

# **PENSION FUND COMMITTEE – 4 MARCH 2022**

## **ADMINISTRATION REPORT**

### **Report by the Director of Finance**

#### **RECOMMENDATION**

**The Committee is RECOMMENDED to**

- a) determine what, if any, further information they require to ensure they are in a position to monitor that service standards are consistent with their responsibilities under the Regulations.**
- b) agree that current standards are at an acceptable level, or the further actions being taken are reasonable to address the shortfall in performance.**
- c) agree the write off of £37.48**

#### **Executive Summary**

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.

#### **Workload and Performance**

2. As previously reported the vetting of incoming returns is not being dealt with in required timescales. As of 18 November 2021, a review of the returns received and vetted for the period April to October 2021 showed that 52.07% of returns had been vetted. Of the outstanding returns to be vetted 0.68% were held up due to delays in admission agreements being put in place leaving 47.25% of returns to be vetted in addition to the returns being made for the period November 2021 to March 2022.
3. At the meeting in November the team leader set out a plan to clear both the outstanding vetting of returns and to vet the returns due to be made for the period November 2021 to March 2022. This plan included upping resource by including senior administrators in the vetting process and setting a target for all team members of 15 files per week.
4. As of January 2022, the statistics show that 60.08% of returns had been vetted. Of the outstanding returns to be vetted 0.72% were held up due to delays in admission agreements being put in place leaving 39.20% returns to be vetted alongside the returns received in February and March to avoid a knock-on effect to end of year processing. To manage this process the team leader has set a revised target for each team member of 19 files to be completed each week.

5. The number of tasks to do in the employer team has risen in the last month by 661 cases. In part this is due to the new release which has added in additional information for checking which means that there can now be up to 3 cases per record. In addition, some cases (aggregation) are being held whilst a system issue is resolved. And lastly Oxford Brookes University uploads have created over 400 new starters which are being investigated.
6. There are 20 admission agreements to be finalised.
7. At the last meeting of this committee members agreed that the benefit team could continue working to a reduced SLA standard until March 2022. However, this committee did not want to continue with reduced SLA standards after March 2022. This was confirmed at the recent strategic planning meeting in February, with the committee acknowledging that additional resources may well be required to meet normal SLA. The current statistics below are showing progress towards meeting SLA:

	SLA Overall %	Statutory Overall %	Total Cases Completed
April	57.14	54.22	1,365
May	67.83	64.01	1,085
June	69.37	65.12	1,536
July	74.88	62.91	2,047
August	91.47	73.73	1,804
September	86.97	68.81	1,682
October	82.87	69.49	2,064
November	84.79	79.75	1,789
December	85.01	82.03	1,316
January	85.54	90.75	1,363

Annex 1 gives full breakdown of the statistics.

8. The team are aware of the need to bring work back into SLA from 01 April. In working towards this the team leader and trainer have been working on specific subjects, reviewing process and paperwork to identify where this is creating any hold up within the processing. They have also identified that how work is being pended on the system can result in an incorrect reflection of timescale for completion. A training session has been held and the outcome will be reviewed again in next monthly statistics.
9. Other areas where work is not being completed within target have been reviewed and possible causes identified. These will be addressed by the training and individual reviews in monthly 1-2-1 meetings.
10. There are currently 2,685 open cases. The leaver and aggregation cases are those that are most likely to be out of SLA deadline for the next 2 – 3 months due to an unexpected bulk of cases from Oxfordshire County Council and Oxford Brookes University, coupled with issue that we are unable to complete

aggregation cases (actuals) due to a software error for which we are waiting for a fix. The majority of other work which is out of specification is recorded as pending – this is the next area to be reviewed.

