

Report of the Managing Director, West Yorkshire Pension Fund to the meeting of Local Pension Board to be held on 20 March 2024.

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Subject:

Pensions Administration report.

Summary statement:

This report gives an update on West Yorkshire Pension Fund's (WYPF) pensions administration activities for the period 1 October 2023 to 31 December 2023.

EQUALITY & DIVERSITY:

Issues of Equality and Diversity are included within the body of the document.

Mr Euan Miller
Managing Director

Portfolio:

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Overview & Scrutiny Area:

1. SUMMARY

This report gives an update on West Yorkshire Pension Fund's (WYPF) pensions administration activities for the period 1 October 2023 to 31 December 2023.

2. Performance and Benchmarking

KPI's for the period 1.10. 23 to 31.12.23					
WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT
Age 55 Increase to Pension	2	20	2	85	100
AVC In-house (General)	420	20	414	85	98.57
Beneficiary To Update non payroll	20	5	16	85	80
Change of Address	801	20	794	85	99.13
Change of Bank Details	575	20	574	85	99.83
Death Grant to Set Up	227	10	211	85	92.95
Death In Retirement	990	10	906	85	91.92
Death In Service	50	10	35	85	70
Death on Deferred	58	10	49	85	84.48
Deferred Benefits Into Payment Actual	1001	10	968	90	96.7
Deferred Benefits Into Payment Quote	1270	35	1069	85	84.17
Deferred Benefits Set Up on Leaving	6756	20	4414	85	65.33
Dependant Pension To Set Up	426	5	368	90	86.38
Divorce Quote	236	40	233	85	98.73
Divorce Settlement Pension Sharing order Implemented	3	80	3	100	100
DWP request for Information	9	20	9	85	100
Estimates for Deferred Benefits into Payment	26	10	25	90	96.15
General Payroll Changes	674	20	673	85	99.85
Interfund Linking In Actual	423	35	205	85	48.58
Interfund Linking In Quote	380	35	210	85	55.26
Interfund Out Actual	623	35	402	85	64.53
Interfund Out Quote	623	35	382	85	61.32
Life Certificate	201	10	198	85	98.51
Linking Quote UPM	2501	5	2068	85	82.69
Monthly Posting	2363	10	2234	95	94.54
NI adjustment to Pension at State Pension Age	41	20	41	85	100
Pension Estimate	2071	10	1304	90	62.96
Pension Saving Statement	5	20	5	100	100
Phone Call Received	5328	3	5166	95	96.96
Refund Actual	998	10	998	90	100
Refund Quote	1743	35	1733	85	99.43
Retirement Actual	1080	10	1031	90	95.46
Retirement Quote	1363	10	927	85	67.96
Transfer In Actual	185	35	165	85	89.19

Transfer In Quote	439	35	436	85	99.32
Transfer Out Payment	76	35	49	85	64.47
Transfer Out Quote	432	35	389	85	90.05
Update Member Details	3886	20	3844	100	98.92

Reasons for underperforming KPI's:

- **Beneficiary To Update non payroll** – Awaiting information
- **Death in service** – Delays in receiving information from beneficiaries.
- **Deferred Benefits set up on leaving** - Moved to low priority.
- **Dependant Pension to set up** - Delays in receiving information from beneficiaries.
- **Pension Estimates** – High volumes of requests.
- **Retirement quote** – Quotes requested for future dates, priority given to those that were retiring.
- **Transfer/Interfund** - Work had to be put on hold due to changes in calculation factors which were not released by the Government Actuary's department until recently.

3. Scheme Information

3.1 Membership for all schemes administered as at 31 December 2023 was 503,488. A full breakdown between the different Funds and Schemes is shown at Appendix A.

3.2 Number of Employers in the West Yorkshire Pension Fund

	Actives	Ceased	Total
Scheme	275	0	275
Admission	144	3	141
Total	419	3	416

4. Praise and Complaints

4.1 As part of our commitment to improving our services we carry out a random survey of customers who have been in contact with us regarding their pension benefits. We also have an online survey which any member can complete at any time. An analysis of the responses received for the quarter October 23 to December 23 is shown:

Appendix B - WYPF

Appendix C – Lincolnshire Pension Fund

Appendix D – London Borough of Hounslow Pension Fund

Appendix E – Barnet Pension Fund

5. Internal Disputes Resolution Procedures

5.1 All occupational pension schemes are required to operate an IDRP. The LGPS has a 2-stage procedure. Stage 1 appeals, which relate to employer decisions or actions, are considered by a person specified by each employer to review decisions (the

‘Adjudicator’). Stage 1 appeals relating to appeals against administering authority decisions or actions are considered the Managing Director of WYPF. Stage 2 appeals are considered by the Chief Executive of the City of Bradford MDC.

