

PENSION FUND COMMITTEE – 11 JUNE 2021

ADMINISTRATION REPORT

Report by the Director of Finance

RECOMMENDATION

The Committee is **RECOMMENDED** to

- a) **Note the report**
- b) **Agree the changes to the Scheme of Delegation to add the 2 Employer Team Managers to the list of officers authorised to approve payments from the Pension Fund**

Introduction

1. This report updates the Committee on the key administration issues including the iConnect project, service performance measurement and any write offs agreed in the last quarter.

Staffing

2. There are two changes to staffing levels reported last quarter. A new administration assistant joined the Benefits Administration team on 01 June, and, at the time of writing this report, an appointment has been made for the office administrator role.
3. During the period there have been three team members recording 5 or more days of sickness absence which comes to a combined total of 45 days absence in the quarter.
4. Additionally, there are some performance issues which are being addressed, but these have resulted in performance slipping rather than improving.

Incoming Data

5. The number of late / missing data returns has increased slightly during May. These returns are being chased.
6. Vetting of incoming data returns is set up as all returns to be cleared by the 18th of the month following receipt. The latest figures for March 2021, which would be due to be received on 19th April and vetted by 18th May are showing:
 - Completed 63%
 - Queried 22%
 - Admission in progress 3% and
 - Outstanding 12%

7. The Investment Team monitor late and missing contributions. In April 9 scheme employers made payment after 19th May. Further analysis will be provided in the next report.

Workload and Performance

8. At the last meeting of the Committee a request was made to temporarily reduce the service level agreement from completion of 90% / 95% of work to be completed within deadline to 75% of work being completed in deadline. The committee agreed to this change, requesting an updated report to be submitted this quarter.
9. As noted in paragraph 3 and 4 above there has been some long-term sickness and performance issues which have added to the initial issue of having several staff in training at same time. The sickness absence would equate to 0.70 FTE across the whole quarter. This had a direct effect on the statistics which are *, as the senior administrators were doing this work whilst administrators are training. The final * reflects the continuing administration assistant vacancy.
10. The impact of the issues above reflects in the numbers as:

	April	March
• APC	00.00	83.33
• Interfunds In *	25.00	26.09
• Interfunds Out*	09.09	73.33
• Transfer Out	20.51	27.08
• HR Estimates	50.00	88.24
• Refunds *	36.66	83.33
• Assistants *	88.00	60.00
• New Starters – no information.		

11. Managers are working with our IT suppliers to identify how the system reporting can be improved and developed to provide better management information and reporting.

Projects

12. In the coming quarter the projects to note are:
- GMP Reconciliation – the changes were made to the April payroll for scheme members where under or over payments had been identified. GMP remains on the project list as checks and any corrections need to be applied to both active and deferred records.
 - Implementation of i-connect – bar a couple of tidy up meetings all scheme employers are fully operational on system with the exceptions of OCC and OBU. For OCC this will link up with end of year to ensure that all data is matched, and files being uploaded are monitored. Once complete process will be fully handed back to OCC payroll for July. For

OBU a similar process has been followed as for OCC – the process was handed over at end of May.

- Administration to Pay has been the project with the most delays to timetable. The implementations in February and March were achieved, however work on retirements has been delayed yet again and is now scheduled for go live in June 2021.

Area of Work	Implementation date	Implemented (Y/N)
IFA out	February 2021	Y
TV out	February 2021	Y
Refunds (not including over 75s and post 14 leavers being paid more than 5 years after leaving) *	March 2021	
Retirements from active status (redundancy, efficiency, ill health, age retirement)	May 2021	
Retirements from deferred pension	July 2021	
Death **	September 2021	
Trivial Commutations	November 2021	
Fire	January 2022	

* Solution being sought with software suppliers to deal with post 75 and post 14 leavers being paid after 5 years as the tax implications are different and Altair does not calculate these at present

** Deaths. Further work needs to be done in cases where death grants are split between multiple beneficiaries.

13. The next major project for the team will be the “McCloud” project which is included as part of the annual business plan.

