	Pension Board 25 July 2022
	Report from the Director of Finance
Pensions Administration Update	

Wards Affected:	ALL
Key or Non-Key Decision:	Non-Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	1. Q4 2021-22 Performance Report 2. LPPA Spring Newsletter 2022 – Retirees 3. LPPA Project PACE Update
Background Papers:	N/A
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Minesh Patel, Director of Finance Ravinder Jassar, Deputy Director of Finance Flora Osiyemi, Head of Finance Sawan Shah, Senior Finance Analyst

1.0 Purpose of the Report

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

2.0 Recommendation(s)

- 2.1 The board is recommended to note the overall report.

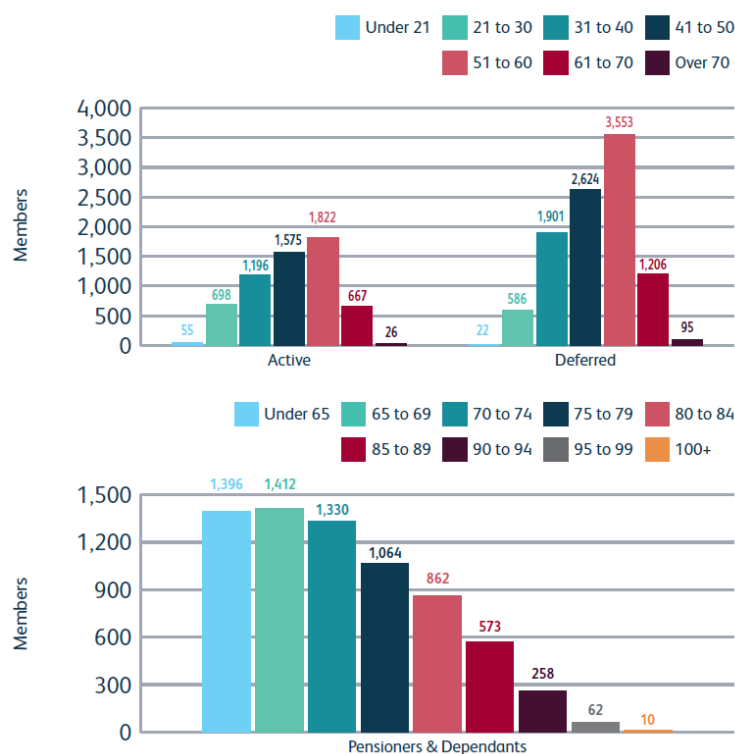
3.0 Pensions Administration Performance Report

- 3.1 This report reviews the performance of the LPP contract against agreed Service Level Agreements (SLA's) during January to March 2022.
- 3.2 The Pensions administration team hold monthly meetings with LPP to monitor the performance of the contract looking at both the individual month and trends across months. Full details on the Q4 2021-22 performance are set out in Appendix 1.

- 3.3 As of 31 March 2022, the Brent Pension Fund had 22,993 members, which was made up of:
- 6,039 active members
 - 6,967 pensioners (including dependants)
 - 9,987 deferred beneficiaries.

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

Figure 1:



- 3.5 The quarterly average percentage of cases processed on time was 95.9%, which is below the contractual SLA target of 98% however relaxed SLAs have been agreed with the Fund during the Universal Pensions Management (UPM) migration period: 90% for payment cases; 70% for other case types.
- 3.6 Figure 2 provides detail on the number of cases that have been processed grouped by category. At the start of the period in January 2022, cases brought forward totalled 948 and 1,210 cases were outstanding at the end of March 2022.

