

# **PENSION FUND COMMITTEE – 01 DECEMBER 2023**

## **ADMINISTRATION REPORT**

### **Report by the Executive Director of Resources & Section 151 Officer**

#### **RECOMMENDATION**

The Committee is **RECOMMENDED** to:

- a) Note the progress against the Administration objectives for the year;
- b) Decide what, if any, additional information they require to be included in this report; and
- c) Agree the write off of the 5 historic debts in Section 1 of Annex 4 totalling £14,747.35; and
- d) Note the write off of the historic debts included in Section 2 of Annex 4 totalling £3,803.44, and the current debts of £43.66 written off as agreed under the Scheme of Delegation.

#### **Executive Summary**

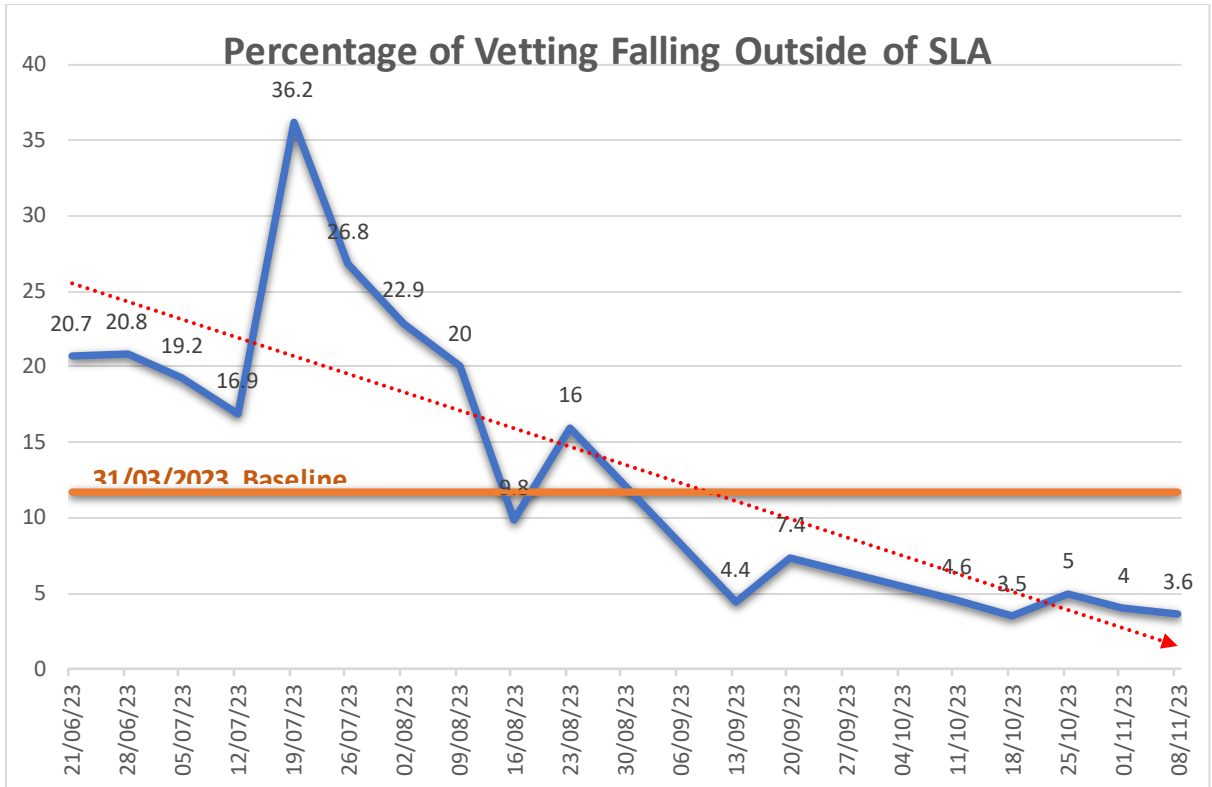
1. This report updates the Committee on the key administration issues including service performance measurement, the debt recovery process and any write offs agreed in the last quarter.

