

# Monthly administration report

OCTOBER 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. To support the monitoring of change in membership numbers, the table now compares the membership detailed in the OBC with the current month to show the total growth in membership since the start of the partnership.

	Active	Deferred*	Pensioner	Preserved Refunds**	Total
<b>OBC</b>	9,020	11,400	7,036	-	27,456
<b>October-22</b>	12,630	8,655	7,828	1,057	<b>30,170</b>
<b>Growth</b>	40.02%	-24.07%	11.25%	-	9.88%

\*Leavers which are waiting to be processed are included in the active membership. However, the OBC deferred figure included both 2,045 leavers waiting to be processed and 1,256 preserved refunds.

\*\*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 1<sup>st</sup> October to 31<sup>st</sup> October 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	Average days to complete process	Total Cases (previous month)	% completed on time (previous month)
Active Retirement	5	1	1	0	0	0	7	100.00%	4	12	100.00%
Deferred Retirement	6	5	9	0	0	0	20	100.00%	9	17	100.00%
Estimates	8	7	22	0	0	0	37	100.00%	10	36	100.00%
Deferred Benefits	2	1	5	3	76	0	87	100.00%	24	96	100.00%
Transfers In & Out	2	0	0	0	0	0	2	100.00%	1	4	100.00%
Divorce	0	1	3	0	0	0	4	100.00%	12	0	100.00%
Refunds	0	6	7	0	0	0	13	100.00%	11	10	100.00%
Rejoiners	1	4	4	6	0	0	15	100.00%	13	13	100.00%
Interfunds	1	5	27	0	0	0	33	100.00%	12	20	100.00%
Death Benefits	8	5	3	0	0	0	16	100.00%	6	3	100.00%
<b>GRAND TOTAL</b>	<b>33</b>	<b>35</b>	<b>81</b>	<b>9</b>	<b>76</b>	<b>0</b>	<b>234</b>	<b>100.00%</b>		<b>211</b>	<b>100.00%</b>

- 4.3. The table below shows outstanding work as of 31<sup>st</sup> October 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.
- 4.4. 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.
- 4.5. 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	4	1	1	0	0	0	6	6
Deferred Retirement	1	3	0	0	0	0	4	11
Estimates*	55	36	23	3	1	0	118	98
Deferred Benefits	24	16	7	27	9	0	83	105
Transfers In & Out	1	0	0	0	0	0	1	1
Divorce	0	1	0	1	0	0	2	7
Refunds	5	1	0	0	0	0	6	10
Rejoiners	8	2	5	9	1	0	25	27
Interfunds	4	10	1	1	0	0	16	31
Death Benefits	2	3	2	1	3	0	11	13
<b>GRAND TOTAL</b>	<b>104</b>	<b>73</b>	<b>39</b>	<b>42</b>	<b>14</b>	<b>0</b>	<b>272</b>	<b>309</b>

\*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 1<sup>st</sup> September 2021.
- 5.2. As of 1<sup>st</sup> October 2022, the outstanding leavers stands at 3,435 – this has decreased compared to last month.
- 5.3. During October we sent a further 61 leaver form requests to a number of scheme employers in the course of working through the outstanding cases; with 913 leaver forms being requested in total.
- 5.4. The top 5 employers with outstanding leavers are as follows:

Employer	Number of leavers outstanding
London Borough Of Hillingdon	642
Hedgewood School	198
Uxbridge Harrow College (HCUC)	132
Qed - Queensmead Academy	75
Eden Academy - Grangewood	67

- 5.5. We have agreed with Hillingdon that we will not continue submitting queries to Dataplan for any employers they provide the payroll service; their focus should be on finalising annual returns queries first. Approximately 300 queries – relating to historic leavers – have been sent to Dataplan to date and we have received very few responses.

## 6. Call and email volumes

- 6.1. The table below sets out the call statistics for Hillingdon for the month of October 2022:

<b>Calls Received</b>	140
<b>Calls Answered</b>	138
<b>Calls Answered Percentage</b>	98.57%
<b>Calls Abandoned</b>	2
<b>Abandoned Percentage</b>	1.42%
<b>Average Wait Time</b>	44 seconds
<b>Calls Answered Within 5 Minutes</b>	138
<b>Percentage Of Calls Answered Within 5 Minutes</b>	98.57%

- 6.2. 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. The total number of calls received were 3,237 and the statistics above are included in this number.
- 6.4. Our Pension Customer Support Team (PCST) record the number of emails received into our main Pension Services inbox. The table below shows the combined (Hampshire, West Sussex, Westminster, and Hillingdon) volumes, for the current and previous month.

