

Monthly administration report

September 2024



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 |
|-----------------------|--------------|---------------|---------------|---------------------|---------------|
| OBC | 9,020 | 11,400 | 7,036 | - | 27,456 |
| September 2024 | 9,117 | 12,551 | 8,545 | 1,687 | 31,900 |
| Growth | 1.07% | 10.09% | 21.44% | - | 16.18% |

*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 September – 30th September 2024. The service level agreement (SLA) for all casework is 15 working days, except for deferred benefits which are processed in 30 working days, and rejoiners which are processed in 20 working 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 | 12 | 13 | 1 | 0 | 0 | 0 | 26 | 100.00% | 6 | 12 | 100.00% |
| Deferred Retirement | 7 | 27 | 5 | 0 | 0 | 0 | 39 | 100.00% | 8 | 32 | 100.00% |
| Estimates | 2 | 14 | 1 | 0 | 0 | 0 | 17 | 100.00% | 8 | 40 | 100.00% |
| Refunds | 1 | 22 | 0 | 0 | 0 | 0 | 23 | 100.00% | 8 | 24 | 100.00% |
| Deferred Benefits | 6 | 2 | 0 | 5 | 103 | 0 | 116 | 100.00% | 24 | 108 | 100.00% |
| Interfunds and Transfers In | 6 | 2 | 5 | 0 | 0 | 0 | 13 | 100.00% | 9 | 9 | 100.00% |
| Interfunds and Transfers Out | 2 | 12 | 1 | 0 | 0 | 0 | 15 | 100.00% | 8 | 12 | 100.00% |
| Divorce Quotes | 2 | 2 | 3 | 0 | 0 | 0 | 7 | 100.00% | 8 | 8 | 100.00% |
| Divorce Actuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100.00% | | 0 | 100.00% |
| Rejoiners/Aggregation | 5 | 3 | 2 | 6 | 0 | 0 | 16 | 100.00% | 11 | 19 | 100.00% |
| Deaths | 4 | 0 | 5 | 0 | 0 | 0 | 9 | 100.00% | 8 | 7 | |
| GRAND TOTAL | 47 | 97 | 23 | 11 | 103 | 0 | 281 | 100.00% | | 271 | 100.00% |

- 4.3. Due to current software restrictions, the following casework can only be reported as total numbers processed in the month.

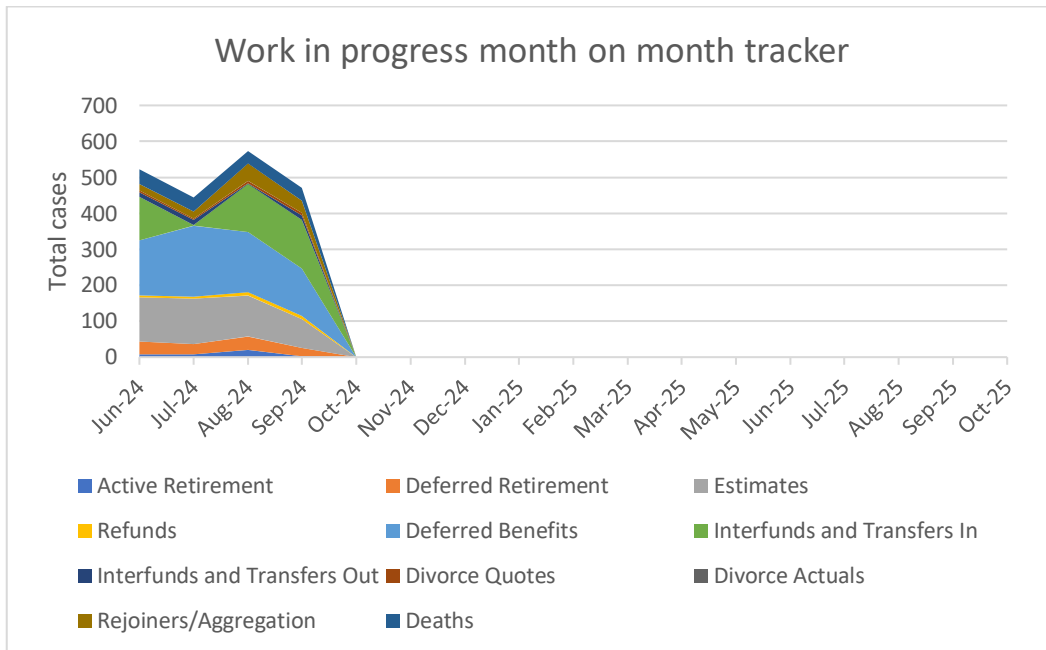
| Type of Case | Total number of cases in the month |
|--|------------------------------------|
| New Joiners | 38 |
| New beneficiary benefits in payment | 5 |

