

## Croydon Council

<b>REPORT TO:</b>	<b>Pension Committee</b> <b>14 March 2023</b>
<b>SUBJECT:</b>	<b>Croydon Pensions Administration Team Key Performance Indicators for the Period From November 2022 to January 2023</b>
<b>LEAD OFFICER:</b>	<b>Matthew Hallett - Acting Head of Pensions and Treasury</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> Sound Financial Management: The Pension Committee is responsible for the effective administration of the Croydon Pension Fund ("Fund") within the Local Government Pension Scheme ("LGPS"). These Key Performance indicators provide a measure of how well that administration functions.	
<b>FINANCIAL IMPACT</b> Poor administration may ultimately lead to incorrect calculation or payment of benefits or indeed financial penalties	

### 1. **RECOMMENDATION**

The Committee is asked to:

- 1.1 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 Fund for the three-month period up to the end of January 2023.

### 3. **DETAIL**

- 3.1 Good governance suggests that the performance of the administration of the Fund should be monitored. This report has been developed using the guidance published by CIPFA (Administration in the LGPS: A Guide for Pension Authorities) and is reporting to the committee on the Fund administration performance for the period November 2022 to January 2023. The indicators cover legal deadlines; team performance targets, case levels, take up of the member self-service and the indicators and performance against these are details more fully in Appendix A to this report.
- 3.2 The team continue to perform well on life event cases such deaths and

retirements. Average days to process are well below our targeted KPIs.

- 3.3 In January the team focused on interfund transfers between the Fund and other LGPS funds. The auto aggregation requirements of the LGPS regulations 2014 have resulted in an increase in interfund cases and this type of case accounts for approximately a third of the workload. The team carried out several successful Blitz Days and we are continuing to monitor case levels.
- 3.4 DLUHC issued a short consultation on changing the revaluation date in the LGPS from the 1<sup>st</sup> April to the 6<sup>th</sup> April with effect from 1 April 2023 in order to lessen the impact of high inflation on the annual allowance. At the time of writing the outcome of this consultation was not known.
- 3.5 Unless the change to the revaluation date is made we anticipate a greater number of people will exceed the Annual Allowance this year as inflation in September 2022 was 10.1%. Work has started to ensure all interfund transfers that have taken place in 2022/23 have accurate Annual Allowance data. This will remove many false positive Annual Allowances charges when the reports are run later in the year allowing the team to focus on genuine cases.
- 3.6 The first communications have been sent to all employers regarding the End of Year process. Emphasis has been placed on the importance of timely and accurate data, particularly in respect of pre 2014 pensionable pay, to assist with the Annual Allowance calculations.
- 3.7 We have sent out close to 1000 contact letters to deferred members following the completion of the Backlog Project. The letter invites them to register for Member Self-Service to view their pension record on-line. This is a rolling project with letters being sent out in batches to ensure the team is not overloaded with enquires at any one time. The next batch of letters is due to be sent out shortly.
- 3.8 A new member of the Administration Team joined us in January 2023. He joins us from the Local Pension Partnership Administration and has settled in very well. The Team Leaders are working with him to ensure he is fully trained as soon as possible.

#### **4. CONSULTATION**

- 4.1 Officers have previously consulted with both the Pension Committee and Local Pension Board in 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 or risk assessment considerations arising from this report.

**Approved by:** Alan Layton on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

## **6. LEGAL CONSIDERATIONS**

- 6.1. Burges Salmon LLP (a legal advisor appointed to the Pension Fund) comments that there are no direct legal implications arising from the recommendations within this report.

## **7. HUMAN RESOURCES IMPACT**

- 7.1 There are no direct workforce impacts arising from this report. Should any matters arise these will be managed under the appropriate Council policies and procedures.

**Approved by:** Gillian Bevan, Head of HR, Resources and Assistant Chief Executives on behalf of Dean Shoesmith, Chief People Officer

## **8. EQUALITIES IMPACT**

- 8.1 The Council has a statutory duty to comply with the provisions set out in the Sec 149 Equality Act 2010. The Council must therefore have due regard to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 8.2 There are no equalities implications arising from the report.

**Approved by: Denise McCausland Equality Programme Manager**

## **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.

Has a data protection impact assessment (DPIA) been completed?

No. This report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

**Approved by:** Alan Layton on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

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**CONTACT OFFICER:**

Matthew Hallett - Acting Head of Pensions and Treasury

**BACKGROUND DOCUMENTS:**

None.

**APPENDIX**

**Appendix A:** Croydon Pensions Admin Team Performance Report, November 2022 to January 2023