Month	Total Emails Received	Response from PCST	Forms and Emails Forwarded to another team*
October	6,560	5,590	970
September	6,860	5,770	1,090

- 6.5. Of the emails responded to by PCST, 154 of these were for Hillingdon members.

## 7. Online services

### Member Portal

- 7.1. 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; run online voluntary retirement estimates; and complete their membership option and retirement declaration forms online.
- 7.2. The table below shows the total number of current registrations for each status as of 31<sup>st</sup> October 2022.

Status	Registrations to date	% of total membership	Registrations to 30/09/2022	% of total membership
Active	3,972	31.45%	3,819	28.04%
Deferred	2,035	23.51%	1,932	22.51%
Pensioner	1,929	24.64%	1,866	23.90%
<b>TOTAL</b>	<b>7,936</b>	<b>27.26%</b>	<b>7,617</b>	<b>26.58%</b>

- 7.3. 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%
<b>TOTAL</b>	<b>8,455</b>	<b>30.95%</b>

- 7.4. The table below sets out the number of Member Portal log ins, for the current month and previous month for comparison.

Month	Active	Deferred	Pensioner
September 2022	1,519	325	263
October2022	858	375	324

- 7.5. The table below shows the number of opt outs of the Member Portal for each membership status. Comparing the number of registrations and opt outs to the total membership allows us to identify the number of members who have not engaged via either route.

Engagement	Active	Deferred	Pensioner	Total
<b>Portal</b>	3,972	2,035	1,929	<b>7,936</b>
<b>Opt out</b>	14	15	431	<b>460</b>
<b>No contact</b>	8,644	6,605	5,468	<b>21,774</b>
<b>Total</b>	12,630	8,655	7,828	<b>30,170</b>

## Employer Hub

7.6. All LBH employers are signed up to the Employer Hub, and 231 individual users have access.

## Cyber Security

7.7. As explained in last months' report, one of the steps taken to address the attempted cyber-attack was to reintroduce geo-blocking, which prevents members living in certain countries from accessing our Member Portal.

7.8. This is seen as a temporary measure, while Hampshire County Council's (HCC) IT department work on an alternative approach – this piece of work was already in progress at the time of the attempted attack – which will take the form of a 'reCAPTCHA' process.

7.9. reCAPTCHA is the mechanism which a number of other external websites use to allow the user to prove they are human, and not a 'robot'. This is normally seen in the form of being asked to select images which contain specific items, or entering a series of letters and numbers, for example. The exact approach is to be confirmed, but the software will be 'intelligent'; meaning the reCAPTCHA will only be triggered by an IP address that is situated outside of the list of countries we allow access to our Portal.

7.10. This layer of security is being applied to all of the County Council's external websites – not just Pensions – and is due to be in place by April 2023, but we will keep Partners updated on progress.

7.11. As it stands, 25 overseas pensioners cannot access our Member Portal and they have all been contacted to make them aware of the current situation.

## 8. McCloud

8.1. We have received 94 of 124 completed service/break data sets from LBH employers; initial data checks have been completed on all of the data sets received. This represents 58.52% of the membership population who are likely to require McCloud remedy.



- 8.2. There are 30 employers yet to provide data, and the team is working with LBH and the employers to get the returns back.
- 8.3. We have received 97 of 138 completed service break/data sets from LBH employers; for the period 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022. This represents 58.67% of the membership who are likely to require McCloud remedy.
- 8.4. 8 of the 42 original service/break data sets have been uploaded to the system.
- 8.5. We have completed the second round of chasing for outstanding returns; we are waiting two weeks to allow employers to have the chance to respond before escalating to the fund.
- 8.6. Our internal project board continues to meet on a regular basis, to discuss progress and any work we can complete now to prepare us for Remedy.

## 9. 2022 End of Year timetable

- 9.1. **Active Benefit Statements** - The production of active benefit statements has been ongoing throughout October, and the current position is as follows.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced
12,793	12,664	129	98.99%

- 9.2. A high level summary of the reason we have been unable to produce a statement is below, and we will continue to work on those records which we are able to. Otherwise, we require additional information from the employer for the majority of cases.

