

Monthly administration report

APRIL 2022



Working in partnership with



West Sussex
Fire & Rescue Service

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1. Summary

- 1.1. The purpose of this report is to update the 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 (LGPS) on behalf of the London Borough of Hillingdon (LBH) with effect from 27 September 2021.
- 2.2. Hampshire Pension Services also administer the LGPS for Hampshire County Council, West Sussex County Council and Westminster City Council; the Fire Pension Schemes for both West Sussex and Hampshire, and the Police Pension Schemes for Hampshire.

3. Membership

- 3.1. 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	12,722	7,876	7,710	922	29,230

* Leavers which are waiting to be processed are included in the active membership

**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).

4. Administration performance

- 4.1. 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.
- 4.2. The table below shows performance from 1st April 2022 to 30th April 2022; 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	5	4	3	0	0	0	12	100.00%	15	100.00%
Deferred Retirement	6	9	19	0	0	0	34	100.00%	14	100.00%
Estimates	2	4	50	0	0	0	56	100.00%	39	100.00%
Deferred Benefits	3	0	2	0	59	0	64	100.00%	71	100.00%
Transfers In & Out	3	1	4	0	0	0	8	100.00%	0	100.00%
Divorce	0	0	1	0	0	0	1	100.00%	2	100.00%
Refunds	6	4	1	0	0	0	11	100.00%	6	100.00%
Rejoiners	0	0	0	9	0	0	9	100.00%	5	100.00%
Interfunds	0	1	9	0	0	0	10	100.00%	19	100.00%
Death Benefits	11	1	6	0	0	0	18	100.00%	29	100.00%
GRAND TOTAL	32	18	92	9	59	0	210	100.00%	183	100.00%

- 4.3. The Active and Deferred retirement figures above have been amended for the previous month – the SLA reporting mechanism was not updated after a change in both the active and deferred retirement processes and was therefore not identifying all of the completed cases. We can assure LBH that all cases were still completed within the 15 working day SLA.
- 4.4. The table below shows outstanding work as of 30th April 2022. 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.
- 4.5. 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.
- 4.6. 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	2	2	0	0	9	5
Deferred Retirement	4	5	1	0	1	0	11	24
Estimates*	32	46	29	4	4	0	115	153
Deferred Benefits	1	22	13	17	101	0	163	219
Transfers In & Out	0	0	0	0	0	0	0	5
Divorce	0	0	0	0	0	0	0	1
Refunds	5	3	2	0	0	0	10	4
Rejoiners	12	1	3	0	0	0	16	12
Interfunds	10	15	5	0	1	0	31	15
Death Benefits	2	3	5	4	12	0	26	27
GRAND TOTAL	77	98	60	27	119	0	381	465

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

5. Unprocessed historic casework

- 5.1. At the point of onboarding, there were 3,840 unprocessed leavers – the date of leaving for these members was prior to 1st September 2021.
- 5.2. The total number of outstanding cases has since been reduced to 3,667.
- 5.3. During April we sent 227 leaver form requests to a number of scheme employers in the course of working through the outstanding cases. We are expecting to send a large number of leaver form requests based on the evaluation work that has been completed so far.
- 5.4. The team will continue to work on those cases where leaver forms have been received, with a view to reducing the backlog.

6. Call and email volumes

- 6.1. During April 2022, we received 214 calls from members of the LBH LGPS who had a general query about their pension – this does not include those who are calling for Member Portal support.

- 6.2. The total number of calls for all schemes we administer, received into the Pension Customer Support Team (PCST) were 4,264 and 102 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.
- 6.3. Our call reporting software does not allow us to report which of our ‘abandoned’ calls were LBH members, but based on the number of abandoned calls above, we answered 97.61% of all calls received.
- 6.4. PCST also monitor and handle all of the emails received from members into our main pensions inbox – not including those which have been passed to other teams to process, PCST responded to 187 LBH member emails.

7. Online services

Member Portal

- 7.1. Active, Deferred and Pensioner members of 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.
- 7.2. The table below shows the total number of current registrations for each status as of 30th April 2022.

Status	Registrations to date	% of total membership	Registrations to 31/03/2022	% of total membership
Active	3,288	25.84%	3,324	25.95%
Deferred	1,372	17.42%	1,296	16.55%
Pensioner	1,378	17.87%	1,088	14.15%
TOTAL	6,038	21.33%	5,708	20.15%

- 7.3. We have continued to see an increase in Portal registrations, specifically those who are Pensioners, which we believe is connected to the most recent pensioner newsletter and P60 communications.
- 7.4. PCST handled 1,148 calls in April, from members of all schemes we administer, who were specifically asking for Member Portal support.

7.5. The table below is the last position of member portal stats from Surrey County Council.

Status	Registrations to date	% of total membership
Active	4,201	36.06%
Deferred	2,638	32.63%
Pensioner	1,616	21.32%
TOTAL	8,455	30.95%

Employer Hub

7.6. All LBH employers are signed up to the Employer Hub, and 228 individual users have access.

8. McCloud

8.1. We have received 82 of 125 completed service/break data sets from LBH employers; initial data checks have been completed on all of the data sets received. This represents 52% of the membership populate who are likely to require McCloud remedy.

