

## Pensions Administration Report

Contact Officers

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Papers with this report

KPI report

### SUMMARY

This report is for information and provides an update on the administration of the London Borough of Hillingdon Fund of the LGPS, both in relation to Surrey and internally at Hillingdon.

Attached to the report is the latest KPI Report from Surrey CC.

### RECOMMENDATIONS

It is recommended that Pensions Committee:

1. Note this report
2. Ratify the appointment of JLT to carry out GMP reconciliation work for the fund

### INFORMATION

#### Surrey Administration Update

The Pension Administration system used by Surrey County Council (SCC) as administrators of the fund - Altair - includes a task management system which allows the progress of all case work to be managed and monitored on a daily basis. SCC has continued to maintain, and in some areas improve their performance against the reportable KPI's.

The year-end process is now completed and all information checked and sent to SCC. During the process, approximately 1300 records were discovered where no previous pay details had been recorded, or the member has left employment and the administration system had not been updated. The majority of these cases were legacy cases from the previous administrators. The in-house team are working to clear these records.

The introduction of the LGPS (Amendment) Regulations 2018 came into force on 14 May 2018. These regulations created a retrospective effect on the timing of when members with Deferred Benefits can elect to receive payment of their benefits. As a result of these changes, Deferred Members Annual Benefit statements were not

processed as early as previously expected. Details of the changes will be included in the notes to Deferred Benefit members when statements are sent, and has been published on our pensions website. Deferred Benefit statements are now due to be produced in July.

### **GMP Reconciliation**

The Pension Fund has until October 2018 to identify and analyse differences between administration records and HMRC records for GMP pensions with all queries raised with HMRC before this date.

The Hillingdon fund have appointed JLT Benefit Solutions Limited to carry out a GMP reconciliation of all pension fund members records with HMRC records to ensure members of the fund have a correct and reconciled GMP. This work will be broken down into 3 stages –

Stage 2 Bulk reconciliation

Stage 3 Individual reconciliation

Stage 4 Rectification

The contract was called down from the National ' Local Government Pension Service (LGPS)' Framework for Third Party Administration Services, Lot 2 - Pensions Administration Support Services. Work has commenced with the first queries being sent to HMRC in the first week of July.

### **Key Performance Indicators from December 2017 to May 2018.**

The attached report shows that SCC are maintaining their performance, and in some areas are showing an improvement in their performance. However, in the month of May there were 3 complaints made, which is an increase when compared to the previous 6 months. Having investigated the reason for these complaints, 2 were in relation to estimates being provided late, and 1 regarding the delay in making payment of a transfer value.

### **Hillingdon Process update**

The in-house team have continued to update and amend records as part of the overall data cleanse. The Team Leader from Surrey CC and one of the internal team attended the last Schools Forum meeting to discuss any issues arising from schools in relation to provision of pensions. Schools were reminded of their responsibilities under the Scheme Regulations and were offered the opportunity of requesting a site visit by a member of the internal team. A number of schools have taken up this offer, and since April this year, 5 schools have been visited

The transfer of members from Harrow College, which has merged with Uxbridge College, has taken place. All scheme records have been transferred on to SCC's system. SCC will be responsible for payment of the monthly pensions to ex-Harrow College pensioners from July 2018.

SCC have appointed a Pensions Delivery Service Manager, who will attend the quarterly Pension Administration Review meetings, the next which is due on 26 July.

### **General Data Protection Regulations**

New General Data Protection Regulation (GDPR) came into force on Friday 25 May 2018. All Privacy Notices and Memorandums of Understanding were uploaded to our website and sent to Scheme Employers before the 25 May 2018.

### **FINANCIAL IMPLICATIONS**

There are no financial implications within this report.

### **LEGAL IMPLICATIONS**

There are no legal implications within this report.