

Pensions Administration & Performance

Item 5

Committee

Pensions Committee

Contact Officers

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Papers with this report

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

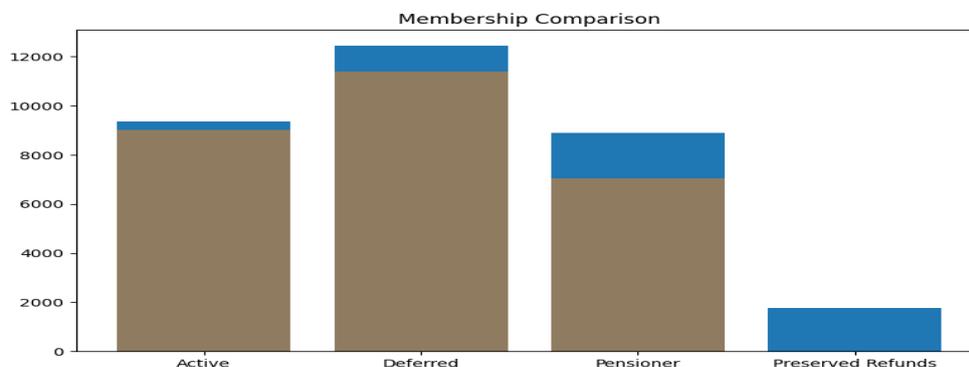
1. That the Pensions Committee note the administration update

INFORMATION

This report provides a comprehensive overview of the administration of the London Borough of Hillingdon Local Government Pension Scheme (LBH LGPS) for December 2025. Hampshire Pension Services (HPS) continues to deliver high performance across key metrics, with 100% SLA compliance and significant growth in scheme membership. Key developments include progress on McCloud remedy implementation, dashboard connectivity delays, and enhanced employer services.

Key Takeaways

- Membership has grown by nearly 18.37% since onboarding, indicating strong scheme engagement.



Classification: Public

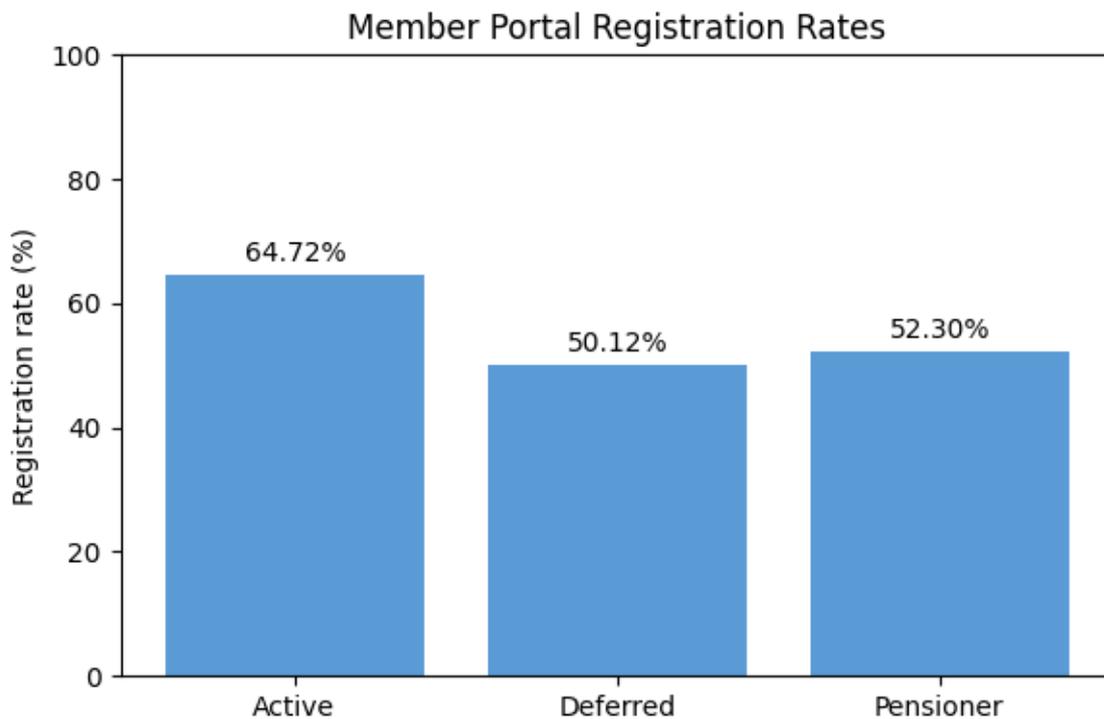
Pensions Committee 24 March 2026

- 55% of members are registered on the portal, showing good digital adoption.
- 100% of administration cases were completed within SLA timelines, reflecting operational efficiency. 227 cases were processed in the month.
- Only 239 historic leaver cases remain unprocessed, down from over 4,161.
- Member communication volumes are high, with over 123 calls received and 118 answered within 5 minutes in September.
- McCloud main deadline was extended to 31 August 2026.
- Audit results show substantial assurance in two key areas, member deaths and transfer audits.
- Communications: One member communication: ID verification for overseas pensioners
- Feedback: 3 compliments, 0 complaint received.

Membership

Membership in the Local Government Pension Scheme has grown by 18.37% since the start of the partnership, with notable increases in deferred and pensioner categories.

Membership Growth



What it shows

Registration penetration: Active 64.72%, Deferred 50.12%, Pensioner 52.30%. Opportunity to target Deferred members for higher digital engagement.

