overpayment - member has not yet repaid - now referred case to TPAS (14.10.10). Stage 2 confirmed repayment of monies but states that there was mal-administration since authority should have understood member intentions. 01 October member has confirmed that he is now referring his case to the Ombudsman.	Still awaiting decision
OCC	Ombudsman	Complaint made against abatement to added years/pension following re-employment. 24.12.10 Ombudsman's determination is that the member shall repay monies over a 10 year period, but this is to be reduced by £750 in recognition of inconvenience and distress	Partially Found
Oxford City	IDRP 2 - employer	Seeking payment of pension benefits on grounds of ill-health. Review confirms ill health not payable. Stage 2 determination confirms that since member had resigned ill-health had been correctly assessed under deferred membership criteria.	Not found

Performance Data

11. The increased use of task management (where all work is recorded, allocated and monitored through the pension system) does give a better overall picture of workload for the overall team and individual team members, allowing managers to give more specific individual feedback and pick up any training or organisation issues.
12. Key performance indicators, set in our service level agreements, are monitored and reported monthly, with any variations from specification being investigated. The performance in comparison with industry standard performance indicators, is shown below:

Industry Standard PI's	Target	Achieved	Average
Letter detailing transfer in quote	10 days	93.5%	88.6%
Letter detailing transfer out quote	10 days	94.6%	89.3%
Process refund & issue payment voucher	5 days	67.4%	85.7%
Note: This has improved from previous year (49%) but has been designated as a lower priority due to staffing levels.			
Letter notifying estimate of retirement benefit	10 days	95.2%	90.2%
Letter notifying actual retirement benefit	5 days	99.0%	88.6%
Process and pay lump sum retirement grant	5 days	99.0%	88.6%
Letter acknowledging death of member	5 days	89.2%	92.1%
Letter notifying amount of dependent's benefit	5 days	74.4%	86.9%
Calculate & notify deferred benefits	10 days	41.0%	81.6%
Note: The OCCPF has a high number of part time members with multiple pension records. An exercise previously revealed that to meet these turnaround times created more work because many staff were then reemployed thereby increasing the level of re-do work. However, the completion rate within 10 days has risen from the 22% reported last year.			

13. In addition to the benchmarking the administration team have been looking at partnership working with other Local Authorities and have, as a result, identified further areas of good practice which could be adopted to feed into the continuous improvement.

RECOMMENDATION

14. **The Committee is RECOMMENDED to note the report.**

Sue Scane
Assistant Chief Executive and Chief Finance Officer

Background papers: None

Contact Officer: Sally Fox, Pension Services Manager, Tel: (01865) 797111

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