#### **Staffing**

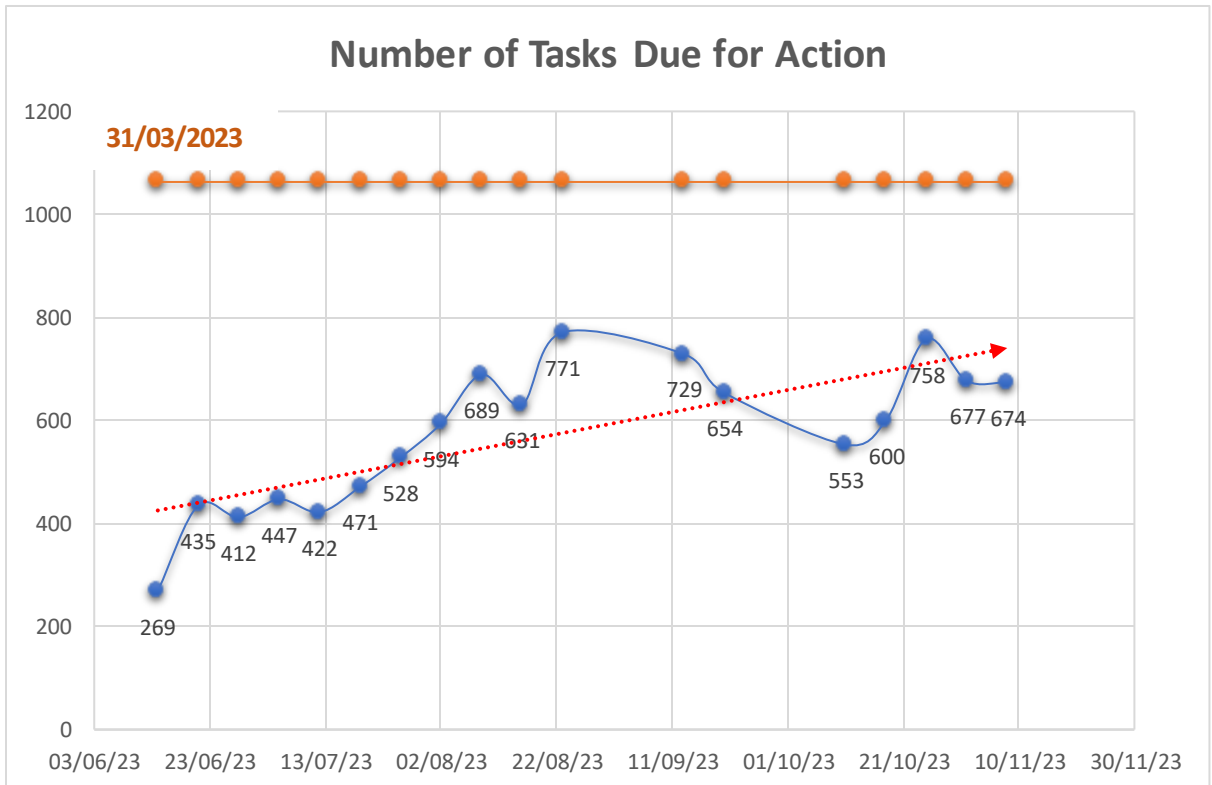
2. Three team members will be retiring in the quarter ending March 2024. This along with a vacancy created by a promotion move within the team means that recruitment is an ongoing issue, and it is planned that advertisements will be going out in early 2024.
3. Continuing, unresolved, staff performance issues however are still putting additional pressure on the whole team.

#### **Performance Statistics**

4. This Committee has asked for information to be presented using graphs rather than charts. This is still under development in some areas of the team.
5. There are no specific issues with scheme employer data returns, which is reflected in the vetting and processing of the incoming data as shown below. As at March 2023 11.7% of incoming returns were not vetted within SLA. As of November 2023, this has reduced to 3.6%.



