



**LOCAL PENSION BOARD**

**8 DECEMBER 2016**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**PENSION FUND ADMINISTRATION REPORT – JULY TO SEPTEMBER 2016  
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 85,000+ 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 Director of Finance. 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 July to September 2016 quarter are detailed in the Appendix A. Customer satisfaction remains very high. Overall performance figures remain positive in the quarter.

## **Administration**

### 5. Valuation

The Pension Section completed work for the Fund valuation by the 31 July 2016 deadline. Employer rates for the three year period, 1 April 2017 to 31 March 202 will be provided to employers prior to the Pension Fund Annual General Meeting (AGM) on 1 December 2016.

### 6. General Workloads

Because valuation and annual benefit statements took priority in the period from April 2016 to the 31 August 2016 some other areas increased in this period. The tables show the position in five key work areas in August and September.

August 2016

Area	Cases completed in the period	Remaining cases at the end of the period	KPI Target Maximum - cases at the end of the period
Preserved benefits	258	540	750
Aggregations	213	305	250
Interfunds in	61	251	100
Retirements	330	564	500
Deaths	52	96	100

September 2016

Area	Cases completed in the period	Remaining cases at the end of the period	KPI Target Maximum - cases at the end of the period
Preserved benefits	136	642	750
Aggregations	296	221	250
Interfunds in	52	253	100
Retirements	426	588	500
Deaths	42	106	100

The Pension Section is collating a list of the outstanding interfunds in, to investigate which Funds they are from.

### Consultation – Local Government Pension Scheme Regulations

7. In the report to the Local Pension Board dated 3 October 2016, it stated the Pension Section has replied to the consultation on the Local Government Pension Scheme Regulations 2013 and Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014. In the report it also stated that the final regulations were expected shortly.
8. Unfortunately at the time of writing this report, the regulations have still not been received. The Local Government Association (LGA) has been liaising with Department for Communities and Local Government (DCLG) about this, but at the time of writing there remains no expected date for when the regulations will be confirmed.

### Guaranteed Minimum Pension (GMP) National Reconciliation Exercise

9. The Pension Section has to reconcile HMRC GMP data to the data held by the Pension Fund by the 31 December 2018. A report was provided to the Local Pension Board dated the 16 June 2016 regarding this exercise which can be found in the back ground papers.
10. The Pension Section has been continuing to work on the GMP reconciliation, initially concentrating resource on the fire-fighter schemes. Given the size and complexity of this exercise, the Pension Section is now recruiting for a temporary Pension Team Manager to manage this project until the 31 December 2018.

### **Recommendation**

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

### **Equality and Human Rights Implications**

None specific

### **Appendix**

Appendix A – Quarterly Results – July to September 2016

### **Background Papers**

Report to the Local Pension Board – 16 June 2016 - Pension Increase and Guaranteed Minimum Pensions

<http://politics.leics.gov.uk/ieListDocuments.aspx?CIId=1122&MIId=4712&Ver=4>

Report to the Local Pension Board - 3 October 2016 – Administration Report

<http://politics.leics.gov.uk/ieListDocuments.aspx?CIId=1122&MIId=4804&Ver=4>

**Officers to Contact**

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**APPENDIX**

Quarter - July to Sept 2016							
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%	98% ▲	98%	Establish members understanding of info provided - rated at least mainly ok or clear	95%	100% ▲	98%
Pension payments made within 10 working days of receiving election	95%	94% ►	94%	Experience of dealing with Section - rated at least good or excellent	95%	95% ▲	93%
Death benefits/payments sent to dependant within 10 working days of notification	90%	82% ▼	81%	Establish members thoughts on the amount of info provided - rated as about right	92%	97% ▲	95%
				Establish the way members are treated - rated as polite or extremely polite	97%	100% ▲	100%
				Email response - understandable	95%	96% ▲	95%
Good or better than target	▲			Email response - content detail	92%	95% ▲	96%
Close to target	►			Email response - timeliness	92%	98% ▲	97%
Below target	▼						

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