

Pension Committee Supplementary Agenda



6. Key Performance Indicators for the Period Ended 31 July 2020
(Pages 3 - 16)

This report sets out the Key Performance Indicators for the administration of the Croydon Council Local Government Pension Scheme for the period from 1 May to 31 July 2020.

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Croydon Council

For General Release

REPORT TO:	PENSION COMMITTEE 15 September 2020
SUBJECT:	Croydon Pensions Administration Team Key Performance Indicators for the Period 1 May 2020 to 31 July 2020
LEAD OFFICER:	Vicki Richardson Head of HR & Finance Service Centre
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Resources
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Sound Financial Management: The Pension Committee is responsible for the effective administration of the Local Government Pension Scheme. These Key Performance indicators provide a measure of how well that administration functions.	
FINANCIAL IMPACT Poor administration may ultimately lead to incorrect calculation or payment of benefits or indeed financial penalties.	

1. RECOMMENDATIONS

The Committee is asked to:

Note the Key Performance Indicators and the performance against these indicators set out in Appendix A to this report.

2. EXECUTIVE SUMMARY

2.1 This report sets out Key Performance Indicators for the administration of the Local Government Pension Scheme for the three month period up to the end of July 2020.

3. DETAIL

3.1.1 Good governance suggests that the performance of the administration of the

Local Government Pension Scheme should be monitored. This report has been developed using the guidance published by CIPFA (Administration in the LGPS: A Guide for Pensions Authorities) and is reporting to the committee on the LGPS administration performance for the period 1 May 2020 to 31 July 2020. The indicators cover legal deadlines; team performance targets, case levels and take up of member self-service and the indicators and performance against these are detailed more fully in Appendix A to this report.

Commentary

- 3.2 Priority is always given to the life events that most impact scheme members which are retirements and deaths. The pension administration team has maintained strong performance in this area whilst having to adapt to new ways of working during the pandemic.
- 3.3 A high number of joiners and leaver were notified by employers to the pension team as part of the year end process during the first quarter of the 2020/21 financial year, which has impacted performance against target.
- 3.4 At end July there were 5160 workflow tasks outstanding. Over 60% of these outstanding tasks relate to a historical backlog of deferred benefit cases. A procurement exercise is underway to seek support from a specialist provider to clear this historical backlog, tender submissions have now been received and are being evaluated. Award of contract is expected to take place in September.
- 3.5 A successful recruitment exercise was undertaken earlier in the year which has resulted in a senior pension officer and 2 x pension officer being recruited into vacancies the pension administration team. As a result of this recruitment vacancies for 2 x pension support officer arose due to internal promotions and there is a further vacancy for a senior pension officer which was not successfully filled. These vacancies are currently being advertised internally as redeployment opportunities.
- 3.6 Take-up for online self-service remains static with 25% of active and deferred pensioner members having registered. The pension team plan to write to scheme members in the autumn to further promote take-up of the service.

4. CONSULTATION

- 4.1 Officers have previously consulted with both the Pension Committee and Local Pension Board on the template for the key performance indicator report which forms the basis of Appendix A.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 There are no financial considerations arising from this report.

6. LEGAL CONSIDERATIONS

- 6.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are no direct legal implications arising from

the recommendations within this report.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer.

7. HUMAN RESOURCES IMPACT

7.1 There are no direct workforce implications arising from the recommendations within this report.

Approved by: Sue Moorman, Director of Human Resources

8. EQUALITIES IMPACT

8.1 There are no equalities impacts arising from this report.

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts arising from this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no crime and disorder impacts arising from this report.

11. DATA PROTECTION IMPLICATIONS

11.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

The Director of Human Resources comments that this report relates to statistical information about the administration of the Local Government Pension Scheme.

Approved by: Sue Moorman, Director of Human Resources

CONTACT OFFICER:

Victoria Richardson - Head of HR & Finance Service Centre
ext. 62460.