Reason for missing statement	Number of members
Missing earnings/outstanding query with employer	122
Outstanding TUPE transfer	0
Further investigation required – potential data issue	7

## 10. Pensions Dashboard Programme (PDP)

- 10.1. A full report has been shared with all Partners and is also attached in Appendix 1.
- 10.2. This sets out our understanding of the PDP; roles and responsibilities, including confirmation of the ISP; dashboard and data readiness; and the costs associated with implementation and ongoing dashboard support.
- 10.3. We are currently engaging with Civica, to confirm the next steps for the ISP software implementation.

## 11. 2022 Software Development

- 11.1. The second ID&V pilot has been a useful exercise, and we have taken feedback from individuals to develop the software further with Civica – these developments will be in place for next year’s exercise.
- 11.2. We are now reviewing the best way forward, and planning the full communication piece to overseas pensioners in all schemes; we endeavour to communicate with all overseas pensioners by the end of the year, asking them to complete the Life Certificate process.
- 11.3. The updated version of the Aggregation module – which should fix issues highlighted in our original testing – is due for delivery to our Test environment in early November. The team can commence testing again at this point, with a view to approving the delivery to our Live UPM environment. We are expecting testing to take at least 4 to 6 weeks.
- 11.4. The GDPR module – to support extraction of documents for data subject access requests and automate the bulk deletion of records in line with data retention policies – has been delivered to our Test environment, and the Systems team have been finalising the set up in the last week, before testing can commence.

## 12. Target address tracing project

- 12.1. We have submitted two tracing requests to Target, these included preserved refunds and deferred members who were confirmed as being ‘lost contacts’.
- 12.2. The below table explains the position of the preserved refund trace.

<b>Originally Submitted</b>	<b>Living As Stated</b>	<b>New Address</b>	<b>No Response</b>	<b>Unable To Trace</b>	<b>Deceased</b>	<b>Overseas Trace Required</b>
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667	518	59	95	5	4	4
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12.3. We received notice from Target in October that one of the no response members is deceased, the figures in the above table have been updated accordingly.

12.4. The below table explains the position of the deferred lost contact trace:

Originally Submitted	Living As Stated	New Address	No Response	Unable To Trace	Deceased	Overseas Trace Required	Possible Deceased Members
421	78	133	117	56	18	15	4

12.5. We did not receive any further address updates in October; however we will continue to update the above tables as and when results come in.

## 13. Audit

13.1. The position of our 2022/23 pension audits are as follows:

Audit Area	Timing
<b>Pension Transfers:</b> To provide assurance over the processes and controls to support the accuracy and timeliness of transfers in and out of the schemes managed by HPS.	Completed – ‘substantial’ rating confirmed.
<b>Member Deaths:</b> To provide assurance that systems and processes ensure that any payments related to deceased members are calculated correctly and paid promptly to the correct recipient, with the risk of overpayments minimised.	Testing complete – close of audit meeting booked for 10 <sup>th</sup> November.
<b>UPM - Cyber Security:</b> <i>(This has been identified as a new audit review area)</i> To provide assurance over the Cyber Security arrangements for the UPM application	Due to start in Quarter 3 / 4

<p><b>Pensions Payroll and Benefit Calculations:</b></p> <p>Annual review to provide assurance that systems and controls ensure that:-</p> <ul style="list-style-type: none"> <li>• Lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients;</li> <li>• All changes to on-going pensions are accurate and timely;</li> <li>• Pension payroll runs are accurate, complete, timely and secure with all appropriate deductions made and paid over to the relevant bodies.</li> </ul>	<p>Due to start in Quarter 3 / 4</p>
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## 14. Scheme legislation updates

- 14.1. Legislation updates that have been received during October 2022 for the Local Government Pension Scheme, are detailed in Appendix 2, including any actions that Hampshire Pension Services have taken.

## 15. Employer and Member Communications

- 15.1. **Employer communications** – We did not issue any employer communications in October.
- 15.2. **Member communications** – we did not issue any member communications in October.

## 16. Quality Assurance

- 16.1. **Data Protection Breaches** – We have identified one data protection breach in October 2022, further detail can be found in appendix 3.

## 17. Compliments and Complaints

- 17.1. We did not receive any complaints In October 2022.
- 17.2. We did not receive any compliments from members of the LBH LGPS in October.

