

REPORT TO:	PENSION COMMITTEE 14 September 2021
SUBJECT:	Croydon Pensions Administration Team Key Performance Indicators for the Period 1 May 2021 to 31 July 2021
LEAD OFFICER:	Vicki Richardson Head of HR & Finance Service Centre
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
1.1 The Committee is recommended 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 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 May 2021 to 31 July 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 There has been an extraordinary demand on the pension administration team over the last few months due to a Council wide voluntary severance scheme.

- 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 met legal deadlines for processing retirements and deaths which are also of key importance to scheme members.
- 3.4 At end July 2021 there were 5778 workflow tasks outstanding which is a 4% decrease on the previous month. 44% of the outstanding tasks relate to a historical backlog of deferred benefit cases.
- 3.5 Hymans Robertson have been engaged to clear the outstanding tasks relate to a historical backlog of deferred benefit cases. The high level project plan is shown as Appendix B. As at 5 August Hymans had completed 152 cases with a further 49 having been calculated, ready for quality checking. Due to resources needing to be redirected to support the Council's voluntary severance scheme the number of new deferred benefit cases for leavers outstanding has increased over the last few months. We have recruited a new Pension Officer starting in September who will be solely focussing on this case type. The number of tasks outstanding and performance in this area will continue to be closely monitored.
- 3.6 A pension support officer has been recruited and is focussing solely on new starters for the next few months. As at end July 2021 the number of outstanding tasks for new starters was 134, compared with 530 at end April 2021.
- 3.7 In addition to normal casework the team are also processing year end data received from employers in preparation for the issue of Annual Benefit statements by 31 August 2021.
- 3.8 During July, we successfully recruited to the 3 vacancies of Team Leader, Senior Pension Officer and Pension Officer. Two of the positions were filled through internal promotion which has created further vacancies for a Pension Officer and Senior Pension Officer. Recruitment activity for these positions will start in September.
- 3.9 The latest development on the McCloud ruling in the LGPS is the Written Ministerial Statement from the LGPS Minister Luke Hall who made a statement on 13 May 2021 confirming the key elements of the changes to the LGPS regulations in order to implement the McCloud remedy. LGPS regulations are expected to come into force from 1 April 2023. Whilst draft regulation are not expected until later in the year we are actively investigating options for resourcing the required data gathering exercise.
- 3.10 Member self-service take up as at end June 2021 was 27%, which is an increase of 2% compared with June 2021.

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: Nigel Cook, Head of Pensions and Treasury on behalf of Richard Ennis, 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 Interim 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 Interim 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

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