 Brent	Pension Board 24 March 2025
	Report from the Corporate Director, Finance and Resources
Pension Administration Update	

Wards Affected:	All
Key or Non-Key Decision:	Not Applicable
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	One Appendix 1: Quarterly Administration Report – Q3 2024/25
Background Papers:	Not applicable
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1.0 Executive Summary

- 1.1 This report updates the Pension Board on pensions administration performance and related matters as part of its remit to oversee the administration of the Brent Pension Fund.

2.0 Recommendation(s)

2.1 The board is asked to note the report.

3.0 Detail

3.1 This report reviews the performance of Local Pensions Partnership Administration (LPPA) against agreed Service Level Agreements (SLA's) during the period 1 October 2024 to 31 December 2025.

3.2 Contribution to Borough Plan Priorities & Strategic Context

3.2.1 The work of the Pension Fund is critical in ensuring that it undertakes statutory functions on behalf of the Local Government Pension Scheme and complying with legislation and best practice. Efficient and effective performance and service delivery of the Pension Fund underpins all Borough Plan priorities.

3.3 Background

3.3.1 It is important to note that LPPA have migrated both its pension administration and workflow systems to UPM.

3.3.2 Although migration was disruptive initially, the LPPA has adjusted to the new system and it is now business as usual.

3.3.3 The figures reported have improved incrementally but it must be noted that the LPPA only reports on the cases it is able to complete, not the volume of work it receives.

3.3.4 Brent is liaising with the LPPA to refine its performance metrics, which should benefit everyone.

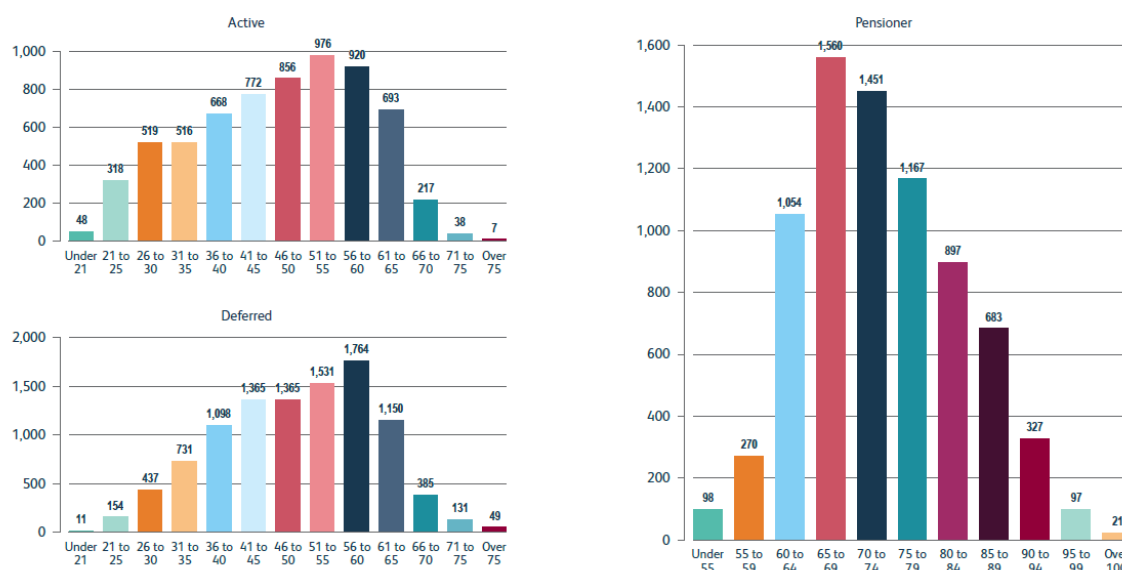
3.3.5 Overall, the service is improving but there are still areas that need attention.

3.4 LPPA Quarter 3 performance report

3.4.1 Brent Pension Fund had 24,344 members on 31 December 2024 of which:

- 6,548 were active members,
- 10,171 were deferred members, and
- 7,625 were pensioner and dependant members.

3.4.2 Figure 1 shows the current age demographic of the Brent Pension Fund members. This is broken down between active, deferred and pensioner members.