6. Likewise, the number of tasks arising from the incoming data, which is still being analysed to determine the normal monthly levels, will in time give more detail on the number of tasks within the team. At present the chart is showing tasks which are still outstanding and overall, the number has reduced from 1,063 in March 2023 to 674 in November, as shown below:



7. Employer admissions are very quiet at present. However, there are several schools converting to academy status in the coming months.

### **Administration Statistics**

8. Annex 1 give the details of the work subject completion against both SLA and statutory targets. During the period August to October the completion rate has increase by just over 100 cases, which is reflected in the overall completion rate, within SLA, sitting at 86.75% in October 2023.
9. Overall, the amount of incoming work has increased during this period by over 700 cases, which is in the main due to leaver records needing to be processed. This area of work – leavers, re-employments, and concurrent merges - continues to be the area of highest volume and the one furthest out of specification. Transfers in and out being the next area furthest out of specification.

### **Suspended Pensions**

10. As of October 2023, a total of 412 pensions are suspended. Of these 208 cases are linked to the project closing old death cases, which leaves 204 cases where the fund is either waiting for confirmation of death notification, or tracing pensioners who have not informed the fund of a change of address.

### **Statutory Returns**

11. All returns have been made in deadline, there are no issues to report.

### **Fire Service Administration**

12. During the last quarter to 31 October 2023, 101 cases have been completed, of which 81 were within SLA deadline. The areas where work was not completed within SLA relates to 1 death case, 1 retirement quotation, 5 transfers out, 12 leavers and 1 member query. This leaves the team with 29 open cases. Detail shown at annex 2.

### **Complaints**

13. In the year to November there have been ten informal complaints received, although one is duplicated via OCC complaint process.
14. The formal complaints received are detailed below:

Reference	Complaint	Stage 1 Decision	Stage 2 Decision	tPO
23/001	Transfer / refund	Not Upheld	Upheld	
23/002	Transfer	Not Upheld	Not upheld	
23/003	3 months' notice to take pension	Not Upheld		
23/004	Linking of records	Not Upheld	Not Upheld	
23/005	Ill-health retirement	Not Upheld		
23/006	Ill-health retirement	Not Upheld	Not Upheld	
23/007	Ill-health retirement	Not Upheld	Not Upheld	
23/008	Firefighter – Injury Pension Benefits	Not Upheld	In Progress	
23/009	Decision not to approve flexible retirement request	Not Upheld	In Progress	
23/010	Pension transfer request refused	In Progress		

### **Data Quality**

15. The Pension Regulator has issued the annual return with a deadline for completion in January 2024 (this is normally in November). The data quality results are on a par with last year but the team are continuing to clear down any report fails ahead of the January deadline.

### **Contribution monitoring**

16. The process is now being embedded and communications sent to scheme employers to remind them of the need to make payments on, or before the 19<sup>th</sup> of the month following payroll. This is being monitored by the team in line with the new process.
17. In the period August 2023 – October 2023 18 payments were made past deadline of 19<sup>th</sup> month following payroll. Of these two employers made late payment on more than one occasion. In all cases follow up with the scheme employer resulted in payments being made to the Fund.

## **Projects**

18. The work identified as project work is detailed below.
19. Work has started on reviewing the death process which will include the review of the historic death cases where there is outstanding information which is needed to enable files to be finalised. Target date for completion was initially 31 May 2023, revised to October 2023 to tie in with the review of the death process. Continuing staffing issues and the need for further testing of the death review process has now pushed this to early 2024.
20. AVC – Following the review, the changeover to the new provider starts in November 2023 with first payments being received by L&G in December 2023.
21. Administration to Pay (A2P) – a revised project plan has been set out which will initially review the work already done on transfer out; interfund out and refunds. Existing workflow processes will then be amended so that the new process can be implemented. Again this has been pushed out to early 2024 for same reasons as above.
22. This leaves three subjects - retirements, deaths, and recalculations – to be reviewed and new workflow processes implemented. Work has started on death process which will be completed by early 2024. Other dates have yet to be finalised.
23. McCloud – a copy of the project plan is shown at annex 3. The data cleansing exercise is well under way with information being sent out to scheme employers, who have until 31 January 2024 to confirm that the correct data is held and there are no changes to this.
24. The fund is still waiting for the LGA guidance of the priority list setting out the order in which cases should be reviewed.