- 4.4. The table below shows outstanding work as of 30th September 2024. 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.
- 4.5. 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.

| Type of Case | Time Outstanding | | | | | | Total | Total Outstanding (previous month) |
|-------------------------------------|------------------|-----------|------------|------------|------------|------------|------------|------------------------------------|
| | 0-5 days | 6-10 days | 11-15 days | 16-20 days | 21-30 days | 31+ days | | |
| Active Retirement | 0 | 1 | 0 | 0 | 0 | 2 | 3 | 20 |
| Deferred Retirement | 6 | 2 | 1 | 1 | 3 | 9 | 22 | 37 |
| Estimates* | 12 | 7 | 7 | 3 | 5 | 47 | 81 | 114 |
| Refunds | 3 | 4 | 0 | 0 | 1 | 0 | 8 | 10 |
| Deferred Benefits | 3 | 11 | 14 | 3 | 40 | 61 | 132 | 166 |
| Interfunds and Transfers In | 2 | 4 | 4 | 1 | 6 | 118 | 135 | 135 |
| Interfunds and Transfers Out | 3 | 1 | 6 | 0 | 1 | 3 | 14 | 1 |
| Divorce Quotes | 1 | 2 | 0 | 0 | 0 | 3 | 6 | 7 |
| Divorce Actuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rejoinders/Aggregation | 1 | 2 | 9 | 2 | 6 | 14 | 34 | 49 |
| Deaths | 1 | 1 | 3 | 0 | 4 | 27 | 36 | 34 |
| GRAND TOTAL | 32 | 34 | 44 | 10 | 66 | 282 | 468 | 573 |

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

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



5. Call and email volumes

- 5.1. The table below sets out the call statistics for Hillingdon for the month of September 2024:

| | |
|--|------------|
| Calls Received | 122 |
| Calls Answered | 122 |
| Calls Answered Percentage | 100.00% |
| Calls Abandoned | 0 |
| Abandoned Percentage | 0.00% |
| Average Wait Time | 67 seconds |
| Calls Answered Within 5 Minutes | 116 |
| Calls answered waiting for longer than 5 mins | 6 |
| Percentage Of Calls Answered Within 5 Minutes | 95.00% |

- 5.2. 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.
- 5.3. The total number of calls received were 3,533 and the statistics above are included in this number.
- 5.4. 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* |
|----------------|-----------------------|--------------------|---|
| August 2024 | 6,097 | 5,370 | 765 |
| September 2024 | 8,051 | 6,926 | 1,125 |

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

5.6. In September 2024 we received 59 'My Messages' from Hillingdon members via the member portal, which are dealt with via our normal 5 working day response time.

6. Online services

Member Portal

6.1. Active, Deferred, Preserved Refund and Pensioner members of the Hillingdon Local Government pension scheme 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 P60's; run online voluntary retirement estimates; and complete their membership option, retirement declaration and refund claim forms online.

6.2. The table below shows the total number of current registrations for each status as of 30th September 2024.

| Status | Registrations to date | % of total membership | Registrations to 31/08/2024 | % of total membership |
|--------------|-----------------------|-----------------------|-----------------------------|-----------------------|
| Active | 5,057 | 55.47% | 5,047 | 54.22% |
| Deferred | 5,062 | 40.33% | 4,968 | 39.81% |
| Pensioner | 3,918 | 45.85% | 3,860 | 45.44% |
| TOTAL | 14,037 | 46.46% | 13,875 | 45.82% |

6.3. 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 |
|----------------|--------|----------|-----------|
| August 2024 | 2,555 | 2,409 | 530 |
| September 2024 | 817 | 462 | 368 |

- 6.4. 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 | 5,057 | 5,062 | 3,918 | 14,037 |
| Opt out | 36 | 125 | 1,882 | 2,043 |
| No contact | 4,024 | 7,364 | 2,745 | 14,133 |
| Total | 9,117 | 12,551 | 8,545 | 30,213 |

Cyber Security

- 6.5. Our next external penetration testing will be booked with Intertek and carried out the week commencing 2nd December 2024 – following this testing a report will be provided to our IT department who will review the vulnerabilities identified and liaise with Civica and the Systems team within Hampshire Pension Services, to address them.

