

PENSION FUND COMMITTEE – 13 December 2024

ADMINISTRATION REPORT

Report by the Executive Director of Resources & Section 151 Officer

RECOMMENDATION

The committee is **RECOMMENDED** to note

- a) the progress of the McCloud project
- b) The revised benefit administration statistics and to confirm the information required for this report

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. At the point of writing this report, the team are carrying 2 Senior Administrator vacancies and 5 Administrator vacancies. These are resulting from 3 leavers, 2 internal promotions and 2 existing vacancies.
3. A recruitment exercise is currently underway for 5 new Administrators, the outcome of which I will update at the meeting.

Performance Statistics

Employer monthly returns

4. On 30 September 2024, 4.9% of returns (11 employers) were not vetted. This was due to performance related issues which have now been resolved. The workload is being redistributed across the remaining team.
5. The vetting process is currently under review to improve the quality of checks, reporting and monitoring of workload and performance. This will ultimately reduce time spent on the end of year process.
6. In the last quarter, to 30 September 2024 there is:
 - 0 new admissions.

- 0 academy conversions.
 - 4 closure valuations, which will become 4 new admissions pending the employer telling us the new provider.
7. There are 37 closures to action backdating to 2022. These have been on hold pending a new closure procedure, which I will bring to the next meeting. All outstanding cases are pass-through agreements and therefore have no financial implications.

Employer SLA Monitoring

8. In the last quarter to 30 September 2024, no fines were issued to employers.

Contribution Monitoring

9. In the quarter July to September 2024, 31 payments were made past the deadline of 19th month following payroll.

Benefit Administration

10. Annex 1 confirms a breakdown of the benefit administration work in the last quarter July to September 2024.
11. There were 6,362 new cases created, and the team completed 6,367 cases of which 79.8% were within service level agreement target. An increase of 8.5% from the previous quarter.
12. The team completed 78.5% of the total outstanding work, leaving 1,742 cases to carry forward, which includes cases pending further information and work not completed due to staffing levels.
13. Whilst recruitment continues to be a challenge, we have started reviewing how we process work by increasing the use of technology, automating tasks, self-checking of work, and moving work from Administrator to Pension Support Officers, all of which has been positive so far and will be monitored in these statistics.
14. Annexe 2 contains the volume of e-mails received per month from April to September 2024. These include a mixture of new case requests and member queries.
15. Annexe 3 contains the telephone statistics for the period July to September 2024. Overall, over 90% of calls were answered. It has been identified that two additional telephone numbers are not included in these figures. I will bring revised figures to the meeting when these are available.
16. In the last quarter July to September 2024, a report on the values of transfers paid in and out of the fund confirmed £6.9 million was transferred into the fund and £4.3 million was transferred out of the fund.

17. There is no pension scams reported in the last quarter July to September 2024. The team remain vigilant and receive regular training on how to spot pensions scams to enable us to better support our members.

Pension Payroll

18. As at 30 September 2024, a total of 340 pensions are suspended, a reduction of 25 since the previous quarter. These are 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

19. Fire Schemes valuation data will be submitted to GAD by 1 December 2024
20. Pension Regulator statutory scheme returns for LGPS and FPS 1992, 2006 and 2015 were submitted by the deadline of 22 November 2024.
21. The breach regarding FPS Remedy RSS will be reported to Pension Regulator by the date of this meeting.

Fire Service Administration

22. On 28 November 2024 there were 98 open cases, 31 are future dated, 31 are awaiting a reply from the member or an external body, these are currently being reviewed. 5 are leavers notified by IBC who are under retirement age, 3 relate to retirement benefits, 1 is a Death, 12 are general enquiries, 2 are Transfer cases, 5 relate to Additional Contributions, and the remaining 8 relate to requests for estimates or reviews after retirement.
23. Remedy work has taken priority, and the additional workload has increased as a result. 495 individual system records require amendment as part of the work to roll back the pension membership to the legacy pension schemes and inform members of their revised options. The volume of work, and the need to prioritise retirements and deaths is causing some SLA deadlines to slip, but OFRS are fully aware of this and are in full support of the pension team over this unprecedented period.
24. Training is ongoing for team members to improve knowledge of the pension schemes. Gaps in knowledge particularly around the two projects for Remedy and the On-Call Second options exercise are being addressed.

Data Quality

25. The data quality score reported to The Pension Regulator in our scheme return was 95%. The area for improvement is missing addresses. We are in the process of procuring a new contract for an address tracing service, to coincide with the Pension Dashboard project requirements.