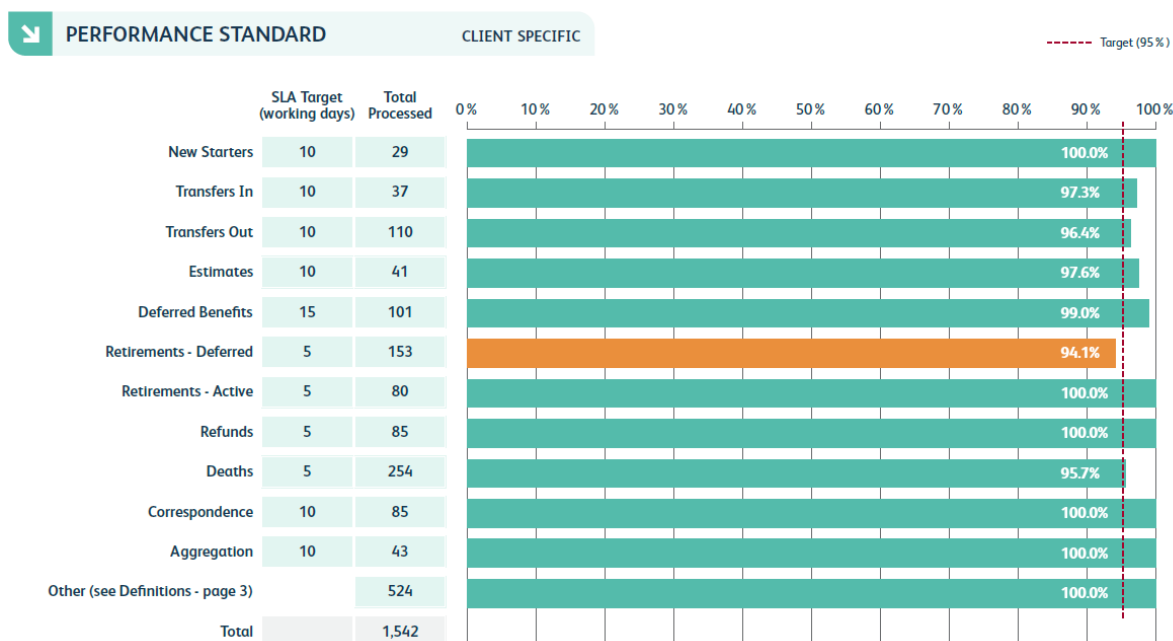
3.4.3 This shows that 57% of the working age active members are over 45, which suggests that Brent is a maturing fund. Although 35-60 is the cohort with the highest number of deferred members, 50% are of them are over 50, which reinforces the maturing fund narrative.

3.4.4 For pensioner and dependant members, 70% fall into the 65-75 banding before gently declining with age.

Key statistics

3.4.5 The average percentage of cases processed on time during the quarter was reported as 98.2%.

3.4.6 The Fund's perception is that the service is gradually improving, and it notes that only retirements from deferred status (94.1%), fell below SLA (95%). Figure 2 provides detail on the number of cases that have been processed grouped by category.



3.4.7 It is worth reiterating that how the administrators respond to problematic cases is an important part of service delivery. The LPPA's performance in this area has been good with key officers taking ownership and resolving them promptly.

3.4.8 The LPPA included a helpful Case Work Performance table, which compares the number of cases completed to the number of cases received. This gives a better overview of performance because it records the whole of the casework, not just the completed cases.

ONGOING CASEWORK AT THE END OF THE REPORTING QUARTER CLIENT SPECIFIC

The following table is created by identifying all reportable casework within UPM, and includes those that have subsequently Completed / Aborted / Remain Outstanding within the quarter. The figures in this table cannot be compared to those in the previous slide for a number of reasons including: the table includes aborted cases, but the horizontal bar graph does not; the SLA 'stop trigger' can be actioned before the process has been completed.

	Brought Forward at 01/10/24	Received (Inbound)	Completed (Outbound)	Outstanding as of 31/12/24
New Starters	6	31	36	1
Transfers In	170	91	71	190
Transfers Out	239	147	147	239
Estimates	19	37	43	13
Deferred Benefits	284	214	183	315
Retirements - Deferred	153	175	178	150
Retirements - Active	95	115	128	82
Refunds	90	136	127	99
Deaths	518	286	306	498
Correspondence	109	182	156	135
Aggregation	103	82	85	100
Other	65	561	553	73
Total	1,851	2,057	2,013	1,895

3.4.9 The Helpdesk call performance measures the average wait time and calls answered. During the quarter average wait times were 2 minutes 30 seconds, which was 15 seconds longer than the previous quarter.

