

London Borough of Brent – Scheme Administration Report

Performance Indicators

The LPP Pensions Administration Service is measured against key performance indicators that measure compliance, efficiency, and effectiveness of the service.

Workflow summary

The table below shows a summary of the total top 10 cases received and completed for the year 1 April 2019 to 31 March 2020.

Overall performance over the last 12 months was 91.33%. The overall 12-month performance was impacted as LPP continued to process large number of outstanding backlog cases, which had transferred from the previous Pensions Administration provider. Since this backlog has been cleared, performance has regularly achieved the agreed service levels, achieving 98%+.

LPP currently has 3.5 FTE working on Brent administration with a ratio of 1 member of staff to 5,642 fund members. The team completed a total of 6,572 cases including other contractual cases outside of the top 10 for the period 1st April 2019 to 31st March 2020 which is an average of 1,878 cases per staff member

Description – Top 10 Cases	Received	Completed	On Time	On Time %
Joiners	1,479	1,718	1,628	94.76%
Transfer In	278	322	246	76.40%
Transfer Out	416	487	418	85.83%
Estimates - Members	363	393	369	93.89%
Estimates - Employers	119	116	115	99.14%
Retirements	569	599	585	97.66%
Deferred Benefits	712	755	681	90.20%
Refunds	704	822	790	96.11%
Deaths	305	442	316	71.49%
Correspondence	495	575	541	94.09%
Totals	5,440	6,229	5,689	91.33%

Cases completed

Of the 5,866 cases completed on time 2,836 were completed early as detailed below

Description – Top 10 cases	1 Day Early	2 Days Early	3 Days Early	4+ Days Early
Joiners	143	42	139	684
Transfer In	42	14	14	53
Transfer Out	69	18	11	81

Estimates - Members	71	24	25	67
Estimates - Employers	18	13	13	11
Retirements	74	27	13	88
Deferred Benefits	103	42	28	174
Refunds	128	49	50	192
Deaths	41	21	6	43
Correspondence	91	25	22	67
Totals	780	275	321	1,460

III health and employer consents

Reason	Total
III- Health – Tier 1	2
III Health Tier 2	0
III health Tier 3	1
Flexible Retirement	5
Redundancy	24

Complaints

LPP now have a dedicated complaints team who deal with all complaints. This allows the complaint to be dealt with independently of the administration team and gives consistency when responding to complaints. There was a total of 25 complaints received during the year, broken down by quarter below.