11. In addition, there is a large number of historical death cases where there is outstanding information which is needed to enable files to be finalised. This work is being scheduled as a project.
12. Fire Service – for the period August to October the number of files completed within SLA deadline are:

August	92.19%
September	93.33%
October	88.89%
13. Of the 14 cases open at 31 January 2022, 3 have been completed in February 1 is in checking, 6 are waiting on more information before the file can be actioned, and 4 are backlog cases which we are looking to clear as soon as possible.
14. Fire Remedy work – framework has now been adopted, and we are looking at what can / can't be included in the retirement quotes and are waiting for further guidance on this from LGA. Communications will be issued to affected members / pensioners once this is received.

### **Data Quality**

15. The new in-house reporting will provide data quality scores rather than Heywood running these reports. Testing of the system has identified some areas where results are not as expected. These are being reviewed with Heywood so that data scores can be reported on a quarterly basis from June 2022 onwards.

### **Contribution monitoring**

16. This process sits within the Investment team. Scheme employers are required to make payment over of contributions by 19<sup>th</sup> month following payroll. There are no issues to report except for the ongoing issue of APCOA detailed below.
17. As reported last quarter the only concern reported was with APCOA who have consistently failed to make their deficit payment despite a number of reminders This matter has now been escalated to the Head of Pensions, and is to be reported to the Pension Regulator.

### **Projects**

18. The output from the strategic planning meeting will be reported in the Business Plan report. For projects which are not included in the business plan further work needs to be completed to schedule these into team workload.

## Staffing

19. The creating of the training post within benefit administration team is already showing benefit with positive feedback from the team. As part of this processes are being reviewed and updated.
20. The recruitment process to appoint 4 new administrators was not as successful as anticipated with only 2 appointments being made. One of these was internal. Therefore, further recruitment needs to be undertaken.
21. Last quarter this report stated that as part of the project planning the next stage of reviewing team structure will be scheduled into the workload. Proposals in the business plan set out discussion on posts and additional resources for the team.

## Communications

22. In the last quarter the activities for employer and member engagement have been:

Employer engagement:

Introduction to the LGPS – we have held two Introduction to the LGPS training in the last three months November 2021 (11 attendees) and January 2022 (5 attendees) – from a wide cross section of employers

Employer Meeting – no Employer meeting has taken place. Next one is scheduled for March 2022

Talking Pensions – the monthly employer newsletter was sent out on 30<sup>th</sup> November, 22<sup>nd</sup> December and 1<sup>st</sup> February to approximately 220 employer contacts.

Member engagement:

Reporting Pensions – the winter edition of the quarterly Active member newsletter was published on 19<sup>th</sup> January. It was distributed to LGPS employers, posted on our website and on My Oxfordshire Pension, plus paper copies were posted to employees who have registered to retain paper communications.

Member talks – Three in total (all via Teams) with two talks at South and Vale (November) and one at Oxford Brookes (January)

Customer survey – the customer survey has been suspended while we investigate an approach which may elicit better response levels.

Bulk emails – 9,592 emails sent out to members

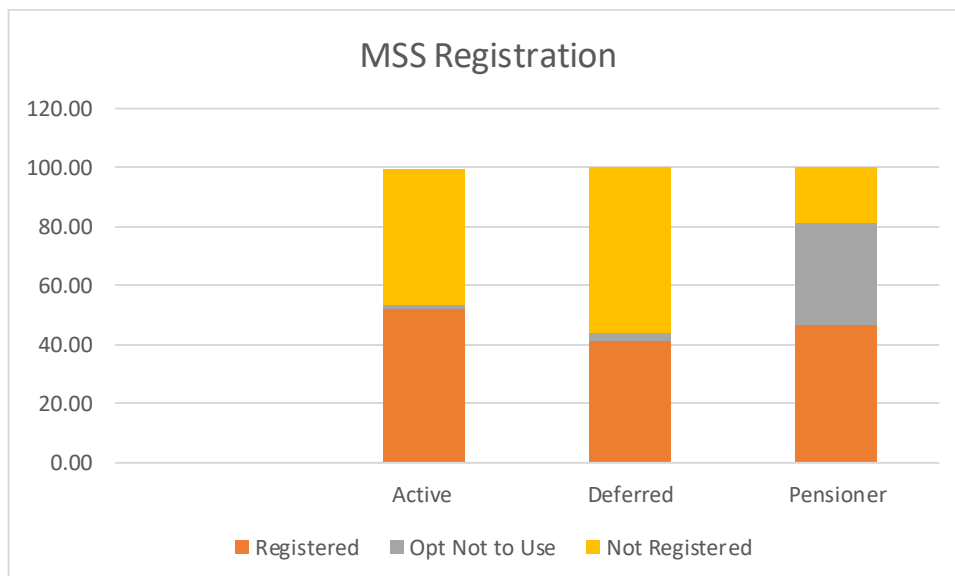
In addition, attendance at meetings of the national LGA Communications Working Group and Local Communications Group. Also, the digital engagement sub-group; LGPSMember.org review sub-group and accessibility sub-group