7. Employer Services

Employer training

- 7.1. There were no employer training sessions provided in September; the next bitesize sessions are due to be held in November.

New and Exiting employers

- 7.2. 117 active scheme employers as of 30th September 2024.
- 7.3. There are currently 15 pending admitted bodies and 2 possible pending academy conversions.
- 7.4. There are currently 5 employers changing payroll provider effecting 603 members.

Annual returns and Employer Performance

- 7.5. Reports were issued to the fund in September which summarised the following outcomes:
- In 2024, there were 115 active scheme employers where an annual return was due by 30th April

- 97 returns were received by the deadline (up from 81 in 2023), with 15 received in the following month. 3 employers provided their return significantly late (down from 8 in 2023).
- 1,231 data queries were sent to employers which compares to 1,836 in 2023 and 2,257 in 2022. This number excludes any queries sent on pay.
- As at 4th September 2024, 73 queries remain outstanding across 13 employers.
- There are 66 employers (57%) who have been benchmarked with “major data quality issues” (red rating), this is down from 94 (80%) in 2023.

7.6. The report was followed up with a meeting with the fund in September to review these outcomes and actions to be taken to sustain and improve for next year. Employer performance letters have been agreed with the fun and will be sent out in early October.

8. 2024 End of Year timetable

8.1. The table below details the key milestones for each step of the 2024 year-end process.

| Completed | Task |
|-------------------|---|
| 05/10/2024 | Latest date Pensions Savings Statements sent – will be produced for each employer as ABS have been completed. |
| 31/10/2024 | Latest date e-comms sent to members with benefit statement available on Member Portal. |
| 30/11/2024 | Life Certificates issued to Overseas Pensioners. |
| 30/11/2024 | TPR Scheme Return (<i>expecting TPR to return to November deadline this year</i>) |
| 30/11/2024 | Active and Deferred member newsletters. |

8.2. **Deferred Benefit Statements** – The production of deferred benefit statements has been completed.

| Total Number of Statements Required | Total Number of Statements Produced | Total Number of Statements Missing | Percentage of Statements Produced | Total Number Of Statements Produced as at 31 st August | Total Number Of Statements Missing as at 31 st August | Percentage Of Statements Produced as at 31 st August |
|-------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|---|--|---|
| 12,134 | 12,134 | 0 | 100.00% | 12,133 | 1 | 99.99% |

8.3. **Active Benefit Statements** – The production of active benefit statements has been ongoing, throughout September, 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 | Total Number Of Statements as of 31 st August | Total Number Of Statements as of 31 st August | Percentage Of Statements Produced as of 31 st August |
|-------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|--|--|---|
| 9,770 | 9,709 | 61 | 99.38% | 9,700 | 70 | 99.28% |

8.4. The 61 cases outstanding need further investigation, or we are awaiting responses from employers.

8.5. We have completed our 2023/24 annual allowance calculations and have sent **Pensions Savings Statements (PSS)** to 3 members who have exceeded this years' £60,000 allowance – all PSS were sent by 6th October 2024.

9. Unprocessed historic casework

9.1. At the point of onboarding, there were 3,840 unprocessed leavers – the date of leaving for these members was prior to 1st September 2021.

9.2. As of 1st September 2024, 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 | 3,780 |

Leavers processed in the last month*

63

Outstanding leavers to be processed

378

*Included in the 'Leavers processed, and records finalised by HPS'.

9.3. Of the 378 cases outstanding, 268 of these are with employers who Dataplan provide the payroll service for – we continue to encourage Dataplan to respond to our queries.

