

Pensions Administration & Performance		Item 5
<i>Committee</i>	Pensions Committee	
<i>Contact Officers</i>	Pete Carpenter - Finance Tunde Adekoya – Finance	
<i>Papers with this report</i>	None	

REASON FOR ITEM

The provision of administration services for the Hillingdon Pension Fund is delivered in partnership with Hampshire County Council (HCC) through Hampshire Pension Service (HPS) under a section 101 agreement. The agreement includes Key Performance Indicators (KPIs) which are generally consistent with national standards.

The purpose of this report is to update the Pensions Committee on pensions administration activities and the performance of the administration provider against the agreed indicators.

RECOMMENDATIONS

1. That the Pensions Committee note the administration update

INFORMATION

This briefing summarizes the key highlights from the August 2025 Hillingdon Partnership Report.

Key Takeaways

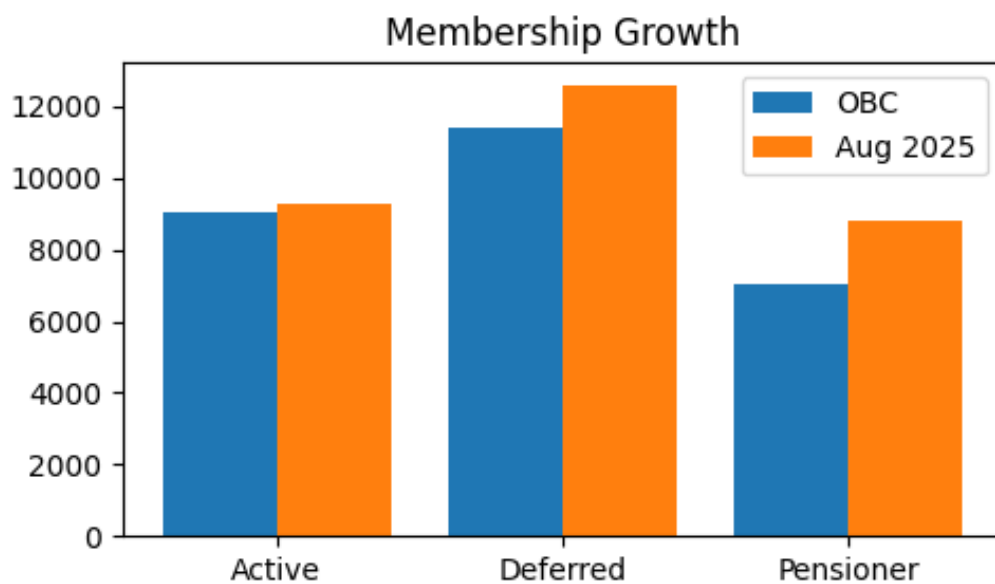
- Membership has grown by nearly 18% since onboarding, indicating strong scheme engagement.
- 100% of administration cases were completed within SLA timelines, reflecting operational efficiency.
- Over half of members are registered on the portal, showing good digital adoption.
- End of Year: 99.99% of deferred benefit statements produced and 99.55% of Active.
- Only 42 historic leaver cases remain unprocessed, down from over 4,000.
- Member communication volumes are high, with over 3,000 calls and 200+ digital messages handled.
- McCloud underpin calculations are complete for deferred and pensioner members.
- Audit results show substantial assurance in key areas like member death payments.
- Communications: Timely updates issued to employers and members.
- Feedback: 6 compliments, 1 complaint received.

Membership

Membership in the Local Government Pension Scheme has grown by 17.8% since the start of the partnership, with notable increases in deferred and pensioner categories.

Membership Growth

	Active*	Deferred	Pensioner	Preserved Refunds**	Total
OBC	9,020	11,400	7,036	-	27,456
August 2025	9,264	12,574	8,787	1,723	32,348
Growth	2.71%	10.30%	24.89%	-	17.82%



Administration

Administration performance remains strong, with 100% of cases completed within service level agreements.

The table below shows performance from 1st August – 31st August 2025. The service level agreement (SLA) for all casework is 15 working days, except for deferred benefits which are processed in 30 working days, and re-joiners 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	4	8	0	0	0	0	12	100%	6	17	100%
Deferred Retirement	5	24	5	0	0	0	34	100%	8	31	100%
Estimates	4	17	2	0	0	0	23	100%	7	37	100%
Refunds	0	7	1	0	0	0	8	100%	10	10	100%
Deferred Benefits	0	0	0	0	71	0	71	100%	28	67	100%
Interfunds and Transfers In	9	0	4	0	0	0	13	100%	5	11	100%
Interfunds and Transfers Out	1	10	5	0	0	0	16	100%	10	23	100%
Divorce Quotes	0	3	2	0	0	0	5	100%	9	5	100%
Divorce Actuals	0	0	0	0	0	0	0	100%	0	0	100%
Rejoiners/Aggregation	1	0	5	2	0	0	8	100%	13	15	100%
Deaths	12	1	2	0	0	0	15	100%	3	15	100%
GRAND TOTAL	36	70	26	2	71	0	205	100%		231	100%

The table below shows outstanding work as of 31st August 2025. 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 pending casework is regularly reviewed, and actions taken to ensure it can be moved and processed.