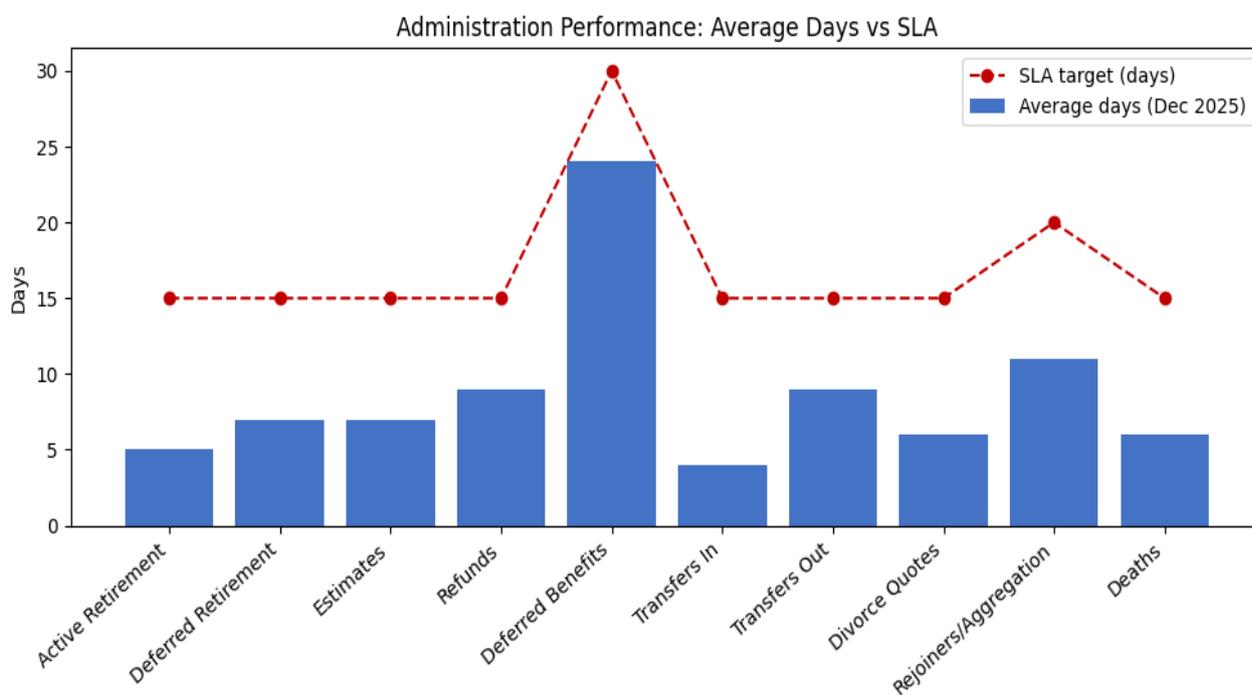
Administration

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

The table below shows performance from 1st December – 31st December 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

Case Type	Total Cases	% Completed on Time	Avg Days
Active Retirement	12	100%	5
Deferred Retirement	16	100%	7
Estimates	33	100%	7
Refunds	18	100%	9
Deferred Benefits	61	100%	24
Transfers In	11	100%	4
Transfers Out	31	100%	9
Divorce Quotes	3	100%	6
Re-joiners/Aggregation	26	100%	11
Deaths	16	100%	6
Grand Total	227	100%	



What it shows

All case types completed within SLA in December (100% on time). Average completion times are well inside thresholds—e.g., Deferred Benefits averaged 24 days vs 30-day SLA, Re-joiners 11 days vs 20-day SLA

The table below shows outstanding work as of 31st December 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.

Case Type	Total Outstanding
Active Retirement	4
Deferred Retirement	16
Estimates	80
Refunds	4
Deferred Benefits	88
Transfers In	139
Transfers Out	14
Divorce Quotes	0
Divorce Actuals	3
Rejoiners/Aggregation	71
Deaths	42
Grand Total	461

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

Total outstanding cases: 461. The largest backlogs are Transfers In (139), Deferred Benefits (88), and Estimates (80)

2025 End of Year timetable

The timetable of 2025 year-end processes have been completed.

Active Benefit Statements – The production of active benefit statements has been ongoing, throughout December, and the 31 December position is as follows. We have included a comparison to the number of statements produced by the deadline of 31 August 2025.

Date	Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced
31/12/2025	9,256	9,229	27	99.71%
31/08/2025	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 December 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	321
Total unprocessed leavers	4,161
Leavers processed, and records finalised by HPS	3,922
Leavers processed in the last month*	2
Outstanding leavers to be processed	239

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

McCloud Update

The main deadline for the implementation of the McCloud remedy was 31 August 2025. The Fund decided to extend the deadline to 31 August 2026 for the work which could not be completed by 31 August 2025. The current position on the outstanding work is shown below.

Area of work	Cases	Update
Club transfer in	0	LBH did not have any of these cases
Pensioners	260	We are commencing the recalculation of these records
Pension sharing orders	0	LBH did not have any of these cases

Pensions Dashboard Programme (PDP)

All schemes administered by Hampshire Pension Services were connected to the central architecture of the Pensions Dashboard on 12th December, as confirmed by email to all key contacts.

We haven't experienced and aren't expecting any impact from this, as the Dashboard is not available to the public, but we will continue to prepare for when that time comes.

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 minimised.	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.	Substantial rating confirmed.
Audit Area	Timing

<p>Pensions payroll and benefit calculations</p> <p>Annual review to provide assurance that 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. 	<p>Quarter 3/4</p>
<p>Cyber Security</p> <p>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.</p>	<p>Quarter 4</p>

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.