Complaints

3.4.10 Since the last Pension Board, 9 new complaint cases have been received at a rate of 3 per month. The number of complaints received during the quarter is analysed by case type as shown in table 1 below. This is better than the previous quarter and the numbers are gradually falling.

Table 1 - complaints received this quarter:

Quarter	Delays	General Service	Total
Quarter 3	2	7	9

3.4.11 Two stage one Internal Dispute Resolution Procedure (“IDRP”) cases were received in the quarter but none were heard during the period (although both were determined in the subsequent quarter).

3.5 Pensions Payroll Migration

3.5.1 General Purposes Committee approved to extend the existing shared service arrangements for pensions administration to include pensions payroll in April and the project to move from Brent’s Oracle payroll to LPPA’s UPM payroll is nearing completion.

3.5.2 This will facilitate the end-to-end processing of calculation of pension benefits and payment of pensions to be carried out on the same system and negate the issues experienced over many years with having maintain data across two systems.

3.5.3 From a member’s perspective, an integrated pension payroll and pension administration system will enable an improved service, and all administration related to pensions will be contained within a single team and all pensioner data will be visible on the existing PensionPoint portal.

3.5.4 Updates on the project:

- Data cuts 2 and 3, together with parallel runs 2 and 3 took place in October and November 2024 respectively.
- The November parallel run showed that 99.82% of the gross and net pay totals balanced within tolerance. For the remaining 0.18% (13 records) the issue was understood and the relevant changes were made.
- The LPPA ran their first Brent Pensions Payroll on 31st January 2025. Overseas pensioners were also successfully paid through Convera. The first single payments (for retirement lump sums, death grants, refunds etc.) was completed on 20 January 2025.
- The payroll run was successful, and variations were within normal tolerances.

- We are in conversation with the LPPA about the best way to integrate the Pensions Increase run in April with the ongoing data cleanses seamlessly.
- General Ledger reporting for the monthly payroll and for single payments has been developed and signed off. This was tested thoroughly in the test systems of LPPA's UPM system and Brent's Oracle system and has now been deployed into live.
- The first few single payment runs have been successful, and we are refining the process in the light of experience.
- HMRC has set-up a new PAYE reference for the pension fund and NatWest to set-up a new BACS service user number.
- Pensioners have been kept up to date on the migration. 2 letters were sent to all pensioners to advise them of the changes to pension payments and to encourage members to sign up to the PensionPoint portal. The first letter was sent at the start of December 2024 and second letter was sent at the start of January 2025. A further post go-live letter was sent in February 2025.

3.5.5 Officers are now in the process of commissioning a post-migration data cleanse to ensure that the pension record on the UPM system and the pension in payment are correctly aligned.

3.6 **McCloud**

3.6.1 The project has been flagged red to reflect the absence of delivery dates for overdue software from Civica.

3.6.2 The LPPA has been calculating benefits and applying any underpin since March, where it can.

3.6.3 The underpin has been calculated for 18 Brent cases, and it has proved beneficial in three of them.

3.6.4 The average increase in annual pension for Brent cases that qualify for an underpin was £315, compared to £290 for LPPA clients as a whole.

3.6.5 Civica is unable to confirm the release dates for the next milestones towards McCloud compliance, including the new annual benefit statement (ABS) underpin. The LPPA is worried that it may not be able to complete the remedial work in time to include underpins in ABS in August, and it has escalated its concerns to the Civica Management Team.

3.6.6 The route to compliance depends on Civica agreeing a timetable for implementing outstanding tranches of software.

3.7 Pensions Dashboard

3.7.1 Public sector schemes must connect to the Pensions Dashboard by 31 October 2025. The project is in flight and LPPA have a full-time project manager in place.

3.7.2 Work is progressing well and includes:

- systems requirement (including the rules for partial matching of records and the treatment of AVCs); and
- business readiness aspects of the project (dealing with new enquiries relating to dashboard).

4.0 Stakeholder and ward member consultation and engagement

4.1 This is not applicable to this report.

5.0 Financial Considerations

5.1 There are no specific financial implications associated with this report.

6.0 Legal Considerations

6.1 There are no specific legal considerations arising from this report.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 There are none directly arising from this report.

8.0 Climate Change and Environmental Considerations

8.1 There are none directly arising from this report.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 There are none directly arising from this report.

10.0 Communication Considerations

10.1 None that are applicable to this report.

Report sign off:

Minesh Patel

Corporate Director, Finance and Resources