Outstanding Invoices

26. On 30 September 2024, there are 4 outstanding invoices amounting to £8,410.23. One invoice relates to an on-going case regarding an overpaid retirement grant, which amounts to £5,000. This is with the debt recovery team to progress.

Complaints

27. The table below shows number of complaints for each financial year.

Year	Informal	Resolved	IDRP Stage 1	Upheld	IDRP Stage 2	Upheld	TPO
2023/24	18	16	9	1	8	2	1
2024/25	15	14	2	2	0	0	1

28. In the current year 2024/25, there have been 15 informal complaints to date, 14 were resolved and 1 progressed to The Pension Ombudsman relating to the administration of an AVC Annuity with Prudential in 2022/23. This is on-going and an update will be provided at the next meeting.

29. IDRPs stage 1 complaints were both received in the last quarter July to September 2024 and relate to ill health appeals against the employer, both of which were upheld.

Projects

Historic Death Cases

30. The September committee report highlighted a project of the review of the historic death cases where there is outstanding information needed to complete the files. We continue to review these cases, and I will provide an update at the next meeting.

McCloud

31. Annex 4 confirms our current position in the McCloud project. The data is split between Oxfordshire County Council (OCC) and all other employers (non-OCC).
32. Status 1 and status 4 records are current priority as these are required for the statutory deadline for issuing Annual Benefit Statements with the McCloud rectification by 31 August 2025.
33. The team have made good progress with the OCC records. Since the

September meeting, the team have increased the number of completed status 1 records by 14% and status 4 records by 62%.

34. The non-OCC records have seen a slower progress with an overall increase of 2% of completed records, however we are confident that we are on track with the project.

Pension Dashboards

35. Annex 5 shows the project plan for Pension Dashboards.
36. The contract for the ISP (Integrated System Provider) is being finalised and an installation date is planned for January 2025, which keeps the project on track to complete by our deadline of 31 October 2025.

Age Discrimination Remedy – Fire Service

37. [The Firefighters' Pensions \(Remediable Service\) Regulations 2023 \(legislation.gov.uk\)](https://legislation.gov.uk) were issued on 20 July 2023 with an effective date of 1 October 2023. Immediate Detriment quotes have now ceased, and cases already processed will be reviewed once final guidance has been received from LGA.
38. Disclosure letters were sent in December 2023 to all scheme members and an update was sent to all operational staff at the end of January 2024
39. System software amendments were received in August 2024 for the Remediable Service Statements for Active employees. Further updates are still pending for Deferred scheme members.
40. ABS for members who are not eligible for remedy were issued using the existing format. ABS were not issued for members subject to remedy. All member affected have been contacted in writing to inform them of the delay.
41. Remediable Pension Saving Statements were issued by 6 October 2024 for all eligible remedy members where the annual allowance recalculation resulted in a change to the previous figures. Instructions have been issued to all those affected on the need to complete the online 'Calculate your public service pension adjustment' calculator.
42. Pensions in payment will be reviewed by the deadline of 31 March 2025 – we are currently awaiting guidance from LGA on reviewing those retirements processed under the Immediate Detriment Framework.

On-Call Second options exercise – Fire Service

43. A working group has been established to look the work required, and plan the work required over the 18-month implementation period.
44. 258 forms have been received back to request further information and have been acknowledged with further regular information issued on timescales for issuing

the quotations. 4 members have indicated they do not wish to receive further information. We are going to contact them to double check this was their intention.

45. The 50 members reported in the September report where addresses could not be traced have now had a further full address trace and letters will be sent to request completion of the expression of interest form.
46. A final letter has been prepared for all those who have received letters to request completion of the expression of interest form, and we are informing them that no further reminders will be sent. This letter was sent by the Track and Trace method.
47. Data is being collated for the members who have returned their expressions of interest and quotes are currently being processed in cohort order, prioritising those with an immediate entitlement to pension benefits.
48. There is regular communication with the Treasury Team regarding the payments that are due to affected Firefighters to manage the cash flow.

Member Self Service

49. Annex 6 shows the latest information on LGPS members signing up to use member self-service (MSS).
50. Activation codes will be issued to all members that have not registered in the new year to target the deferred and active members where currently 45-47% have not made a positive election to sign up. Figures following this exercise will be reported at the next meeting.

Lorna Baxter
Executive Director of Resources & Section 151 Officer

Annex:

- 1 – Benefit Administration Statistics
- 2 – Pension Services incoming e-mail statistics
- 3 – Telephone statistics
- 4 – McCloud statistics
- 5 – Pension Dashboard project plan
- 6 – MSS Registration statistics

Background papers: Nil

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