14. All other projects are on target.

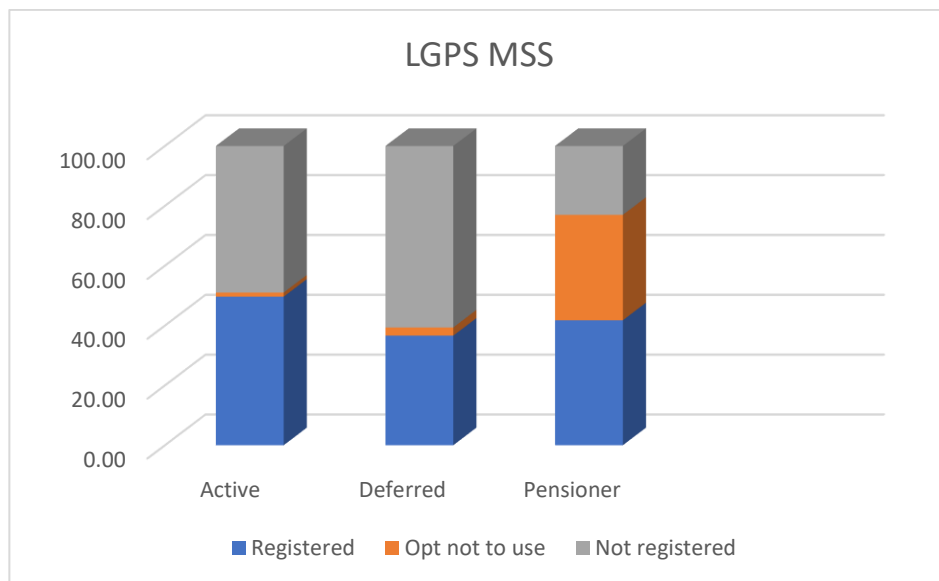
Communications

15. Scheme communications are being sent out on agreed timescales, although there is little, if any feedback from recipients.

16. In the last quarter work on the member pages of our website has been completed.

17. As detailed in the business plan a customer survey was launched in March. Generally, this is an online link although it can be posted out to members if they are not registered for online use.

18. During the quarter 19 replies were received. Of these 10 were from employer representatives who had attended one of our training sessions – these were well received and scored at 4.7/5.0 on average.
19. The remaining 9 comments, mainly from scheme members, were more of a mixed response with an average score of 4.2/5.0. Any complaints received via this survey were recorded as such.
20. Member self-service numbers are gradually increasing with just under 50% active members now signed up.



Employers

21. There are no issues to report

Complaints

22. In the last quarter, the formal complaint which had been outstanding with the scheme employer since August 2020 has been concluded with the member being granted ill-health retirement.
23. Of the two cases reviewed at stage 2 there has been no progress in one case but in the second the member has chosen to refer this back for further review by the scheme employer.
24. There has been an increase of informal complaints being recorded, which is indicative of the performance within the benefit team, with 9 cases being recorded in the last quarter.

Scheme of Delegation

25. Under the current Financial Scheme of Delegation there is provision for the authorisation of Pension Fund payments (e.g. transfer payments, retirement grants, tax payments) separate to the authorisation of payments for goods and services. These provisions delegate authority to authorise payments below £500,000 to the Service Manager – Pensions, Pension Services Manager, Communications Manager and the Systems Manager. For payments above £500,000 authorisation must be from 2 of the above list.
26. Both the Pension Services Manager and the Communications Manager are employed on part time contracts. As such, there are times when it is difficult to ensure 2 of the named officers are available to authorise payments. To provide greater flexibility and mitigate the risk that benefit/tax payments would be delayed in the absence of the necessary officers through leave, sickness, non-working days or away in meetings it is proposed to add the 2 Managers within the Employers Team to the list of authorised signatories. It should be noted that the employer Team is not responsible for the generation of any of the expected payments and therefore the inclusion of the Team Managers as authorised signatories does not create any conflicts of interest or risks around separation of duties.

Write Off

27. For the first quarter in recent times there are no amounts to write off.

Contact Officer: Sally Fox
Pension Services Manager
Tel: 01865 323854
Email: sally.fox@oxfordshire.gov.uk

June 2021