

Monthly administration report

August 2023



Working in partnership with



West Sussex
Fire & Rescue Service

Contents

1.	Summary.....	2
2.	Background	2
3.	Membership.....	2
4.	Administration performance.....	3
5.	Unprocessed historic casework.....	5
6.	Call and email volumes	5
7.	Online services	6
8.	2023 End of Year timetable.....	8
9.	McCloud.....	9
10.	Pensions Dashboard Programme (PDP).....	11
11.	2023/2024 Software Development	11
12.	Audit	11
13.	Scheme legislation updates	12
14.	Employer and Member Communications	12
15.	Compliments and Complaints	12

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
OBC	9,020	11,400	7,036	-	27,456
August 2023	11,381	10,546	8,291	1,500	31,718
Growth	26.17%	-7.49%	17.83%	-	15.52%

*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 1st August – 31st August 2023; 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

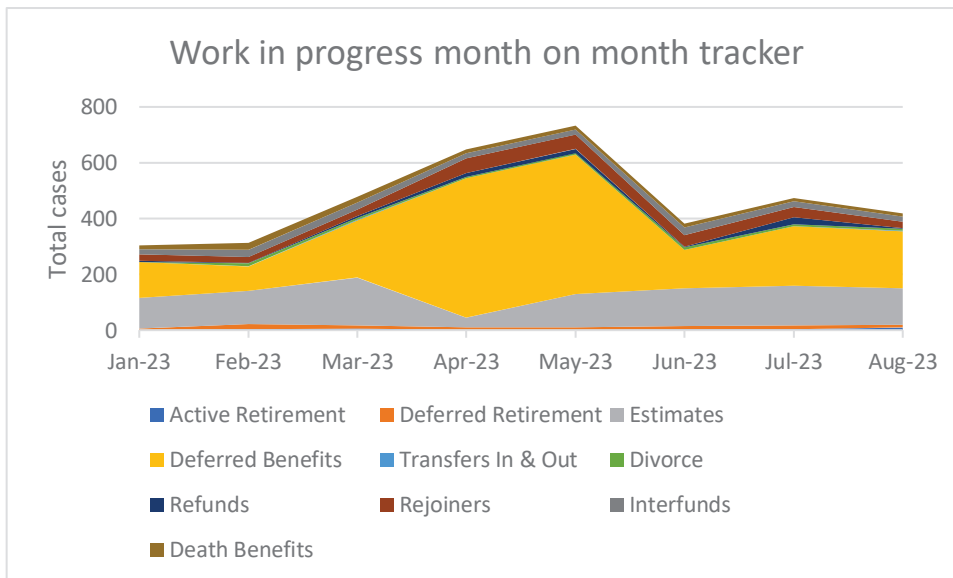
Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31-40 days	Total	% completed on time	Average days to complete process	Total Cases (previous month)	% completed on time (previous month)
Active Retirement	4	6	7	0	0	0	17	100.00%	9	14	100.00%
Deferred Retirement	11	17	6	0	0	0	34	100.00%	8	28	100.00%
Estimates	13	28	15	0	0	0	56	100.00%	8	60	100.00%
Deferred Benefits	6	0	6	9	111	0	132	100.00%	25	102	100.00%
Transfers In & Out	0	2	0	0	0	0	2	100.00%	9	0	100.00%
Divorce	0	0	1	0	0	0	1	100.00%	12	2	100.00%
Refunds	2	3	6	0	0	0	11	100.00%	10	7	100.00%
Rejoiners	1	2	3	5	0	0	11	100.00%	14	25	100.00%
Interfunds	0	0	0	0	0	0	0	100.00%	9	0	100.00%
Death Benefits	9	5	5	0	0	0	19	100.00%	7	16	100.00%
GRAND TOTAL	53	74	59	14	111	0	311	100.00%		284	100.00%

- 4.3. The table below shows outstanding work as of 31st August 2023. 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. Work which has been pended is monitored by the team and is also pushed for review by the system at pre-determined intervals. This means that all pended casework is regularly reviewed, and actions taken to ensure it can be moved and processed.
- 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.

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	6	1	1	1	0	0	9	4
Deferred Retirement	2	4	3	1	0	0	10	14
Estimates*	71	32	17	8	2	0	130	141
Deferred Benefits	10	31	50	52	63	0	206	213
Transfers In & Out	1	0	0	0	0	0	1	1
Divorce	4	2	1	0	0	0	7	6
Refunds	3	0	0	0	0	0	3	26
Rejoiners	6	3	8	4	1	0	22	36
Interfunds	8	7	3	0	0	0	18	22
Death Benefits	5	1	3	0	3	0	12	11
GRAND TOTAL	116	81	86	66	69	0	418	474

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

4.5. We have included a tracker below which monitors the movement in work outstanding month on month



4.6. None of the above work in progress cases are being held up by a change in calculation factors, following the SCAPE discount rate adjustment. All factors that have been issued by GAD have been updated in UPM and are being used in all relevant calculations.

