

Croydon Council

REPORT TO:	Pension Committee 12 March 2019
SUBJECT:	Key Performance Indicators for the Local Government Pension Scheme
LEAD OFFICER:	Nigel Cook Head of Pensions and Treasury
CABINET MEMBER	Councillor Simon Hall Cabinet Member for Finance and Resources
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: 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 works.	
FINANCIAL SUMMARY: Poor administration may ultimately lead to incorrect calculation or payment of benefits or indeed financial penalties.	

1. RECOMMENDATIONS

- 1.1 The Committee is asked to note the Key Performance Indicators set out in 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 period April 2017 to January 2019.

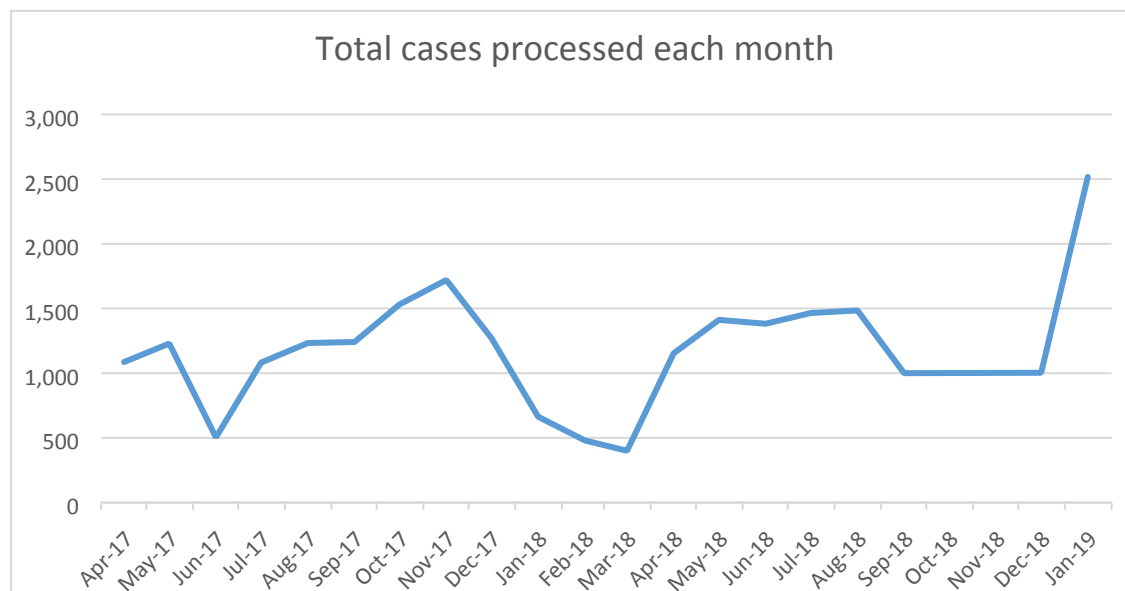
3. DETAIL

- 3.1 Good governance suggests that the performance of the administration of the Local Government Pension Scheme should be monitored. The standards by which performance can be assessed are set out in the Administration Strategy and published on the Scheme's website so as to be available for scrutiny by stakeholders, who include elected Members and other Scheme employers.
- 3.2 As previously reported to this Committee (March 2018), the caseload of the Local Government Pension Scheme administration team has been divided into backlog cases, those dating back to the period when the service was provided by an

external provider, and business as usual cases (BAU). Backlog cases are processed as and when resources become available and generally relate to deferred members. There are no death or retirement cases in this group of cases.

- 3.3 The following graph illustrates the total number of cases processed by the administration team, month by month.

Figure 1: Total Cases Processed by Month



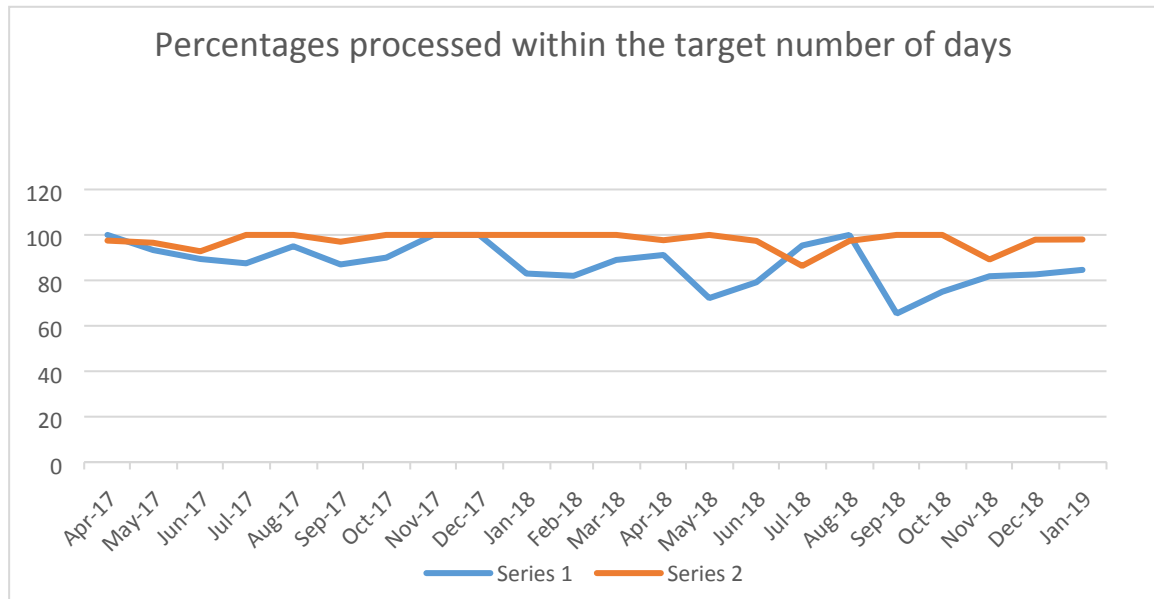
Note: the significant up-tick in cases processed in January reflects the additional resources allocated and over-time hours worked.