BACKGROUND DOCUMENTS:

None

Appendices









Croydon Pensions Admin Team Performance Report

July 2020




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Reference Key Table

Direction of travel reference table	
	100% achieved against target performance improved
	100% achieved on target and performance static
	>90% achieved against target and performance improved
	>90% achieved against target and performance static
	>90% achieved against target and performance declined
	<90% achieved against target and performance improved
	<90% achieved against target and performance static
	<90% achieved against target and performance declined


Legal Deadlines

Process	Legal Requirement	Total Number Completed	% Achieved in legal deadline	Total Number Completed	% Achieved in legal deadline	Total Number Completed	% Achieved in legal deadline	Direction of Travel	Comments
		May 2020		June 2020		July 2020			
Send a notification of joining the LGPS to a scheme member	Two months from the date of joining the scheme or earlier if within one month of receiving jobholder information where the individual is being automatically enrolled/re-enrolled	53	98.11%	291	71.13%	28	100%		Large number of new starters were identified as part of year end process which impacted on June performance due to increased volume.
Inform a scheme member of their calculated benefits (refund or deferred) – backlog cases	As soon as practicable and no more than two months from the date of notification (from employer or scheme member)	78	20.51%	58	29.31%	81	58.02%		Historical backlog is impacting performance. Steps are being taken to engage additional resources to address the backlog
Inform a scheme member of their calculated benefits (refund or deferred) – new cases	As soon as practicable and no more than two months from the date of notification (from employer or scheme member)	56	76.79%	42	80.95%	48	95.83%		During Q1 2020/21 there was a rise in the number of leavers identified through the end of year reports received from employers which has impacted on performance.





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		May 2020		June 2020		July 2020			
Obtain transfer details for transfer in, calculate and provide quotation to member	Two months from the date of request	3	100%	10	100%	7	100%		
Notify the amount of retirement benefits	One month from the date of retirement if on or after normal pension age or two months from the date of retirement if after normal pension age	32	100%	25	100%	27	100%		
Provide a retirement quotation on request	As soon as practicable but no more than two months from the date of request unless there has already been a request in the last 12 months	31	93.55%	30	90%	58	98.28%		There has been an increase in demand in July due to the staffing reduction consultation




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Calculate and notify (dependent(s) of amount of death benefits	As soon as possible but in any event no more than two months from date of becoming aware of death or from date of request from a third party (e.g. personal representative)	34	97.06%	25	100%	24	100%		
Provide all active and deferred members with annual benefit statements each year	By 31 st August	n/a	n/a	n/a	n/a	n/a	n/a		

