

Report of the Director West Yorkshire Pension Fund to the meeting of Joint Advisory Group to be held on 31 January 2019.

U

Subject:

Shared Service Update – Lincolnshire Pension Fund

Summary statement:

This is a report on current administration issues and performance over the last six months for Lincolnshire Pension Fund.

Recommendation:

It is recommended that the Joint Advisory Group note the report.

Mr Rodney Barton
Director

Portfolio:

Report Contact: Yunus Gajra
Phone: (01274) 432343
E-mail: Yunus.gajra@bradford.gov.uk

Overview & Scrutiny Area:

Background

1.0 Performance and Benchmarking

1.1 WYPF uses workflow processes developed internally to organise their daily work with target dates and performance measures built into the system. The performance measures ensure tasks are prioritised on a daily basis, however Team Managers have the flexibility to re-schedule work should time pressure demand.

1.2 The table below shows the performance against key areas of work for the period 1 June 2018 to 30 November 2018.

KPI's for the Period 1.6.18 to 30.11.18					
WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT
AVC In-house (General)	82	10	81	85	98.78
Age 55 Increase LG	2	20	2	85	100
Article 4 Payment Own Right LG	19	10	17	85	89.47
Change of Address LG	226	5	217	85	96.02
Change of Bank Details LG	87	5	73	85	83.91
DG Nomination Form Received LG	787	20	787	85	100
DWP request for Information LG	22	10	21	85	95.45
Death Grant to Set Up LG	40	5	40	85	100
Death In Retirement LG	139	5	125	85	89.93
Death In Service LG	8	5	7	85	87.5
Death on Deferred LG	8	5	8	85	100
Deferred Benefits Into Payment Actual	235	5	223	90	94.89
Deferred Benefits Into Payment Quote	279	35	269	85	96.42
Deferred Benefits Set Up on Leaving	1050	20	1022	85	97.33
Divorce Quote LG	51	20	48	85	94.12
Enquiry LG	6	5	6	85	100
General Payroll Changes LG	140	5	139	85	99.29
Initial Letter Death in Service LG	8	5	8	85	100
Initial letter Death in Retirement LG	139	5	138	85	99.28
Initial letter Death on Deferred LG	8	5	8	85	100
Life Certificate Received LG	7	10	6	85	85.71
Monthly Posting	742	10	516	95	69.54
NI Modification LG	8	20	8	85	100
Pension Estimate	317	10	274	75	86.44
Refund Payment	143	10	139	95	97.2

KPI's for the Period 1.6.18 to 30.11.18

Refund Quote	114	35	114	85	100
Retirement Actual	123	3	112	90	91.06
Set Up New Spouse Pension LG	82	5	70	85	85.37
Spouse Potential LG	8	20	8	85	100
Transfer In Actual	16	35	14	85	87.5
Transfer In Quote	53	35	53	85	100
Transfer Out Payment	19	35	18	85	94.74
Transfer Out Quote	80	20	70	85	87.5

Reasons for underperforming KPI's:

Change of Bank details	Although not done within target days all changes actioned in time for payroll to enable pension to be paid to the correct account.
Monthly Posting	Files cannot be validated because of errors, queries, mismatches etc. Average time taken across all employers is less than 10 days.

2.0 Scheme Information

2.1 Membership numbers as at December 18 were as follows:

Numbers	Active	Deferred	Undecided	Pensioner	Frozen
LGPS	24,479	27,476	1,412	21,132	2,516
Councillors	0	39	0	43	-
Totals nos	24,479	27,515	1,412	21,175	2,516
Change	+2,339	+287	+156	+656	+634

2.2 Age Profile of the Scheme

Status	Age Groups												
	U20	20-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-70	70+	TOTAL
Active	337	1610	1602	2124	2689	3075	4226	4037	2999	1487	231	63	24479
Beneficiary Pensioner	88	36	3	2	9	13	40	84	142	239	288	1599	2543
Deferred	4	498	1392	2269	2447	3165	5373	6028	4840	1373	40	5	27434
Deferred Ex Spouse	0	0	0	0	4	1	8	15	11	0	0	0	39
Undecided	18	134	126	138	186	215	251	169	92	56	16	11	1412
Pensioner	0	0	1	1	3	9	45	177	1263	4539	5105	7423	18566
Pensioner Deferred	0	0	0	0	0	0	0	1	2	1	0	0	4
Pensioner Ex Spouse	0	0	0	0	0	0	0	0	1	12	5	6	24
Preserved Refund	64	403	226	182	194	256	302	332	236	164	110	47	2516
Councillors													82
Total													77,100

2.3 Employer Activity

Academies and Prime Account Schools

Between 1 June 2018 to 30 November 2018, 7 academies became Scheme employers in LPF.

WYPF are currently working on 13 schools that are in the process of converting to academies or Prime Account Schools.

Admission Bodies

Between 1 June 2018 and 30 November 2018 there were 5 new Admission Bodies in the Lincolnshire Pension Fund.