A summary of the IDRPs decisions is shown below:

	Number of Determinations	Outcomes	Type
STAGE 1	1		
		1 Upheld	1 Delays in providing deferred retirement quote
		0 Turned down	
STAGE 2	2		
AGAINST EMPLOYER	2		
		1 Referred back	1 Reductions not waived on flexible retirement
		1 Turned down	1 Extending transfer-in time limit
AGAINST WYPF	0		

6. Administration Update

6.1 ISO 9001:2015 Re-certification

A successful Quality Management System Re-certification took place in December 2023. No non conformities or observations were identified. The Assessor commented ‘The organisation continues to manage their quality and risks effectively with embedded processes and a high level of organisational knowledge’.

Internal Quality Audits

The following internal quality audits were completed by WYPF staff:

Diary control – Childrens’ Pensions

Guaranteed Minimum Pensions

Any suggestions for improvements to working practices will be analysed by the relevant managers.

6.2 Member Engagement

We worked with Affinity connect to provide our LGPS members with the opportunity to attend a Financial Wellbeing course. These courses are aimed at anyone who want to take check of their finances but aren’t quite ready to look at retiring yet.

We ran two courses which attracted 46 scheme members. Feedback tells us that members found these courses really useful, with 97% of delegates reporting that they would recommend the course to a colleague.

Because of the excellent feedback received we will look to schedule more of these courses, look out for details of these soon.

6.4 Recruitment

Recruitment to staffing in our pensions administration team is ongoing, with a number of new recruits starting last month.

6.7 Monthly Posting Phase 3 (MP3)

MP3 has finally gone live after undergoing rigorous penetration testing. A phased rollout will take place over the next few months.

7. Staffing

7.1 WYPF headcount is 211 (199 full time equivalent staff) with an average age of 45.9 (Appendix F).

7.2 For the year ending 1 April 2023 the average number of days absence due to sickness is 6.11 per staff member. This compares with the Council average of 14.04 days (Appendix G).

7.3 There were 15 new starters during the last 12 months (Appendix H)

7.4 There were 10 leavers during the last 12 months (see Appendix I).

7.5 A number of recruitment exercises are ongoing to fill vacancies and also for new posts created as a result of increasing workloads.

8. Member Portal

8.1 Web Registrations

The number of members registered for online member web are:

Membership Type	Number	Percentage
Active	50,613	46.39%
Deferred	28,311	32.56%
Pensioner	44,616	41.16%

9. OTHER CONSIDERATIONS

None

10. FINANCIAL & RESOURCE APPRAISAL

Sufficient budget to ensure adequate resources to deliver contractual obligations

11. RISK MANAGEMENT AND GOVERNANCE ISSUES

Failure to meet contractual obligations to our shared service partners may result in penalties or contract termination.

12. LEGAL APPRAISAL

None

13. OTHER IMPLICATIONS

13.1 SUSTAINABILITY IMPLICATIONS

None

13.2 TACKLING THE CLIMATE EMERGENCY IMPLICATIONS

None

13.3 HUMAN RIGHTS ACT

None

13.4 TRADE UNION

None

13.5 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None

14. NOT FOR PUBLICATION DOCUMENTS

None

15. OPTIONS

None

16. RECOMMENDATIONS

It is recommended that the report be noted.

17. APPENDICES

- Appendix A – Membership Numbers
- Appendix B - Customer Surveys (WYPF)
- Appendix C – Customer Surveys (LPF)
- Appendix D – Customer Surveys (LBH)
- Appendix E – Customer Surveys (LBB)
- Appendix F – Headcount
- Appendix G – Absences
- Appendix H – Starters
- Appendix I - Leavers

18. BACKGROUND DOCUMENTS

None