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. As of 1st August 2023, the unprocessed leavers position is as follows.

Unprocessed Leavers transferred from Surrey, at point of onboarding.	3,840
Additional unprocessed leavers identified since onboarding	318
Total unprocessed leavers	4,158
Leavers processed and records finalised by HPS	2,106
Outstanding leavers to be processed	2,052

- 5.3. The top 5 employers with outstanding leavers are as follows:

Employer	Number of leavers outstanding
Colham Manor Primary School	53
QED - Queensmead Academy	51
Hedgewood School	50
(CLOSED) Hermitage Primary School	48
Yeading Infant School	43

6. Call and email volumes

- 6.1. The table below sets out the call statistics for Hillingdon for the month of August 2023:

Calls Received	161
Calls Answered	157
Calls Answered Percentage	97.50%
Calls Abandoned	4
Abandoned Percentage	2.50%
Average Wait Time	76 seconds
Calls Answered Within 5 Minutes	154
Calls Abandoned After Waiting For More Than 5 Minutes	3
Percentage Of Calls Answered Within 5 Minutes	96.18%

- 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 3,692 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*
July	5,953	5,179	744
August	5,874	5,052	822

- 6.5. Of the emails responded to by PCST, 221 of these were for Hillingdon members.
- 6.6. In August 2023, we received 80 'My Messages' from Hillingdon members via the member portal, which are dealt with via our normal 5 working day response time.

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 31st August 2023.

Status	Registrations to date	% of total membership	Registrations to 31/07/2023	% of total membership
Active	4,658	40.93%	4,463	38.11%
Deferred	3,461	32.82%	3,312	32.10%
Pensioner	3,205	38.66%	3,132	37.99%
TOTAL	11,324	37.47%	10,907	36.03%

7.3. 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
July 2023	577	781	341
August 2023	1,570	431	260

7.4. 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
Portal	4,658	3,461	3,205	11,324
Opt out	43	128	1,845	2,016
No contact	6,680	6,957	3,241	16,878
Total	11,381	10,546	8,291	30,218

Employer Hub

7.5. To date we have 118 of 119 LBH employers registered to use the Employer Hub. Of the 119 employers, 118 individual users have access to a Hub account.

Cyber Security

7.6. Following the Umbraco 10 upgrade to our Live Member Portal, and a final user acceptance test we found an issue with the log in page, which would prevent members from logging in to the Portal. Therefore, we were required to roll the update back, so we were operating on Umbraco 7 once again, and the Portal could be accessed by members.

7.7. Following detailed investigation, the underlying issue has now been resolved, and further network changes were highlighted as being required – which explains why this issue was not

picked up in the through testing of our Test version of the Member Portal, as we do not publish this to external users.

- 7.8. The switch to Umbraco 10 is now scheduled to happen on 15th September at 8am, at which point the Portal will be offline for up to an hour, to ensure that there are no issues before the website is made available to users again.
- 7.9. Once this has been completed, and as long as the switch over to Umbraco 10 is successful, our external security testers (2-sec) have been booked to begin testing from 18th September.
- 7.10. Another full penetration test will be organised again for November, in keeping with our commitment to test our application, and both external websites, every 6 months.

8. 2023 End of Year timetable

- 8.1. We have agreed the timeline for the 2023-year end, including the production of benefit statements. The table below details the key milestones for each step of the year end process.

Completed By	Task
31/08/2023	Supplementary Pensions Increase calculated and paid.
31/08/2023	Active Benefit Statements (ABS) to be produced.
05/10/2023	Latest date Pensions Savings Statements sent – will be produced by employer as ABS have been completed.
31/10/2023	Life Certificates issued to Overseas Pensioners.
17/11/2023	TPR Scheme Return submission due (assumed, based on previous years) – membership numbers and data scores to be provided to Partners.

- 8.2. **Deferred Benefit Statements** – The production of deferred benefit statements has been ongoing, throughout August, and have been completed.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced
8,975	8,975	0	100.00%

- 8.3. All statements are published on our Member Portal and emails have been sent to all members, that we hold an email address for.
- 8.4. **Active Benefit Statements** – The production of active benefit statements has been ongoing, throughout August, 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
12,512	12,348	164	98.69%

- 8.5. The active benefit statements have been published, and emails to members to confirm their statement is available, were sent in August.
- 8.6. We will continue to work on the outstanding active benefit statements by investigating these on a case-by-case basis with the aim of reducing the number of these, by the end of the year. A summary of the reason for outstanding active benefit statements, is below.

Reason	Number of Members
Missing 2023 earnings	125
Missing CARE	8
Missing other/previous year earnings	24
TUPE Transfer in progress	7
Total	164

- 8.7. We are in the process of calculating the annual allowance position for members who have previously exceeded their annual allowance, and members who have been identified as part of the active benefit statement process as requiring further investigation. We are on track to issue all **pensions savings statements** by 5th October 2023.