23. The website review of employer pages, Firefighter pages and Investment pages and maintenance of member pages is ongoing. Visits to the website which had shown a steady increase declined at the end of the year. Then big increase in January. The member pages remain the most popular.

Month	Home page – unique views	Member pages views	Employer pages views	Overall
2021				
August	465	1361	155	1981
September	520	1613	309	2442
October	573	1812	356	2741
November	540	1777	247	2564
December	530	1329	226	2085
2022				
January	657	2259	330	3246

### Member Self Service

24. Overall, there has been a slight reduction in the number of active members signed up to use MSS. Whereas the annual exercise of sending activation codes out to members who have not yet registered has resulted in a slight increase in the number of members signed up.



### Employers

25. Activate Learning – there has been a change of staff at this employer. The new payroll manager is working with our employer team to make submissions of

data. However, several of these have missed deadline and as a result a fine of £75.00 has been issued.

### **Customer Surveys – Feedback and Complaints**

26. Following on from the strategic planning workshop members have asked team to look at ways of engaging with customers to encourage feedback. Information has been sought from other funds and a review of what are the most successful ways to get response to surveys.
27. In the financial year 2021 / 2022 there has been 46 informal complaints made to date. 4 cases are still open of which 3 are overdue for reply.
28. Eight formal complaints have been made in the financial year 2021 / 2022 to date, of which four are open cases and one has been withdrawn. There is also one case, sitting with the scheme employer, which has been referred back for further review.

### **Debt Management**

29. Previous reports to this committee have focussed on the value of pension being written off since recovery of these amounts has not been possible. The audit report has highlighted the need for committee to also receive information on outstanding invoices issued by the fund where payment has not been received.
30. Over the past two years there have been attempts to fill the job role to monitor and chase these payments – unfortunately without success. Ahead of going out to advert again discussions are taking place about other options available to monitor and recover these outstanding amounts.
31. The total of outstanding invoices amounts to £53,888.57, of this amount £41,324.96 relates to three cases identified in the 2014 national fraud initiative report. Of these, one case has been referred to debt collection team and two cases had repayment plans put in place. However, both payments have now stopped, and individuals are being chased for payment. The remaining outstanding invoices amounting to £12,536.61 are in the main due from scheme employers for training fees, fines, or reimbursement of actuarial costs.
32. There have been five deaths in the quarter where payroll adjustments cannot be recovered amount to a write off £37.48.

### **Audit Report**

33. A copy of the final report from the latest internal audit is attached at Annex 2. The report gives an overall conclusion of internal controls being maintained as green.

## **Consultation – Pension Dashboard**

34. DWP has issued a consultation on the draft Pensions Dashboard Regulations 2022. This consultation closes on 13 March 2022.
35. It is intended that the pensions dashboard will collect information from all funds so that individuals can find their pensions. The information on the dashboard will be sourced from annual benefit statements issued by the fund.
36. There is a very tight timescale for implementation and given the uncertainties around Sargeant and McCloud, the LGA has advised that all funds should respond to the consultation. Officers are currently drafting a response which will be circulated separately to members for comment.

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February 2022