

ADMINISTRATION REPORT

Committee	Pensions Committee
Officer Reporting	Sian Kunert, Finance
Papers with this report	KPI Report

HEADLINES

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 County Council (SCC) and internally at Hillingdon.

Within this report is a recommendation for an amendment to the Internal Disputes Resolution Policy.

Attached to the report is the latest KPI Report from SCC.

RECOMMENDATIONS

It is recommended that Pensions Committee:

1. Agree the proposed changes to the Internal Disputes Resolution Policy.

SUPPORTING INFORMATION

Surrey Administration Update

The fund continues to see a good uptake of members who have registered for the Member Self Service (MSS) module

Sign up to my-pension-online is currently 16% uptake

Membership Category	Total membership numbers	Registered for online self service
Active	9,136	2,713
Deferred	9,946	878
Pensioners	6,722	425
Total	25,804	4,016

All figures as at 25 June 2019

Resources

SCC have continued to expand the team to better support the contract. The Lead Pensions Manager has now been in place for over 3 months, making changes to the delivery of the service and ensuring sufficient resources in place. A sharper focus has been incorporated into teams to deal with more complex areas and give teams more ownership. In addition the focus on project work is making roads into improving the underlying data quality in advance of the triennial valuation.

June has seen the fill of a vacancy on the technical side after the regulatory expert moved to the Local Government Association. It is planned for an additional resource to also be added to this area and once the team is in place there will be a bigger focus on communication and education with employers.

Key Performance Indicators from February to May 2019

Over the past quarter SCC has been more stable than the quarter before on performance against KPI's as result of the improved recruitment and change to role structure including better knowledge expansion across the team instead of relying on key individuals to better manage the work load.

SCC completed 518 cases in February, of which 225 (43.44%) were KPI cases. Of the 225 KPI cases, 8 (3.56%) were completed outside of target. 3 areas of activity (Retirement Notification, Lump Sum Payment and Deferred benefits) had an improved KPI score in February, with 4 areas (Death Notifications, Transfer Out Quotes, Transfer Out Payments and Employer Estimates) showing a slight drop in performance. Of the cases that were completed outside of target, the average number of days over target was 5. There was one complaint received in February.

In March SCC completed 532 cases, of which 182 (34.21%) were KPI cases. Of the 182 KPI cases, 21 (11.54%) were completed outside of target. There was 1 complaint received in March relating to Quality of Service.

In April SCC completed 294 cases. 181 (62%) are reported via the KPI's. Of the 181 KPI cases, 13 were completed outside of target. There were no complaints in April.

In May SCC completed 366 cases. 216 (64%) are reported via the KPI's. Of the 216 KPI cases, 17 were completed outside of target, all but 1 were started prior to May. These cases include periods where the SCC team were awaiting a response to complete. There were no complaints in May.

Internal Disputes Resolution Policy

Under the Local Government Pension Scheme, all authorities are required to have a 2 stage Internal Disputes Resolution Policy to hear appeals against decisions made in respect of benefits, and this policy is published. The last revision to the Internal Disputes Resolution Policy was approved at Pension Committee in March 2013. Under the current Hillingdon policy agreed in 2013, the Appointed Officer for Stage 1 appeals is the Director of Operations of the outsourced provider to be the nominated officer in all Stage 1 appeals and the Corporate Pensions Manager to be the appointed Officer for stage 2 appeals. In any case where the Corporate Pensions Manager has either been involved with the case or is the object of the complaint, then that the complaint will continue to be heard by a Senior Officer who has had no previous involvement with the case.

This report is requesting that the Pensions Committee agree to change the Hillingdon policy, to name the Head of Pensions, Treasury and Statutory Accounts to be the nominated officer in all Stage 1 appeals and the Corporate Director of Finance or Head of HR to be the appointed Officer for stage 2 appeals. In any case where the nominated officer has either

been involved with the case or is the object of the complaint, then the complaint will continue to be heard by a Senior Officer who has had no previous involvement with the case.

If an appellant is not satisfied with a decision made at Stage 2, they can progress their dispute to the Pensions Ombudsman. The Pension Fund publishes its IDR process on the website and it is sent to anyone who advises the fund of a complaint.

Data Cleansing

Data cleansing is taking place across 4 strands.

1. Year End returns – All employers have sent through their returns within the required deadlines and data issues reviewed.
2. GMP reconciliation exercise to ensure HMRC and scheme records relating to contracted out employment are correct is on track from the scheme side. Of 26,263 GMP records, 21,001 have been matched as at 14 June. There are 1,511 (5.75%) files which membership issues outstanding and 932 (3.55%) GMP discrepancies outstanding and in progress.
3. Undecided leaver files are in the process of being resolved. Officers had a project update with SCC in June due to a backlog in the checking process and the SCC project team are monitoring closely.
4. Errors resulting from the dry run of the Valuation data extra report are being cleared by a new member of SCC staff clearing these items.

Annual Benefit Statements are on track for production and delivery through July and August as planned. Active members will be advised their statements are available through the portal once available. Deferred member statements will be sent at end of July and will be in paper format for the last time.

FINANCIAL IMPLICATIONS

There are no financial implications in the report

LEGAL IMPLICATIONS

There are no legal implications arising from this report.