WYPF are currently working on the admissions for 2 Admission Bodies.

Employers ceasing Participation

Between 1 June 2018 and 31 August 2018 no employers ceased their participation in LPF.

Number of Employers in LPF

These changes to employers bring the total number of employers in LPF as at 31 May 2018 to 260

Admission Bodies in progress and completed

Name	Start date	Current position	Date Completed
Future Cleaning Services	01/08/2016	Employer is now saying they have not deducted contributions and the employees all left within a few months of transferring. Agreeing further actions to be taken.	
Taylor Shaw (Branston)	1/1/18 (with scheme employer acting as interim employer)	Admission agreement now signed by Taylor Shaw and Branston Academy. With LCC Legal for signing and sealing.	
Easyclean (Baston Primary)	1/6/2018	Admission agreement concluded. Employee notified.	29/11/2018
Nightingale Cleaning	1/12/2018	Admission agreement concluded. Member record to be updated once monthly contributions are up to date.	
Adults Supporting Adults	Tbc	Contract due to go head early in the New Year. Ensuring that actions are taken for any admission to be in place.	

3.0 Praise and Complaints

3.1 Over the quarter July to September we received **2** online customer responses. **356** Lincolnshire member's sample survey letters were sent out and **36 (10.12%)** returned:

Overall Customer Satisfaction Score;

April 2017 to March 2018	April to June 2018	July to September 2018
86.83%	72.10%	81.60%

Appendix 1 shows full responses.

3.2 Employer Training

Over the quarter July – September 2018 two Employer sessions were held in Lincolnshire, Your Monthly Return and Employer Responsibilities.

Over the quarter October – December 2018 two Employer sessions were held in Lincolnshire, Ill Health and A complete Guide to Administration. Feedback from the events is attached at Appendix 2 and 3.

4.0 Internal Disputes Resolution Procedures

4.1 All occupational pension schemes are required to operate an IDRPs. 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 Pension Fund Manager. Stage 2 appeals are considered by WYPF.

Stage 1 appeals against the fund

No appeal decision in this period. One appeal currently outstanding.

Date of appeal	Member no	Employer	Reason for appeal	Date of decision	Decision
26/11/18	8021422	Welland and Deepings Drainage Board	Appeal against being asked to repay overpayment of pension due to incorrect pay figure used in calculation.		

Stage 1 appeals against scheme employers

No appeal decisions in this period. Two appeals currently outstanding.

Date of appeal	Member no	Employer	Reason for appeal	Date of decision	Decision	Outcome / comments
28/11/17	8040391	LCC	Appeal against being refused an ill health pension.			LCC still confirming that they have extended the deadline and are regularly being monitored to ensure they are working to conclude this.
29/11/18			Appeal against incorrect pay figure being used in pension calculation resulting in overpayment of pension.			Working on IDRPs report

Stage 2 appeals

3 appeals turned down in current period. No appeals currently outstanding.

Date of appeal	Member no	Employer	Reason for appeal	Date of decision	Decision
8/6/18	8019981	Compass Point Business Services	Appeal against refusal to pay ill health pension.	8/11/2018	Turned down.
23/7/18	8079811	Lincolnshire County Council	Appeal against refusal to pay ill health pension.	2/11/2018	Turned down.
16/8/18	8043598	Lincolnshire County Council	Appeal against decision not to allow early access to deferred benefits on health grounds.	8/10/2018	Turned down.

Ombudsman

- 4.2 One appeal outstanding against being turned down for early release of pension on ill health grounds. LCC Legal compiled information for response. WYPF provided details of regs relevant to the case. We have still not been notified of any outcome from the case. LCC Legal have confirmed the case is still ongoing.

5.0 Administration Update

5.1 Staffing

Recruitment is currently underway for two additional Pensions Officer to be based in the Lincoln Office. This will bring the total number of staff in Lincoln to 10.

5.2 TPR Returns

WYPF has completed TPR returns recently received. We are required to report a data quality score by measuring the quality of our data for common data and scheme specific data. Common data is defined so will be easy to measure but scheme specific data is not defined so it is expected that Administering Authorities will be measuring different data fields. LGA have said they will do a fuller consultation next year to come up with a standard definition. The most common data issue for common data failures is not having a current address (deferred's). WYPF are already using a tracing bureau for these cases so this will form part of the data improvement plan. LPF's data score is as follows:

Common Data – 95.71

Scheme Specific Data – 94.81

6.0 Finance

- 6.1 Annual income generated from the contract for the year 2018/19 is expected to be in the region of £1.1m.

Conclusion

WYPF and LPF continue to work closely as shared service partners to provide an efficient and effective service to all stakeholders within the Lincolnshire Pension Fund.

Appendices

These are listed below and attached at the back of the report	
Appendix 1	Customer Survey Results
Appendix 2	Employer Feedback Summary
Appendix 3	Employer Feedback Summary

