

**LOCAL PENSION BOARD**

**4 MARCH 2016**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**PENSION FUND ADMINISTRATION REPORT – OCTOBER TO DECEMBER 2015  
QUARTER**

**Purpose of the Report**

1. To inform the Board of relevant issues in the administration of Fund benefits, including the performance of the Pensions Section against its Performance Indicators.

**Background**

2. The Pensions Section is responsible for the administration of Local Government Pension Scheme benefits of the Leicestershire Pension Fund's 83,000+ members.

**Performance Indicators**

3. Attached as an Appendix to this report are the performance indicators for the Pensions Section, which form part of the Section's Service Plan and have been agreed by the Assistant Director of Customer Services and Operations. These indicators are split into 2 broad categories – how quickly processes are carried out and how customers feel they have been kept informed and treated by staff.

**Performance of Pensions Section**

4. The results for the October to December 2015 quarter are detailed in the Appendix.

Two areas remain below target but have shown significant improvement. All results are better than last quarters, other than timeliness of e-mail responses but this still remains above target.

## **Administration**

### **Annual Benefit Statements**

5. The Board will be asked to consider a separate report on the agenda concerning the annual benefit statements.

### **Aggregation and Interfund Transfers**

6. The move to Career Average Revalued Earnings Scheme(CARE) created some issues nationally regarding aggregation (members combining their benefits within the same Fund) and interfund transfers (transfer of members benefits between Funds). These have been resolved and the national backlog across Funds is being worked through.
7. The Pension Section has a backlog of approximately 1,100 aggregation cases and 250 interfunds in. These are both areas of work that have increased in complexity since the introduction of CARE scheme.

### **Tender for a new system for monthly posting of contributions**

8. In order to make the statutory deadline for annual benefit statements more achievable the Section intends to move from annually posting contributions to monthly posting. In order to do this a tendering exercise for a new system will commence. A soft market exercise has already been completed and a formal tender is due to be published in March 2016. Once the new system is implemented and the relevant training has been provided, the approach will be rolled out to employers, initially starting with the East Midlands Shared Service Centre.

### **AGM**

9. The Pension Fund AGM took place on 7 January 2016 which included presentations from Officers covering areas such as the Funds administration and performance.

## **Recommendation**

10. It is recommended that the Board notes the report.

### **Equal Opportunities Implications**

None specific

## **Appendix**

Appendix – Quarterly Results – October to December 2015

**Officers to Contact**

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## **APPENDIX**

Quarter - Oct to Dec 2015									
Business Process Perspective	Target	This Quarter	Previous quarter	Customer Perspective - Feedback	Target	This Quarter	Previous Quarter		
Retirement Benefits notified to members within 10 working days of paperwork received	92%	99%	▲	99%	Establish members understanding of info provided - rated at least mainly ok or clear	95%	97%	▲	97%
Pension payments made within 5 working days of receiving election	92%	83%	▼	76%	Experience of dealing with Section - rated at least good or excellent	92%	96%	▲	85%
Death benefits/payments sent to dependant within 10 working days of notification	90%	87%	▼	83%	Establish members thoughts on the amount of info provided - rated as about right	92%	96%	▲	93%
					Establish the way members are treated - rated as polite or extremely polite	97%	100%	▲	96%
					Email response - understandable	95%	93%	▶	91%
Good or better than target	▲				Email response - content detail	92%	94%	▲	90%
Close to target	▶				Email response - timeliness	92%	95%	▲	100%
Below target	▼								
					▼ Comments				
All KPIs are equal or better than last quarters, other than the timeliness of e-mail responses but this still remains above target. Whilst below target in two areas, these have improved significantly when compared to last quarter.									