Quarter	Number of complaints
Q1	6
Q2	4
Q3	3
Q4	12
Totals	25

Dispute resolution procedure

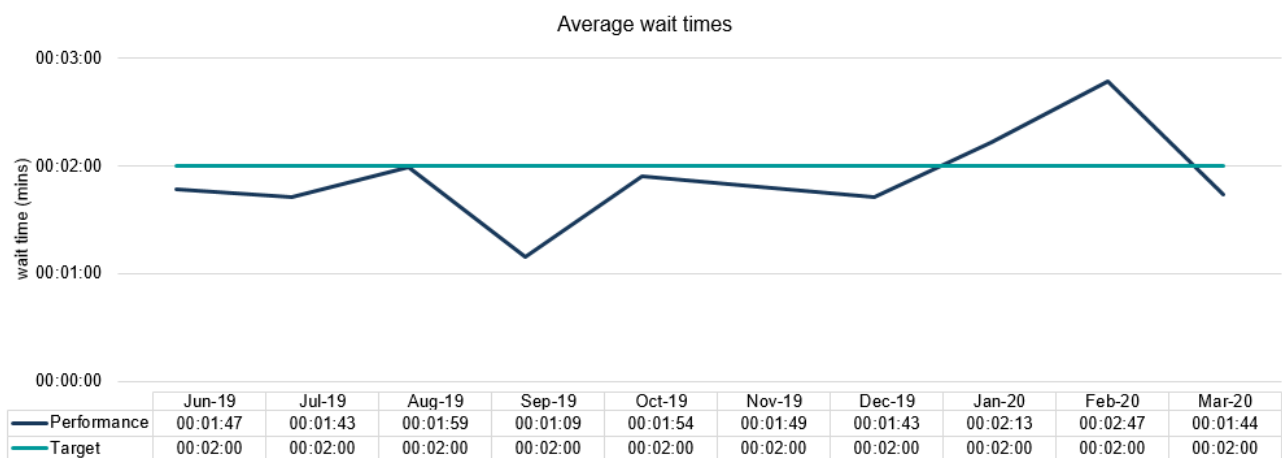
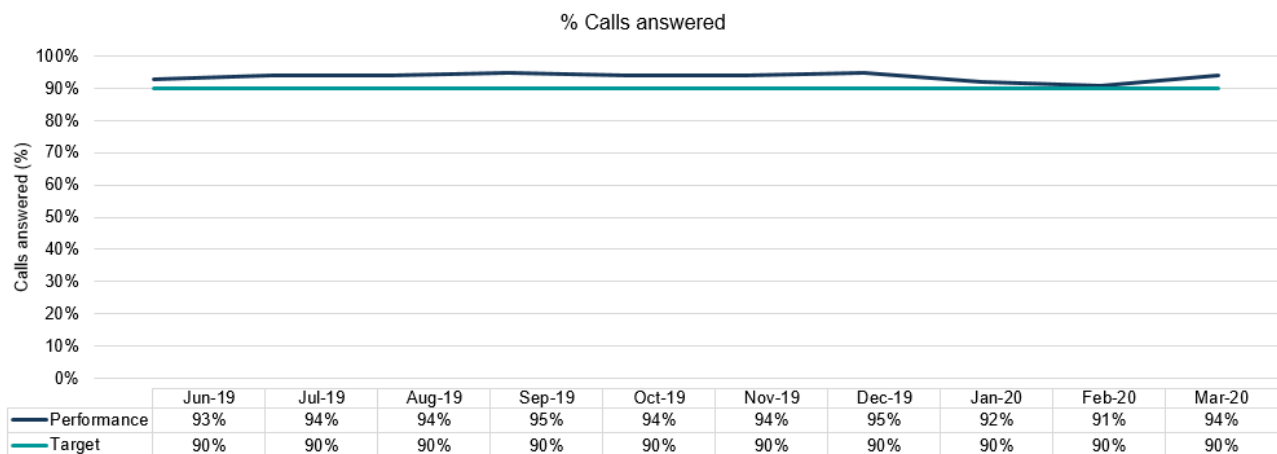
There were 3 Dispute resolutions received during the period 1st April 2019 to 31st March 2020.

Where a member is unsure of their benefit entitlement or has problems with their benefits, the Local Pensions Partnership (LPP) should be contacted. If a member is not satisfied with any decision they have a right to ask for it to be re-examined under the formal complaints procedure, which is officially called 'internal dispute resolution procedure'. The formal complaints procedure has 2 stages and full details can be obtained from the LPP by either phone on 01708 952299 or by writing to Local Pensions Partnership, PO Box 1383, Preston, PR2 0WR.

Pensions Helpdesk Performance

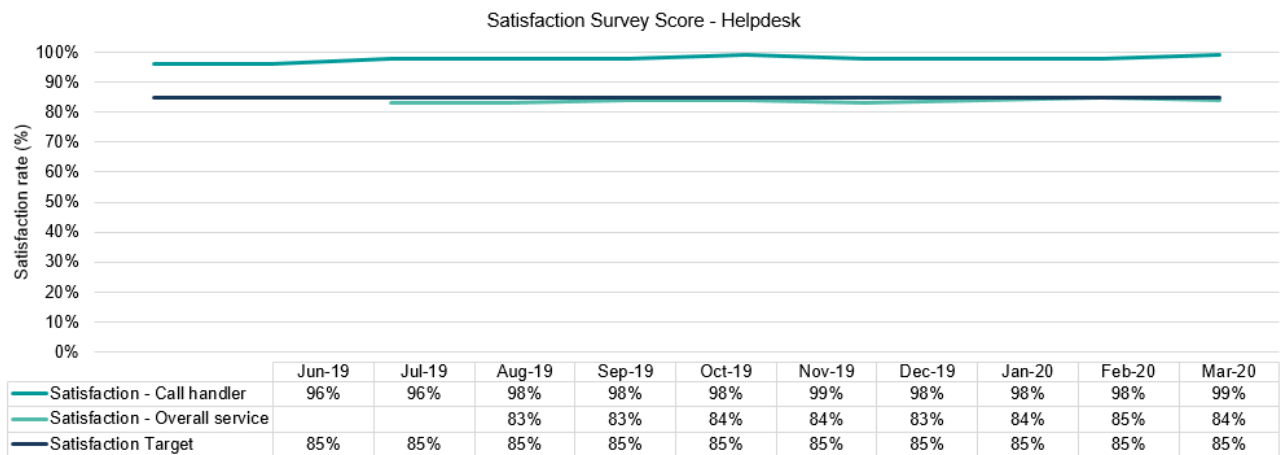
Performance across our Pensions Helpdesk is below. The data is in respect of all LPP clients.

