

## Croydon Council

<b>REPORT TO:</b>	<b>Pension Committee</b> <b>20 June 2023</b>
<b>SUBJECT:</b>	<b>Croydon Pensions Administration Team Key Performance Indicators for the Period from February 2023 to April 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 Local Government Pension Scheme. 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 Local Government Pension Scheme for the three-month period up to the end of April 2023.

## 3. **DETAIL**

- 3.1 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 Pension Authorities) and is reporting to the Committee on the LGPS administration performance for the period February 2023 to April 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 Communications were issued to all employers in February and March explaining their responsibilities for end of year data submission (EOY files).

- 3.4 All 29 employers using i-connect have submitted their files and these have been successfully loaded. We continue to see the benefit of i-connect with leavers and starters being identified throughout the year instead of employers only informing us at the end of year.
- 3.5 We have received non-i-Connect EOY files for 59 employers. 23 have been successfully loaded and completed with the team working on the remaining 36 files.
- 3.6 Unfortunately, we have still not received EOY files from 7 employers. Several reminders and offers of assistance have been sent. Where the payroll provider is not engaging with us, we have escalated the matter with the employer.
- 3.7 On the 30 March 2023 HM Treasury issued a [written ministerial statement](#) confirming the SCAPE discount rate has been adjusted from CPI plus 2.4% to CPI plus 1.7%. The SCAPE discount rate is used in actuarial factors across all public sector pension funds. The Government Actuaries Department (GAD) will be issuing revised transfer factors in due course. Until then, some non-club transfers and interfund adjustments have been put on hold while we await the new factors.
- 3.8 Some leaver calculations will be impacted by the delay while we wait for transfers to be finalised before processing deferred benefit calculations.
- 3.9 Following DLUHC's consultation on changes to the revaluation date in the LGPS from the 01 April to the 06 April the LGPS regulations have now been amended.
- 3.10 Our software provider anticipates the changes will be made to the system later in the summer. A few flexible retirement calculations required manual adjustments during April to ensure correct benefits were paid.
- 3.11 The Pension Increase of 10.1% was successfully applied to all pension and dependent pensions in payment. Newsletters were sent to all pensioners and dependents informing them of the increase.
- 3.12 Work has continued to develop procedures to use the bulk leaver calculations within the Altair system. Extensive testing has been carried out and we have agreed parameters to use. Testing continues and we hope to be using the bulk processes within the next few months.

#### **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 IMPLICATIONS**

- 5.1 There are no significant direct financial implications arising from this report.

**Approved by:** Allister Bannin 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 but the pension scheme is an important staff benefit for recruitment and retention.

Should any impacts arise these will be managed under the Council's policies and procedures.

**Approved by:** Gillian Bevan, Head of Human Resources on behalf of Dean Shoemith, Chief People Officer

## **8. EQUALITIES IMPACT**

- 8.1 The Council has a statutory duty to comply with the provisions set out in the Equality Act 2010. In summary, the Council must in the exercise of all its functions, "have due regard to" the need to comply with the three aims of the general equality duty. These are to:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- Foster good relations between people who share a protected characteristic and people who do not share it.

- 8.2 Having due regard means to consider the three aims of the Equality Duty as part of the process of decision-making. This means that decision makers must be able to evidence that they have taken into account any impact of the proposals under consideration on people who share the protected characteristics before decisions are taken.

**Approved by: John Mukungunugwa, Interim Senior Equalities Officer on behalf of Denise McCausland Equality Programme Manager. Date: 09/06/2023**

## **9. OTHER IMPLICATIONS**

- 9.1 None.

**Approved by:** Allister Bannin 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

PEN 20.06.2023

## **BACKGROUND DOCUMENTS:**

None.

## **APPENDIX**

**Appendix A:** Croydon Pensions Admin Team Performance Report, February 2023 to April 2023