- 3.4 Members will be aware of the government's campaign to encourage take up of pensions. The auto-enrolment exercise was first undertaken in January 2013, then 2016. The Council's staging date is 1 January and some of the activity illustrated above relates to the work bringing eligible staff into the Scheme. The relevant figures are as follows:

Assessed as Eligible Jobholders	293
Re-enrolled	253
Opted out prior to January Payroll	34
Excluded as working notice period	4
Opted to Join Scheme	2

- 3.4 The tables illustrating the administration team's performance against the KPIs for priority cases: deaths and retirements are included at Figure 2 below. Additional data that show this indicator as well as the total number of cases processed by the team are included as an appendix to this report (Appendix A). The volume of cases processed each month remains high, averaging 1,176 each month.

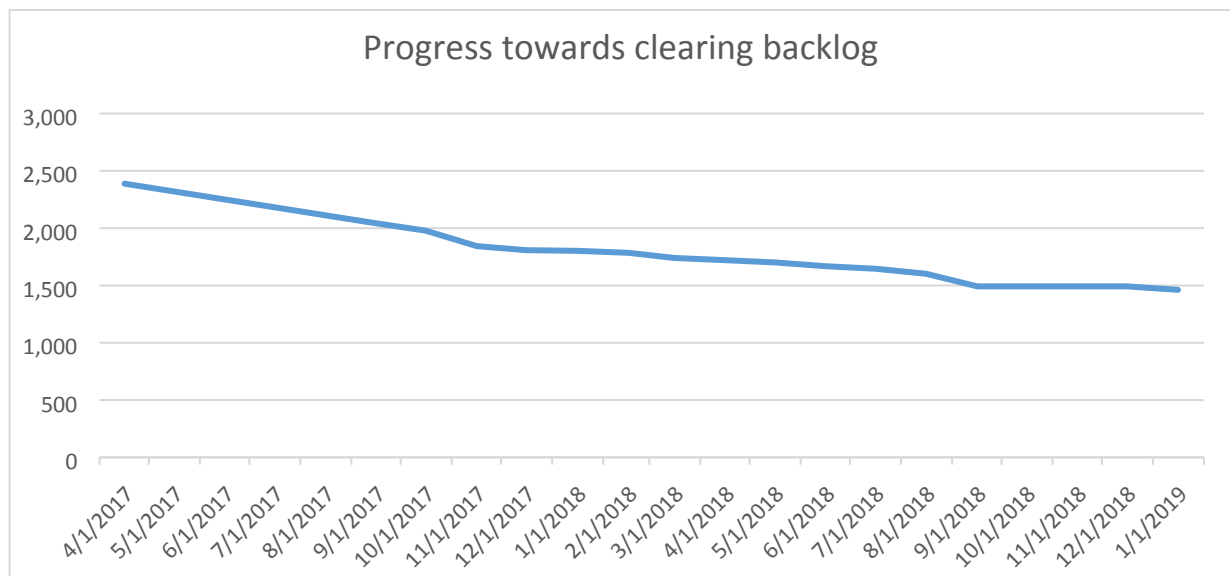
Figure 2: Deaths and Retirements: Percentages processed within the target number of days.



3.5 As can be seen from the figure above, death and retirement cases are overwhelmingly being processed with the target period of 5 and 10 days respectively;

3.6 Appendix B reports the position with regards to the project to address the backlog cases. The top-line figures are illustrated in this graph.

Figure 3: Progress towards clearing backlog cases



3.7 Together these figures show that there continues to be high volumes of work but the revised processes described in this report are helping the team to keep on top

of the workload.

- 3.8 The pensions team also carries out a number of “employer” functions mainly around ensuring the pay used for calculating benefits is correct. There are historic data issues which means that the time taken in dealing with some cases may be longer than would be considered ideal.

4 FINANCIAL CONSIDERATIONS

- 4.1 There are no further financial considerations flowing from this report.

5. OTHER CONSIDERATIONS

- 5.1 Other than the considerations referred to above, there are no customer Focus, Equalities, Environment and Design, Crime and Disorder or Human Rights considerations arising from this report

6. LEGAL CONSIDERATIONS

- 6.1 The Head of Litigation and Corporate Law comments that no additional legal considerations arise from this report.