9. McCloud

- 9.1. The current position of McCloud service/break data sets is as follows:

Number of employers submitted data	101
Number of returns expected	126

Proportion received	80.16
Number of returns missing	25
Lines of data submitted	23,163
Number of Employers initial checks complete on	99
Proportion of employers initial checks completed on	89.02
Number of Employers outstanding queries from initial checks	3

- 9.2. In Appendix 1 we have set out a breakdown of the data returns, by employer, and the current position of each return.
- 9.3. In August, Civica informed all LGPS administrators that the original delivery schedule for McCloud software changes, would need to be adjusted due to under-estimation of the work required. The adjusted timetable means that we will have less McCloud-ready calculations available to us, in October, than we expected. However, the underpin calculation will work for retirements (including ill health); for beneficiaries who are due benefits as a result of a member passing away; and for members who leave with an entitlement to a deferred benefit.
- 9.4. The delivery mentioned in last months' report – which checks the eligibility of members and marks their record accordingly – has now been delivered to our UPM Live environment, and we will be reporting the number of members in-scope for Remedy, in next months' partnership report.
- 9.5. Unfortunately, due to a delay in resolving an issue with the software that uploads all the service and break data provided by employers, we have made less progress in August, than we had hoped. These issues are now resolved, and the team are working through the uploads as quickly as possible; we hope that by October we will be able to report how many members will require their service to be estimated, based on the pay information we already hold.
- 9.6. The Government has not yet responded to the last consultation on McCloud which closed on 30 June and there are no regulations in place. These are still expected to be effective from 1 October 2023.
- 9.7. A link to the McCloud factsheet has been included in the benefit statement communications to members.

10. Pensions Dashboard Programme (PDP)

- 10.1. There has been no material update in respect of the PDP, however we have been working through the dashboard readiness checklist and will be sharing a copy of this with an updated PDP report, alongside next months' partnership report.

11. 2023/2024 Software Development

- 11.1. The newly designed Employer Hub forms – joiner, leaver etc. – and upload document facility have been published to employers since 24th August and we have not encountered any issues so far. Employers were notified of this change, and encouraged to provide their feedback.
- 11.2. Access to the Member Portal for Preserved Refunds has been implemented, and we are currently amending the processes and letter templates that Member Services use, so when we ask members to claim a refund or notify us that they have started work elsewhere in the LGPS, they will be asked to register for the Member Portal and complete the form online. Once the new letters and process have bedded in – and we have gaged the level of PCST support required – we will be starting the project to encourage historic preserved refund members, to claim their refund.
- 11.3. The first stage of implementing auto-generated email acknowledgements from the Portal, is nearing completion – initially emails will be sent to the member when we respond to a 'My Message', asking them to log in to the Portal to view our response. This is being tested by staff in PCST and Member Services, and feedback so far is positive. Once this part of the implementation is complete, we will look at applying email acknowledgements in other areas, for example, when a member submits a form online and has been received by us for processing.

12. Audit

- 12.1. The position of our 2023/24 pension audits are as follows:

Audit Area	Timing
Pension Refunds: To assess that there are appropriate arrangements to ensure all refunds are valid, accurate and are paid promptly to the correct recipients following a validated request to withdraw from the schemes administered by HPS.	In Progress

<p>UPM – Application Review: <i>(This has been identified as a new audit review area)</i> Assurance over the management of the UPM application, including supporting infrastructure such as servers, databases, pre-production environments and system changes.</p>	<p>Quarter 3</p>
<p>Pensions Payroll and Benefit Calculations: Annual review to provide assurance that systems and controls ensure that:-</p> <ul style="list-style-type: none"> • Lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients; • All changes to on-going pensions are accurate and timely; • Pension payroll runs are accurate, complete, timely and secure with all appropriate deductions made and paid over to the relevant bodies. 	<p>Quarter 3 / 4</p>

13. Scheme legislation updates

- 13.1. Legislation updates that have been received during August 2023 for the Local Government Pension Scheme, are detailed in Appendix 2, including any actions that Hampshire Pension Services have taken.

14. Employer and Member Communications

- 14.1. **Employer communications** – There was one employer communication issued in August, this was a Stop Press in relation to the annual benefit statements being published on the member portal.
- 14.2. **Member communications** – There were four member communications issued in August, these included a reminder that the member portal and employer hub would have downtime on 8th August 2023, a communication to encourage our active members to view their benefit statements on the member portal, we alerted our members to a scam going around in which third party organisations are contacting members offering assistance in claiming McCloud benefits, and lastly tax regulations being announced to the age discrimination remedy.
- 14.3. **Data Protection Breaches** – There were no data protection breaches in August.

15. Compliments and Complaints

- 15.1. The complaint from July can be found in Appendix 3, we have also received an informal and formal complaint in August, neither of these are due responses until mid September and will therefore be included in next months report.

15.2. We did not receive any compliments in August from members of the LBH LGPS.