Trend Analysis



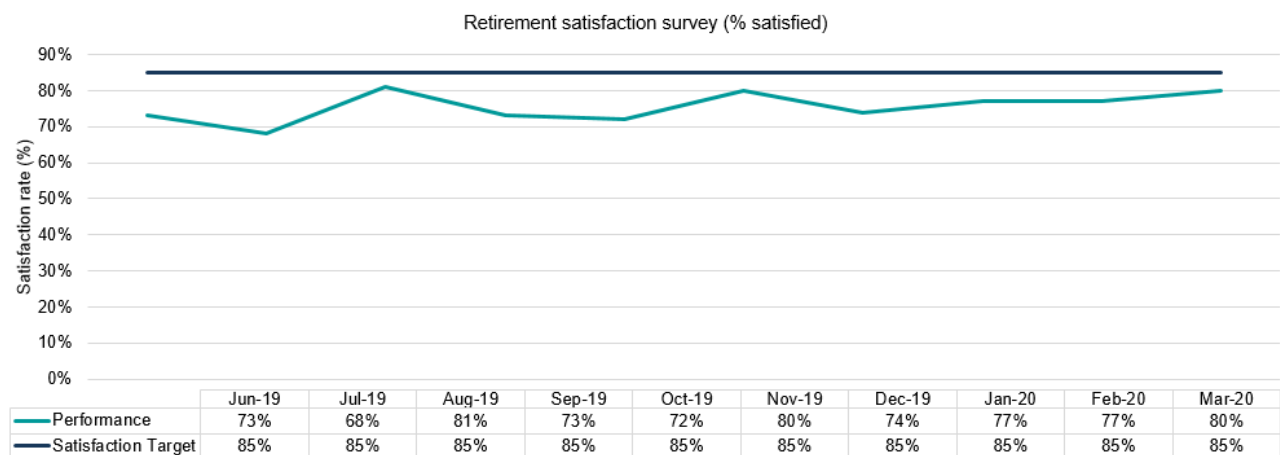
Call handling

Trend Analysis



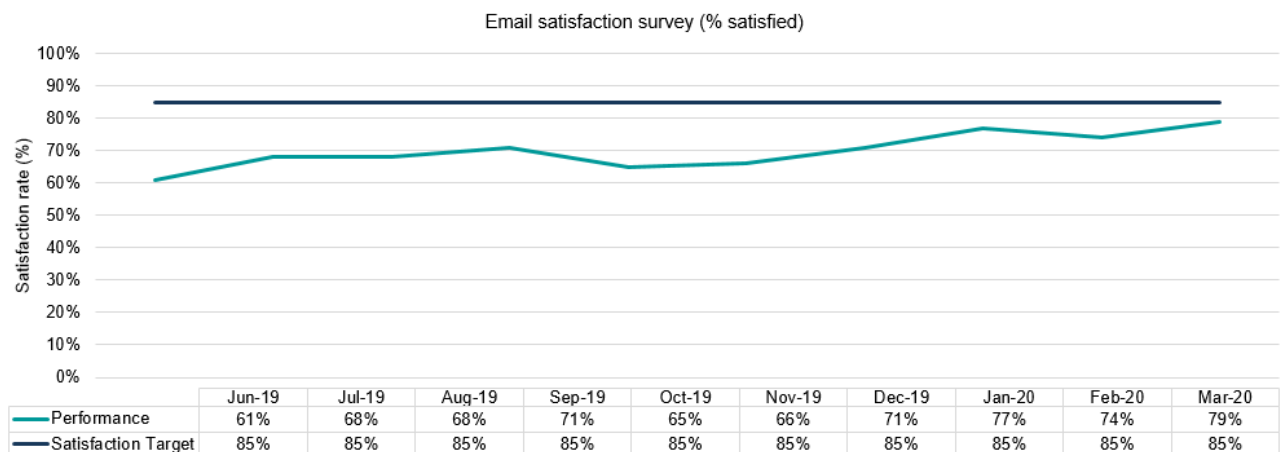
Satisfaction Survey – Retirements

Trend Analysis



Satisfaction Survey – Emails

Trend Analysis



Accuracy of data

Each year, following year-end processing, LPP raise queries with Brent employers such as missing joiners, leavers, change of hours and pay queries. In most instances the queries are reducing year on year, however we continue to identify errors and work with employers prior to the queries being created. To this end we have listened to employers and have improved our templates and literature to ensure the data supplied by Brent employers is accurate and continues to improve the overall data quality position.