8.2. There are 43 employers yet to provide data.

8.3. The requests for the next data set, for the period 1 April 2021 to 31 March 2022, have also been sent to employers and a deadline of 30 June 2022 has been set – we have received 2021/22 data from 1 employer.

8.4. We are still in the process of testing a final version of the McCloud bulk data uploader, with a view to arranging the Live installation by 31st July 2022, as we are eager to start uploading data sets from early August.

8.5. Our monthly McCloud project meetings have continued internally, which are led by a dedicated project manager and attended by all senior management.

9. 2022 End of Year timetable

9.1. We have agreed the timeline for the 2022 year end and the production of benefit statements. The table below details the key milestones for each step of the year end process.

Completed By	Task
30/04/2022	Annual return deadline for Employers
06/05/2022	2022 Pensions increase applied to all deferred benefit members.

Completed By	Task
30/06/2022	Employer Services to complete upload of Annual Returns (AR); assuming all data received from, and queries answered by employers.
30/06/2022	CARE pension revaluation for Active members (to be run per employer, subsequent to AR upload)
15/07/2022	Valuation extracts to be provided to Fund Actuary
29/07/2022	Supplementary Pensions Increase calculated and paid.
31/07/2022	All Deferred Benefit Statements (DBS) to be produced.
31/08/2022	LG Active Benefit Statements (ABS) to be produced.
05/10/2022	Pensions Savings Statements sent – will be produced by employer as ABS have been completed
31/10/2022	E-comms sent to members with benefit statement available on Member Portal

9.2. **Pensions increase** – this has been applied to all pensioner and deferred members of the LBH LGPS.

9.3. **Annual Returns** - 68% of returns were received by the deadline of 30 April. This is lower than we would have expected, however we believe this may be due to the later Easter period and many employers prioritising payment of the backdated pay award (where applicable). Weekly partnership reports are now being provided and regular review meetings with the Fund, to work in partnership to resolve any employer issues.

10. Pensions Dashboard Programme (PDP)

10.1. We continue to attend Civica's Pensions Dashboard working group where technical requirements are discussed to ensure we are fully compliant with the eventual regulations. The next working group meets on 25th May when we will find out more about Civica's Integrated Service Provider (ISP) offering.

10.2. We will need to consider a procurement process when appointing an ISP as this is a separate service to our pensions administration software (UPM). As we understand more about this, we will update all Partners.

10.3. We attended the latest PDP update webinar, where the implementation team confirmed that the project is on track and ISP's are expected to connect to the Pensions Dashboard by September 2022.

11. Audit

- 11.1. The close of audit report for Pensions, Payroll and Benefit Calculations has been shared with us, confirming a 'Substantial' rating – once the report has been formally signed off we will share this with all Partners.

12. Cyber Security

- 12.1. In the 2021/22 annual partnership report we confirmed that penetration testing of our pension administration system (UPM) the Member Portal and Employer Hub had been completed.
- 12.2. The final report will be shared with Partners by the end of May, and we will be working with both our IT department and Civica to address the medium and low risks identified.

13. 2022 Software Development

- 13.1. The first stage of our development roadmap is to implement the online identification and verification (ID & V) process, which will support our Life Certificate/Proof of Existence process in particular this year.
- 13.2. Our target completion date for this work was 31st May 2022 although we are expecting that this will be slightly delayed due to ongoing discussion around the Terms and Conditions that GB Group Ltd. have asked us to commit to.
- 13.3. The intention is to issue letters to all Overseas pensioners by the end of July 2022 – asking them to use our ID&V service – and leading up to this time, we will contact Hillingdon to agree an alternative Life Certificate process for members who are unable to use the ID&V service.

14. Scheme legislation updates

- 14.1. Legislation updates that have been received during April 2022 for the Local Government Pension Scheme, are detailed in Appendix 1, including any actions that Hampshire Pension Services have taken.

15. Employer and Member Communications

- 15.1. **Employer communications** – In April we issued the Spring 2022 edition of Pensions Matters.
- 15.2. **Member communications** – we issued paper payslips and P60's to all advance and arrears members who have opted out of using our Member Portal. Emails were also issued to arrears members who had not opted out, to inform them that their payslips and P60's were available on the Member Portal.

16. Quality Assurance

- 16.1. **Data Protection Breaches** – We have not identified any data protection breaches in April 2022.
- 16.2. **Data Subject Access Requests (DSAR)** – we have noticed an increase in these across all schemes but for Hillingdon in particular we did not receive any requests in April. We are continuing to monitor this due to concerns that these requests may become a complaint or claim against the pension fund regarding previous transfers out.

17. Compliments and Complaints

- 17.1. In April 2022 we received two complaints from members of the LBH LGPS. Further detail can be found in Appendix 2. One of the complaints is not due a response until 13th May, therefore the detail of this complaint will be included in May's report.
- 17.2. We also received two compliments from members of the LBH LGPS. Further detail can be found in Appendix 3.