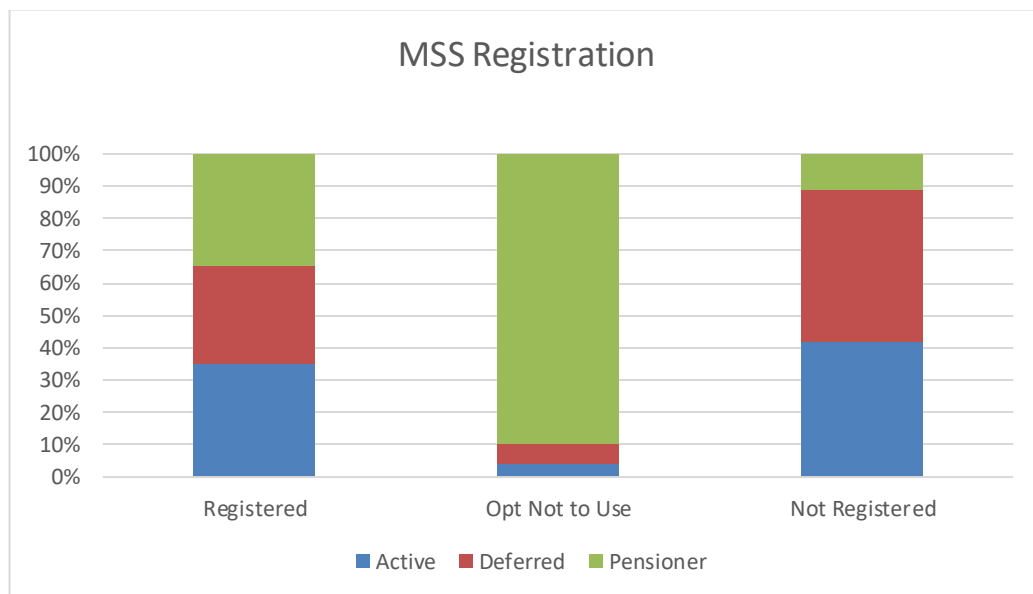
## **Debt Management**

25. The information at annex 4 details the latest position with both historic and current invoices which have been issued.
26. Section 1 details 5 invoices with a total amount of £14,747.35 which are statute barred from recovery. The most significant amount here relates to a deceased pensioner where the fund was unable to recover the monies due.
27. Section 2 details 31 invoices amounting to £3,803.44 where charges have been made in line with the administration strategy but not paid.
28. In both above sections the advice from the Debt Recovery team is that these amounts cannot be recovered and so should be written off. Under the Scheme of Delegation Officers have agreed the write off of the smaller debts included in Section 2 and the Committee are recommended to write off the larger debts included in Section 1.

29. Section 3 details 29 invoices with a total value of £47,116.66 which are in the process of being followed up for payment.
30. Section 4 relates to costs, amounting to £21,556.91, arising from a scheme employer going into liquidation. The admission agreement was a pass through arrangement therefore our actuaries has confirmed that these costs will fall back on the scheme employer as part of the valuation process.
31. Section 5 again relates to an over payment to a deceased pensioner. The arrangement of this being repaid by instalments has fallen into arrears and the Fund is currently trying to trace the relative making these payments.
32. During the quarter to date a total of £43.66 has been written off in 4 cases where the member has died.

**Member Self - Service**

33. The table below shows the latest information on members signing up to use member self-service.



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