During 2019/20, we tracked the TPR scores on a quarterly basis. We continue to develop an ongoing program of work to maintain/improve data scores to above the targets outlined below.

Common data score

Fund	Target	Q2 2019/20	Q3 2019/20	Trend	Q4 2019/20	Trend
LB of Brent	95%	87.00%	93.4%	6.4%	93.4%	0.00%

Conditional data score

Fund	Target	Q2 2019/20	Q3 2019/20	Trend	Q4 2019/20	Trend
LB of Brent	90%	71.00%	62.4%	-8.6%	63.3%	0.9%

LGPS Regulatory Update

A. Opposite sex Civil Partnerships

Opposite sex partnerships were introduced in May 2019 and have been written into the LGPS with effect from 31 December 2019, all systems and documentation has been updated to include this level of benefit.

B. Miscellaneous amendment regs

The amended miscellaneous regulations which allowed all members aged over 55 with deferred benefits who were not in ongoing LGPS employment to access their benefits. These regulations also incorporated the impact of the Walker v Innospec ruling

C. Late retirement factors (September)

As referred to in the 2019 update an adjusted late retirement set of factors was introduced from September 2019, however these were introduced without any cliff edge approach. The new factors are more generous to members who have delayed claiming their pension by greater than 2 year but less generous for those with shorter delays to claiming their benefits.

D. 5 year CARE anniversary (Refunds)

From April 2019 we had passed the 5 year anniversary of the establishment of the CARE scheme, this also meant that we had our first cases of members with unclaimed refunds reaching the 5 year point which the regulations state must be paid at this point. Unfortunately we are not always able to elicit a response from members, this could trigger an unauthorised payment if the member does belated request their refund. The LGA are aware that this is a national issue and are seeking to amend the regulations to be consistent with previous LGPS and other public sector schemes which would avoid such refunds benefits being treated as unauthorised payments.

E. Exit payment cap consultation

Amended regulations on exit credits were issued and effective from 20 March 2020 and backdated to 14 May 2018, these allow administering Authorities to take a wider view on pension liabilities which will limit the risk to the fund of exiting employers.

F. Fair Deal consultation closed 4 April 2019

The fair deal consultation closed over a year ago but is still considered that actual regulations will follow.

G. Valuation and employer risk consultation closed 31 July 2019

The consultation on the potential to move the LGPS to a 4 yearly valuation cycle to coincide with the other unfunded public sector schemes closed on 31 July 2019. We await guidance from MHCLG on whether this will occur and how we would move to bring the schemes into alignment.

H. McCloud/Sargeant (age discrimination case)

The Government were not granted the option of appealing the decision that the move to the CARE schemes failed to meet the age discrimination requirements and therefore we are expecting a further consultation on the approach on 'remedy' for the LGPS as well as all the unfunded schemes. The LGPS is unique in having had the protection for those within 10 years of retirement performed under the underpin arrangements, it may be that for the LGPS 'remedy' may be extending the underpin rather than individual recalculations of those who had service from before the 1 April 2012.

I. Cost management (Cost cap)

The cost cap which is a crucial part of the Hutton review which introduced the CARE scheme in 2014, was triggered in 2019 and would have led to an improvement in the benefits from April 2019. However in view of the age discrimination case, referred to above, the Government placed the changes on hold pending the results of the age discrimination with a planned revisit to the cost cap calculations before making changes to the scheme.

J. Exit cap

The consultation on the introduction of the exit cap (£95k) was closed on 3 July 2019, we await a response from Government.

K. CoVid-19

Since March the MHCLG together have introduced a life assurance payment guarantee of £60,000 for employees in NHS or social care. This payment would be payable in addition to any scheme death grant and is paid by the HMRC.

Also the LGA have produced a series of FAQ documents and webinars aimed at Administrators, employers and members, covering:

- Furlough staff
- Contributions
- Emergency Volunteering leave, secondment, re-employment and Reserve Forces Leave
- Information for members
- Life assurance payments
- Pension Administration
- Payment of benefits
- Governance and resilience
- Pension tax
- Annual Scheme events