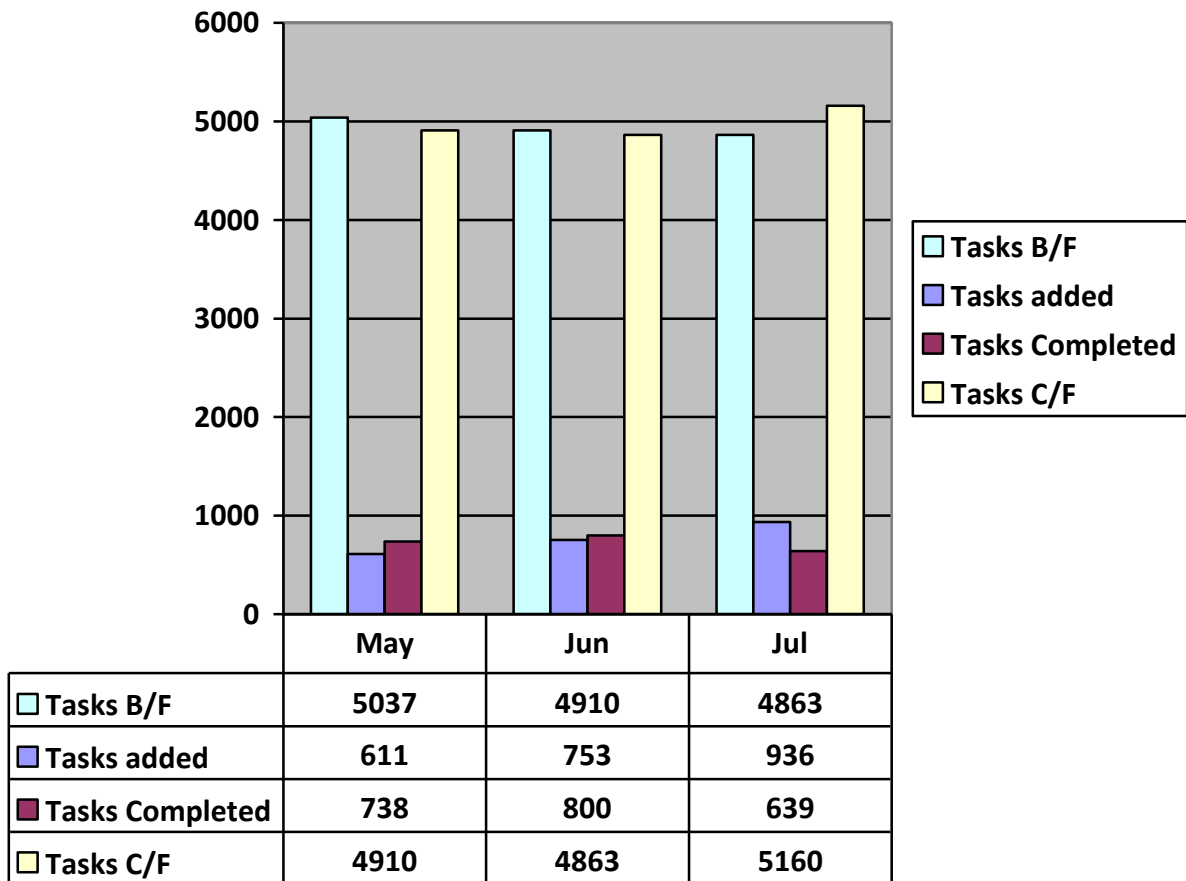
Team Performance Targets

Process	Team Target	Total Number Completed	% Achieved against target	Average days to process	Total Number Completed	% Achieved against target	Average days to process	Total Number Completed	% Achieved against target	Average days to process	Direction of Travel	Comments
		May 2020			June 2020			July 2020				
Send a notification of joining the LGPS to a scheme member	30 days from date of notification of joining member	53	96.23%	8	291	62.23%	48	28	96.43%	3		Large number of new starters were identified as part of year end process which impacted on June performance due to increased volume.
Inform a scheme member of their calculated benefits (refund or deferred) – backlog cases	40 working days from date of notification (from employer or scheme member)	78	19.23%	386	58	25.86%	502	81	18.52%	308		Historical backlog is impacting performance. Steps are being taken to engage additional resources to address the backlog
Inform a scheme member of their calculated benefits (refund or deferred) – new cases	40 working days from date of notification (from employer or scheme member)	56	69.64%	56	42	71.43%	36	48	95.83%	15		During Q1 2020/21 there was a rise in the number of leavers identified through the end of year reports received from employers which has impacted on performance.
Obtain transfer details for transfer in, calculate and provide quotation to member	40 working days from the date of request	3	66.67%	14	10	100%	15	7	100%	16		

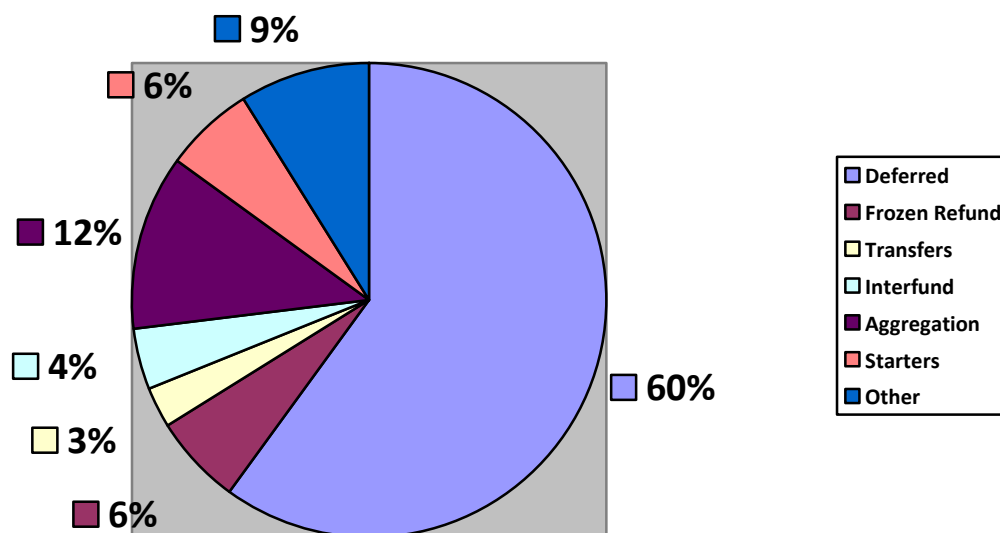
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		May 2020			June 2020			July 2020				
Notify the amount of retirement benefits	20 working days from date of retirement	32	100%	3	25	100%	3	27	100%	5		
Provide a retirement quotation on request	15 working days from date of request	31	93.55%	12	30	86.67%	30	58	98.28%	9		There has been an increase in demand in July due to the staffing reduction consultation
Calculate and notify (dependent(s) of amount of death benefits	20 working days from receipt of all information	34	88.24%	13	25	96%	7	24	95.83%	9		

Case levels



Outstanding Cases by Type



Member self-service

Scheme members registered	4124 (25%)
Number scheme members who accessed annual benefit statement Q1 Apr - Jun 2020.	392