

REPORT TO:	London Borough of Hillingdon
DATE PREPARED:	3 rd November 2021
TITLE:	Pensions Administration Update

Contact Name: Stephanie Tonner/Hayley Read

Contact Email: stephanie.tonner@hants.gov.uk / hayley.read2@hants.gov.uk

1. Summary

- 1.1. The purpose of this report is to update London Borough of Hillingdon with the current position of their local government pension scheme membership; performance against service level agreements and to provide other important and current information about the administration of the London Borough of Hillingdon Local Government Pension Fund.

2. Background

- 2.1. Hampshire Pension Services administer the local government pension scheme on behalf of the London Borough of Hillingdon (LBH) with effect from 27 September 2021.
- 2.2. Hampshire Pension Services also administer the Local Government Pension Scheme for Hampshire County Council and West Sussex County Council; the Fire Pension Schemes for both West Sussex and Hampshire, and the Police Pension Schemes for Hampshire.

3. Transfer of administration

- 3.1. The implementation of the transfer of the administration service to Hampshire from Surrey County Council was completed on 27th September 2021. There were a minimal number of challenges on the journey to go-live, and the collective efforts of staff in the Hampshire Pension Services, Civica and LBH teams, as well as colleagues in the Surrey Pensions team, enabled the service commencement to go-live as planned.
- 3.2. Based on the data quality checks that have been carried out up to this point, we are confident that there are no unanticipated data quality issues or issues which will hinder the administration of the pension scheme; although over 3,000 unprocessed leavers have been identified and a project to clear these cases will begin in January 2022.

- 3.3. The images and electronic documents provided by Surrey County Council (SCC) have been loaded successfully to the relevant member records, and historic benefit statements produced by SCC have been published on the Member Portal; to allow members to access these as required.
- 3.4. Ahead of the go-live on 27th September, we successfully reconciled the payroll in our administration system for period 6 to that actually paid by SCC – and have since processed the live pensioner payroll for period 7. Payments were made on 15th October 2021.
- 3.5. Unfortunately, on 15 October we recognised that the bank account details we held for seven pensioners were incorrect. In summary, this was caused by incorrect logic that had been applied in the conversion of Altair data to UPM. Four of the pensioners received their pension by CHAPS payment the same day on the 15th October, and three members, who were identified the following working day, received CHAPS payments on 18th October. A full explanation was emailed to James Lake on 18th October.
- 3.6. We are now preparing for the 6 week payroll period, and testing has not presented any concerns. As agreed, all third party (not including HMRC) deductions will be applied for a 4 week period as for the previous month and will not be increased to reflect the 6 week payment on 15 November.

4. Membership

- 4.1. The table below details the number of members against status for each of the Local Government pension schemes and is correct as of the date this report was prepared.

Scheme	Active*	Deferred	Pensioner	Preserved Refunds**	Total
Local Government	11,647	8,084	7,579	846	28,156

*The active membership includes 3,008 leavers which are to be processed.

**The preserved refund members are included for completeness but are not counted for the purposes of reporting membership to the Pensions Regulator and DLUHC (previously MHCLG).

5. Administration Performance

- 5.1. Hampshire Pension Services' performance against agreed service level agreements for key processes are monitored monthly. They are calculated based on the number of working days taken to complete the process and are adjusted for time that we are unable to proceed, due to requiring input from the member or third party.

5.2. The table below shows performance from 27th September to 31st October 2021; the performance target for all cases is 15 days (except Deferred Benefits which is 30 days, and Rejoiners which is 20 days).

Time to Complete

Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31-40 days	Total	% completed on time	Total Cases (previous month)	% completed on time (previous month)
Active Retirement	19	3	0	0	0	0	22	100.00%	N/A	
Deferred Retirement	10	0	2	0	0	0	12	100.00%	N/A	
Estimates	7	2	15	0	0	0	24	100.00%	N/A	
Deferred Benefits	2	0	0	0	1	0	3	100.00%	N/A	
Transfers In & Out	0	0	1	0	0	0	1	100.00%	N/A	
Divorce	1	0	1	0	0	0	2	100.00%	N/A	
Refunds	4	9	4	0	0	0	17	100.00%	N/A	
Rejoiners	1	0	0	2	0	0	3	100.00%	N/A	
Interfunds	2	2	11	0	0	0	15	100.00%	N/A	
Death Benefits	9	3	2	0	0	0	14	100.00%	N/A	
GRAND TOTAL	55	19	36	2	1	0	113	100.00%	N/A	

5.3. The table below shows outstanding work as of 31st October 2021. The time outstanding reflects the time from date of receipt of the initiating request, and includes time whilst cases are on hold pending further information.

5.4. Those cases which currently exceed the agreed service level agreement are on hold waiting for information from the member, their employer or another party and the time taken to process will be adjusted once the work has been completed.

5.5. These cases do not include the inherited outstanding leavers which are discussed in section 6 below.

Time Outstanding

Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31+ days	Total	Total Outstanding (previous month)
Active Retirement	2	3	1	0	0	0	6	N/A
Deferred Retirement	11	5	2	0	0	0	18	N/A
Estimates*	45	50	11	1	0	0	107	N/A
Deferred Benefits	0	0	7	6	11	0	24	N/A
Transfers In & Out	0	0	0	0	0	0	0	N/A
Divorce	1	0	0	0	0	0	1	N/A
Refunds	0	0	0	0	0	0	0	N/A
Rejoinders	3	0	14	0	1	0	18	N/A
Interfunds	3	6	5	0	0	0	14	N/A
Death Benefits	25	4	0	0	0	0	29	N/A
GRAND TOTAL	90	68	40	7	12	0	217	N/A

* Estimates include all 'quote' calculations for retirement, transfers, divorce, and refunds.