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

| Employer | Number of leavers outstanding |
|-----------------------------|-------------------------------|
| Swakeleys Academy | 21 |
| Harlington School | 13 |
| William Byrd Primary School | 10 |
| Eden Academy – Moorcroft | 10 |
| GN Acad Trust - Guru Nanak | 10 |

10. Preserved Refunds

10.1. We have written to all members with a preserved refund, who left prior to 1 April 2014 – as their refund is not limited to being paid within 5 years. The current position of this project is as follows:

Pre-1 April 2014 preserved refund members

72

Number of members sent letters

72

Claim forms received

5

Refunds processed

5

11. McCloud

11.1. The LGA have alerted us to a calculation error with Club transfer out quotations issued by the Teachers' Pension Scheme (TPS), for members protected by the McCloud remedy – our

transfers team have reviewed the quotes received from TPS, of which there are only a handful across all schemes we administer and found that they had already queried the figures provided.

- 11.2. On 20th September, the LGA issued a McCloud public service pensions history form, and set out two approaches for administrators – send the form to all scheme members and ask that all members respond, regardless of whether they have prior public service pension scheme membership; or send the form to all scheme members and only request responses from those who have prior public service pension scheme membership – we intend to adopt the second approach, but are considering how best to issue the forms.
- 11.3. From October, we will be revisiting the service records which we were unable to finalise ahead of this year’s benefit statement production – a combination of poor quality or no service/break data being provided by the members previous or current employer, will require us to adopt the LGA guidance that sets out how to calculate service using the member’s full time and actual pensionable pay.

12. Pensions Dashboard Programme (PDP)

- 12.1. After discussion with Civica and review of the PASA guidance for data matching, we are finalising our policy for full and partial matches, and will be sharing the documented policy with Partners, alongside an updated Pensions Dashboard report, in November.
- 12.2. We previously contacted all AVC providers, requesting a list of the members who have an AVC fund, so we can reconcile this with UPM, and confirmation of which of the following options they intend to adopt.
 - Direct connection to the eco system.
 - Via a third party and return data via a separate connection to the one used by HPS.
 - Provide data to HPS and use our connection.
- 12.3. All AVC providers have at least acknowledged our email, and we will be following up with those who haven’t provided detailed responses, in October.

13. 2024/2025 Software Development

- 13.1. We have adopted the same approach for Deferred Retirement and Deferment cases from September, whereby members receive a GOV.UK email confirmation to confirm that their retirement/deferment has been processed.
- 13.2. The Employer Services team have commenced testing of the Monthly Returns software – a number of limitations have been identified, which will generate unnecessary and additional work, so we are working with Civica to understand if the software can be configured to work

alongside our other established processes – testing will continue until early November, and a more detailed update will be provided to Partners once we have a clear understanding of how the monthly returns process will work for both employers and HPS.

14. Audit

14.1. The position of our 2024/25 pension audits are as follows:

| Audit Area | Timing |
|---|-------------|
| <p>Pension leavers Audit of the controls to ensure accurate, prompt and complete administration of pension leavers, including the production of on-going annual benefit statements within agreed timescales, by HPS.</p> | In progress |
| <p>Pension starters Review of the control framework to support appropriate, complete and prompt admission of new starters to the various pension schemes administered by HPS.</p> | Quarter 3 |
| <p>Cyber Security To provide assurance over the cyber security arrangements within HPS.</p> | Quarter 3 |
| <p>Pensions payroll and benefit calculations Annual review to provide assurance that Hampshire Pension Services' (HPS) 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. | Quarter 3/4 |

15. Scheme legislation updates

15.1. Legislation updates that have been received during September 2024 for the Local Government Pension Scheme, are detailed in Appendix 1, including any actions that Hampshire Pension Services have taken.

16. Employer and Member Communications

- 16.1. **Employer communications** - There were no employer communications issued in September.
- 16.2. **Member communications** – There were no member communications issued in September.
- 16.3. **Data Protection Breaches** – There were no data protection breaches identified in September.

17. Compliments and Complaints

- 17.1. We received one complaint in September from a member of the LBH LGPS, further detail can be found in Appendix 2.
- 17.2. We received three compliments in September from members of the LBH LGPS. Further information can be found in Appendix 3.