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	1	2	3	0	1	3	10	6
Deferred Retirement	5	1	7	0	7	15	35	31
Estimates*	6	5	11	5	6	62	95	97
Refunds	0	1	0	0	0	1	2	2
Deferred Benefits	8	6	14	7	29	63	127	148
Interfunds and Transfers In	2	0	3	2	3	92	102	107
Interfunds and Transfers Out	3	1	5	1	1	9	20	23
Divorce Quotes	0	1	0	0	0	3	4	4
Divorce Actuals	0	0	0	0	0	0	0	0
Rejoiners/Aggregation	6	3	7	7	6	40	69	52
Deaths	1	1	3	1	4	40	50	55
GRAND TOTAL	31	19	50	23	56	325	504	519

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

Member Portal

Portal engagement continues to improve with over 53% of members registered.

Active, Deferred, Preserved Refund and Pensioner members of the Hillingdon Local Government pension scheme can register for our Member Portal and update their personal details, death grant nominations, and bank details; securely view annual benefit statements, pay slips and P60's; run online voluntary retirement estimates; and complete their membership option, retirement declaration and refund claim forms online.

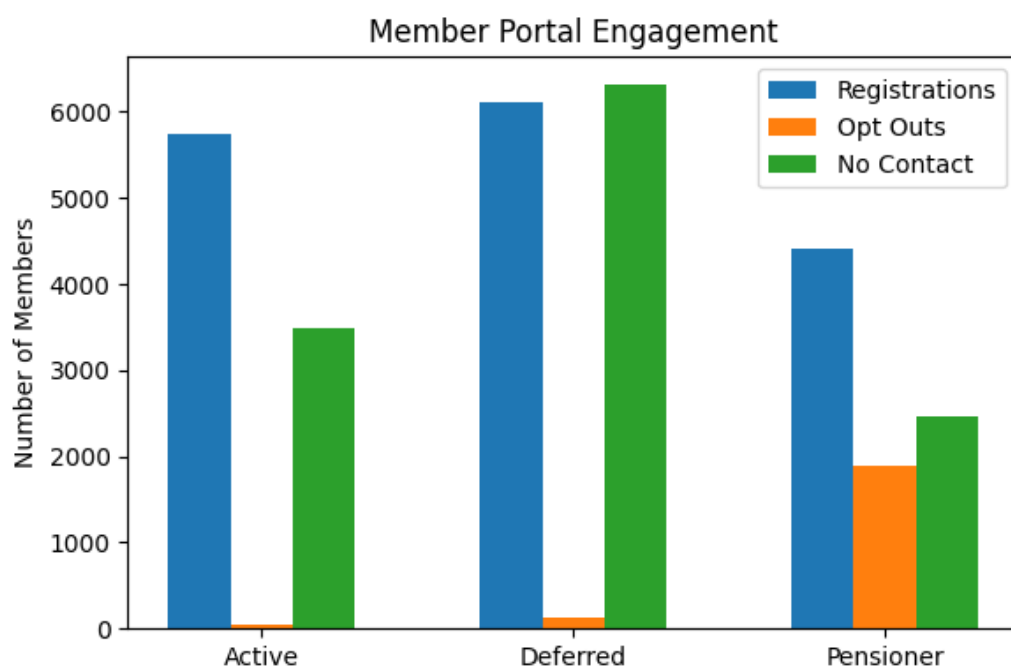
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The table below shows the total number of current registrations for each status as of 31st August 2025.

Member Portal Engagement

Status	Registrations to date	% of total membership	Registrations to 31/07/2025	% of total membership
Active	5,757	62.14%	5,733	61.90%
Deferred	6,177	49.13%	6,116	48.66%
Pensioner	4,469	50.86%	4,414	50.37%
TOTAL	16,403	53.56%	16,263	53.16%



Annual returns and Employer Performance

- 554 member queries had been raised during the process including starter, leaver notifications. 45 of these queries are still to be resolved, with most Partnership Learning now resolved.
- HPS have benchmarked annual return employer performance outcomes for all employers, with a draft report to be sent to LBHPF along with draft employer performance letters for review. The table summary below shows how employers have been benchmarked in 2025:

2024				2025		
Rating	Green	Amber	Red	Green	Amber	Red
Return received	30 April or before	Between 1 and 31 May	1 June or after	30 April or before	Between 1 and 31 May	1 June or after
No. of employers	97	15	3	107	9	0
% represented	84.4%	13%	2.6%	92%	8%	0%
	No reconciliation issues	Minor reconciliation issues/quickly resolved	Major reconciliation issues and/or slow/failed to respond	No reconciliation issues	Minor reconciliation issues/quickly resolved	Major reconciliation issues and/or slow/failed to respond
No. of employers	113	1	1	101	13	2
% represented	98.2%	0.9%	0.9%	87%	11%	2%
	Data quality good	Minor data quality issues, quickly resolved	Major data quality issues and/or slow/failed to respond	Data quality good	Minor data quality issues, quickly resolved	Major data quality issues and/or slow/failed to respond
No. of employers	18	31	66	37	55	24
% represented	16%	27%	57%	32%	47%	21%

2025 End of Year timetable

We have agreed the timeline for the 2025 year-end processes. The table below details the key milestones and dates we will be working to.