(Approved by Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer)

CONTACT OFFICER:

Nigel Cook, Head of Pensions Investment and Treasury,
Resources department, ext. 62552.

BACKGROUND DOCUMENTS:

None

Appendices

Appendix A: Business as Usual Cases (April 2017 to January 2019)

Appendix B: Backlog Cases

Appendix A: Business as Usual Cases (April 2017 to January 2019)

Case type	Month 2017	KPI (number of days to process)	Total cases processed	Average days taken to completed case	% with target	Total cases processed*
Deaths	April 2017	5	20	4	100	
Retirements	April 2017	10	39	5	97.5	
Total cases processed	April 2017					1,086
Deaths	May 2017	5	15	8	93.33	
Retirements	May 2017	10	29	7	96.55	
Total cases processed	May 2017					1,229
Deaths	June 2017	5	19	7	89.4	
Retirement	June 2017	10	28	5	92.8	
Total cases processed	June 2017					504
Deaths	July 2017	5	15	4	87.5	
Retirement	July 2017	10	32	3	100	
Total cases processed	July 2017					1,082
Deaths	August 2017	5	22	3	95	
Retirements	August 2017	10	25	4	100	
Total Cases	August 2017					1,233
Deaths	Sept 2017	5	30	4	87	
Retirements	Sept 2017	10	34	6	97	
Total Cases	Sept 2017					1,241
Deaths	October 2017	5	20	3	90	

Retirements	October 2017	10	39	4	100	
Total Cases*	October 2017					1,532
Deaths	Nov 2017	5	15	3	100	
Retirements	Nov 2017	10	39	4	100	
Total Cases*	Nov 2017					1,720
Deaths	Dec 2017	5	23	3	100	
Retirements	Dec 2017	10	26	5	100	
Total Cases*	Dec 2017					1,270
Deaths	January 2018	5	29	4	83	
Retirements	January 2018	10	37	37	100	
Total Cases*	January 2018					663
Deaths	Feb 2018	5	17	4	82	
Retirements	Feb 2018	10	19	5	100	
Total Cases*	Feb 2018					480
Deaths	March 2018	5	20	4	89	
Retirements	March 2018	10	30	5	100	
Total Cases*	March 2018					400
Deaths	April 2018	5	34	3	91.18	
Retirements	April 2018	10	43	3	97.67	
Total Cases*	April 2018					1,154
Deaths	May 2018	5	18	4	72.2	
Retirements	May 2018	10	17	3	100	

Total Cases*	May 2018					1,412
Deaths	June 2018	5	24	3	79.17	
Retirements	June 2018	10	38	4	97.37	
Total Cases*	June 2018					1,382
Deaths	July 2018	5	22	4	95.35	
Retirements	July 2018	10	43	5	86.36	
Total Cases*	July 2018					1,465
Deaths	August 2018	5	16	3	100	
Retirements	August 2018	10	38	6	100	
Total Cases Processed	August 2018					1,485
Deaths	Sept 2018	5	26		65.38	
Retirements	Sept 2018	10	49		100	
Total Cases Processed	Sept 2018					n/a
Deaths	October 2018	5	28		75	
Retirements	October 2018	10	55		100	
Total Cases Processed	October 2018					n/a
Deaths	Nov 2018	5	22		81.82	
Retirements	Nov 2018	10	37		89.19	
Total Cases Processed	Nov 2018					n/a
Deaths	Dec 2018	5	23		82.61	
Retirements	Dec 2018	10	48		97.92	
Total Cases Processed	Dec 2018					n/a

Deaths	Jan 2019	5	11		84.62	
Retirements	Jan 2019	10	48		98.00	
Total Cases Processed	Jan 2019					2,517

Appendix B: Backlog Cases

	Deferreds	Transfers	Combined	Misc	Total
April 2017	1,381	462	271	274	2,388
May 2017	1,356	431	271	261	2,319
June 2017	1,333	392	271	185	2,181
July 2017	1,325	385	268	181	2,159
August 2017	1,302	358	264	163	2,087
September 2017	1,287	352	259	144	2,042
October 2017	1,258	318	258	134	1,978
November 2017	1,251	301	255	36*	1,843
December 2017	1,240	281	252	35	1,808
January 2018	1,237	280	252	33	1,802
February 2018	1,225	277	250	33	1,785
March 2018	1,211	256	248	25	1,740
April 2018					
May 2018	1,195	232	247	27	1,701
June 2018	1,180	219	247	22	1,668
July 2108	1,172	210	243	21	1,646
August 2018	1,136	204	241	21	1,602
Period September to December 2018	1,065	118	241	68*	1,492
January 2019	1,055	118	268	21	1,462

Note: '*Deferreds*' relate to cases where the member of staff had in the past belonged to the LGPS but now did not and was not in receipt of a pension. '*Transfers*' relate to scheme members transferring between administering authorities usually as part of a recruitment process.

Readers will note that as these cases are addressed some are re-categorised.