

<b>REPORT TO:</b>	<b>PENSION COMMITTEE</b> <b>25 May 2021</b>
<b>SUBJECT:</b>	<b>Croydon Pensions Administration Team Key Performance Indicators for the Period</b> <b>1 January 2021 to 31 March 2021</b>
<b>LEAD OFFICER:</b>	<b>Vicki Richardson</b> <b>Head of HR &amp; Finance Service Centre</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. RECOMMENDATIONS**

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 March 2021.

## **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 Pensions Authorities) and is reporting to the committee on the LGPS administration performance for the period 1 January 2021 to 31 March 2021. 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 During January there was an extraordinary demand on the pension administration team to provide retirement estimates due to a Council wide voluntary severance scheme during December and January. Nearly 200

estimates were provided in January 2021 within target timescales, which was a significant achievement. As a result of the initial estimates in January final estimates have needed to be provided to those who are progressing with opting for severance which has further impacted the team during this quarter.

- 3.3 As priority was given to the voluntary severance scheme to ensure that scheme members had timely information at this critical time, resources were diverted away from other case types. In addition to the retirement estimates the team have largely met legal deadlines for processing retirements and deaths which are also of key importance to scheme members. However there has been an impact on processing other case types within target, such as new starters and deferred benefit calculations for leavers.
- 3.4 At end March 2021 there were 6166 workflow tasks outstanding which a decrease on the previous month. 42% of these outstanding tasks relate to a historical backlog of deferred benefit cases. Hymans Robertson have been contracted to provide third party administration services to clear this backlog. These cases have now been passed to Hymans who are undertaking analysis of the cases and completing some sample calculations for the Croydon pension team to verify. Further updates will be provided as the project progresses.
- 3.5 Due to resources needing to be redirected the number of outstanding deferred benefit cases for leavers has increased over the last few months, increasing from 685 at end December to 846 at end March. Changes have been made within the administration team to ensure a resource is allocated to process leaver calculations on a daily basis. Achievement in the number of cases will be monitored for the next 3 months at which point performance will be reviewed and alternative resourcing options considered if necessary.
- 3.6 As at end March there are 286 new starter cases outstanding, compared with 814 at end December. Work has been undertaken by our pension support officer to start clearing outstanding new starters. A further pension support officer has been recruited who will be focussed on processing new starters for next 6 months to clear the remainder outstanding and ensure we keep on top of ongoing demand.
- 3.7 We had successfully filled the remaining vacancies for a Senior Pension Officer and Pension Support Officer. However we have had further resignations over the last week for Senior Pension Officer and Pension Officer and we will seek to fill all of these roles through further recruitment exercise.

#### **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.

**Approved by:** Chris Buss, Interim Director of Finance, Investment and Risk, S151 Officer

## **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. The team resourcing issues are being monitored with timely approvals sought for recruitment to vacant posts.

**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

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**BACKGROUND DOCUMENTS:**

None

**Appendices**

Appendix A: Croydon Pensions Admin Team Performance Report, March 2021