Due completion	Task
31/08/2025	Deferred Benefit Statements (DBS) to be produced, including the underpin for those 'in scope' for McCloud.
31/08/2025	Supplementary Pensions Increase calculated and lump sums paid.
31/08/2025	Active Benefit Statements (ABS) to be produced, including the underpin for those 'in scope' for McCloud.
05/10/2025	Latest date Pensions Savings Statements sent – will be produced for each employer as ABS have been completed.

Due completion	Task
31/10/2025	Latest date e-comms sent to members with benefit statement available on Member Portal.
31/10/2025	Pensions Dashboard connection date for all Public Sector pension schemes
30/11/2025	Life Certificates issued to Overseas Pensioners.
30/11/2025	TPR Scheme Return
30/11/2025	Active and Deferred member newsletters.

Benefit Statements

Deferred Benefit Statements – The production of deferred benefit statements has been ongoing, throughout August, and the 31 August position is as follows.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced
12,573	12,572	1	99.99%

Active Benefit Statements – The production of active benefit statements has been ongoing, throughout August, and the 31 August position is as follows.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced
9,256	9,214	42	99.55%

The numbers above include all members – those that are in scope for the McCloud Remedy, and those out of scope. For those in scope, a guaranteed amount (the underpin) has been calculated and is included in the information provided.

As of 31 August 2025, 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	3,916
<i>Leavers processed in the last month*</i>	3
Outstanding leavers to be processed	242

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

McCloud Update

HPS have completed the retrospective calculation of the underpin for all deferred members, with a 'Provisional Guarantee Amount' being recorded on each of their pension records. Of the 2,399 deferred members in scope for the McCloud Remedy, 307 are entitled to a provisional guaranteed amount (underpin) at their date of leaving.

HPS have also finished running the bulk process for pensioner members who retired prior to 1 October 2023, which has initially identified that of the 1,608 in scope for the McCloud Remedy, 320 are entitled to a guaranteed amount and an increase in the benefits being paid to them. However, we have found that several of the calculations are overstating the underpin due to issues with data quality and incorrect service records, so we are currently reviewing, and where necessary amending, each record to ensure that a guaranteed amount is not paid if it is not due to the member.

We are also working on producing a report which will identify the number of active members with a guaranteed amount, however as this calculation is carried out as part of producing the benefit statement, the figures are not stored on the members pension record, which makes reporting difficult.

Software Development

Member Portal – HPS have enhanced the online forms listed below with a save and review feature, which allows members to save their progress, come back to the form later, and review the information they have provided before submitting to us.

- Retirement Declaration Form
- Membership Option Form
- Divorce Quote request
- McCloud Pension History Form
- Refund Claim Form

Google Analytics – HPS have nearly finished the configuration of Google Analytics, so they can further understand how members use their Member Portal and expect to have some useful insight by the end of September. They hope to build on the initial analysis and will be working with Civica and our IT department to understand the reporting options.

Audit

The Southern Internal Audit Partnership (SIAP) provides the internal audit function for Hampshire. The position of our 2025/26 pension audits are as follows.

Audit Area	Timing
Member deaths Provide assurance that any payments related to deceased members are calculated correctly and paid promptly to the correct recipient with the risk of overpayments minimized.	Substantial rating confirmed.
Pension transfers Provide assurance that the processes and controls in place support the accuracy and timeliness of transfers in and out of the schemes administered by HPS.	In progress
Pensions payroll and benefit calculations Annual review to provide assurance that HPS' systems and controls ensure that: <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
Cyber Security Provide assurance over the cyber security arrangements within HPS and the UPM application. Precise scope to be determined by the outcomes of the 2024/25 audit, cyber security and UPM developments during the year.	Quarter 4

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Employer and Member Communications

Employer communications – There were two employer communication issued in August 2025. The first was in relation to the agreed Local Government pay award. The second was to notify employers that the annual benefit statements were now available for their staff to view on the Member Portal.

Member communications – There were one member communication issued in August 2025, this was sent to deferred members notifying them that they ABS was available on the Member Portal.

Data Protection Breaches – We have not identified any data protection breaches in August 2025.

Compliments and Complaints

We received one complaint in August from a member of the LBH LGPS.

We received 6 compliments in August from members of the LBH LGPS.

FINANCIAL IMPLICATIONS

Financial implications are included in the body of the report.

LEGAL IMPLICATIONS

Legal implications have been included in the body of the report.