6. Unprocessed historic casework

6.1. As mentioned in section 3 above, the Hillingdon dataset contains 3,008 historic unprocessed leavers. All of the dates of leaving for these members are prior to August 2021.

6.2. Since 27 September a further 320 historic leaver forms have been received from Dataplan – for various employers – which were not captured by SCC. These leaver forms have been imported to the UPM records and processes set up to include these in the project to clear the historic leavers.

6.3. Over the next two months, we will be working through at a high level the leavers we have been passed, so we can provide a more detailed plan and estimated timeline for the completion of this work. Part of this work will include an initial analysis of the leavers across the different employers to feed into the valuation work.

7. TPR Data Scores

7.1. In October we calculated the common and conditional data scores for reporting to the Pensions Regulator. We have validated a total of 27,873 records, with 4,595 records failing one or more of our Common data checks and 4,983 records failing one or more of our Conditional data checks.

7.2. The table below sets out this years' scores which can be submitted as part of your Scheme Return;

Common Data Score	Conditional Data Score
83%	82%

7.3. We have identified some key themes in the process of validating the Hillingdon data which are detailed in the table below.

Data type	Data check	Issue	Resolution
Common	Date Pensionable Service Started	This date is not recorded consistently across the member's record and is responsible for the majority of fails.	<i>A data cleansing project will be required, which we will organise in the coming months.</i>
Common	Address status 'Lost Contact'	This is the second largest group of members failing and is a theme across other schemes we administer.	<i>We will be discussing an address tracing project with you next year, to reduce this number.</i>
Conditional	'CARE Revaluation'	The CARE pension for a previous or current year is either missing, or the correct revaluation rate has not been applied. This currently impacts c.2,700 members – a combination of active and deferred members.	<i>This will be picked up in data cleansing work.</i>
Conditional	'Original Deferred Benefits'	The deferred benefit details held for c.400 members is not complete.	<i>A data cleansing project will be required, which we will organise in the coming months.</i>

7.4. It is important to note that neither of the two main conditional data errors will affect the payment of the member's benefits as if they were to retire, the Member Services team would check and tidy the record as part of processing the retirement.

7.5. There are smaller groups of members who have failed our other validations, and these will also be picked up in the data cleansing work we carry out across the department – some of this is naturally tidied as part of bulk processing, for example when pensions increase, CARE revaluation or benefit statements are processed; and the Delivery & Compliance team also work specifically on highlighting trends in data issues, and working through lists of members to tidy their records.

8. Call and Email Volumes

- 8.1. Up to 31st October 2021, we received 409 calls from members of the Hillingdon LGPS – the total number of calls for all schemes we administer received into the Pension Customer Support Team (PCST) were 3,381 and 63 of these were abandoned. Abandoned calls are caused by the member ending the call before we can answer, and in some cases, this can be because they have heard one of our automatic messages asking them to visit our website or Portal.
- 8.2. Our call reporting software does not allow us to report which of our ‘abandoned’ calls were Hillingdon members, but based on the number of abandoned calls above, we answered 98.14% of all calls received.
- 8.3. PCST also monitor and handle all of the emails received from members into our main pensions inbox – as this email address is used by members of all the pension schemes we administer, it is not currently possible to report the number of emails received specifically from members of the Hillingdon LGPS.
- 8.4. We are investigating a new approach to the handling of emails, with the aim of providing specific email statistics. However, this is work in progress and we want to be confident in the accuracy of any numbers we provide so it has not been included in this report.

9. Online Services

Member Portal

- 9.1. Active, Deferred and Pensioner members of the LBH LGPS have the ability to register for our Member Portal and update their personal details, death grant nominations, and bank details; securely view annual benefit statements, payslips and P60s; and run online estimates for voluntary retirements over age 55.
- 9.2. The table below shows the total number of current registrations for each status as of 31st October 2021.

Status	Registrations to date	% of total membership
Active	2,286	19.63%
Deferred	940	11.63%
Pensioner	556	7.34%
TOTAL	3,782	13.85%

Employer Hub

9.3. As of 31st October 2021, there are 122 Hillingdon employers signed up to the Employer Hub, and 214 individual users with access.

10. Scheme Legislation Updates

10.1. Legislation updates that have been received during October 2021 for the Local Government Pension Scheme, are detailed in Appendix 1, including any actions that Hampshire Pension Services have taken.

11. Employer and Member Communications

11.1. **Employer communications** – after receiving feedback from Hillingdon, we have updated the employers' page of our website with news items, which explain the transfer of administration and communication we have sent to active members.

11.2. **Member communications** sent in October are shown in the table below.

Members	Method	Details	Date Sent
Active and Deferred	Email	Welcome and how to register for Portal	5/10, 7/10, 12/10
Pensioners	Letter	Payslip and Welcome letter. How to register for Portal and change of pay date info.	15/10
Active and Deferred	Letter (where no email held)	Welcome and how to register for Portal	20/10

12. Quality Assurance

12.1. **Data Protection Breaches** – We have not identified any data protection breaches in October 2021.

13. Compliments & Complaints

13.1. During October 2021 we did not receive any complaints in respect of the administration service we provide, from members of the Hillingdon LGPS.

13.2. One complaint was received in relation to the administration service provided previously, which has been passed back to Surrey County Council to respond to.

13.3. In October 2021 we received three compliments from members of the London Borough Of Hillingdon pension scheme. Further details can be found in Appendix 2.