Figure 2:

	Brought Forward at 01/01/22	Completed	Received	Outstanding as of 31/03/22
New Starters	40	500	488	28
Transfer In	155	76	68	147
Transfer Out	119	99	116	136
Estimate - Individual	11	69	72	14
Deferred Benefits	156	247	303	212
Deaths	128	124	144	148
Retirements (Immediate)	44	50	45	39
Retirements (Deferred)	99	145	160	114
Refunds	31	199	293	125
Estimates - Employer	33	71	55	17
Correspondence	19	96	98	21
Aggregation	29	45	106	90
Other (see Definitions – page 3)	84	443	478	119
TOTALS	948	2,164	2,426	1,210

- 3.7 Helpdesk call performance measures the average wait time and calls answered. The Fund had a significant increase in its wait times with performance of 9 minutes 14 seconds in January, 16 minutes 6 seconds in February and 14 minutes 23 seconds in March, all of which were above the target time of 4 minutes. The wait times across all three months is largely due to an increase in volumes of inbound calls, mostly relating to Project PACE, Pensions Increase, P60s, Pension Point launch, and delays responding to web enquiries.
- 3.8 The Helpdesk is also experiencing increased call handling time for all Universal Pensions Management (UPM) calls as call handlers are not familiar with the new system. As a result, LPPA continue to train additional Helpdesk advisors, and have recently appointed a Helpdesk training resource to deliver the required training in a more focused way. This will speed up the time from recruitment to deployment on the phones and handling of mailboxes.
- 3.9 The fund will be working with LPPA to understand further details behind the delayed timings with a view to restoring performance over the next quarter. The average calls answered should be 90%. Over the last quarter, 90.1% of calls were answered in January, 85.6% in February and 86.6% in March.
- 3.10 Employer engagement activity delivered for the quarter included the successful rollout of Project PACE (Phase 1) to 5 LGPS clients and 4 Fire and Rescue Services clients, and regular weekly updates on a variety of topics continue to be added to the LPPA website.
- 3.11 Scheduled updates in the coming months include Annual Benefit Statements (ABS) scheduled for delivery in line with statutory deadlines (by the end August), and planning for the delivery of Phase 2 of project PACE in the second half of 2022.

- 3.12 Since the last Pension Board, 8 new complaint cases have been received. This included no new complaints in January, 3 new complaints in February and 5 new complaints in March. Out of the 8 cases, 2 related to delays and 6 related to general service. Brent and LPP are taking action to ensure that these cases are resolved swiftly. However the complex nature of some cases means that this is not always possible. In addition, following the completion of each case, a process is undertaken to ensure any lessons learned are reviewed and consequently, if necessary, processes and procedures will be updated.
- 3.13 The Pension Regulator (TPR) acknowledges that complete, accurate scheme records are a vital part of the administrative function. The Regulator defines two types of data held in scheme records:

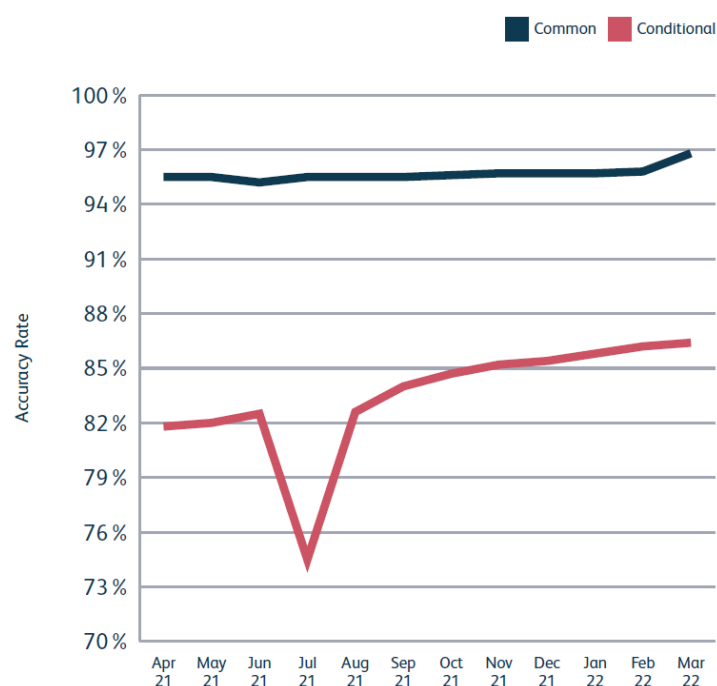
Common Data used to identify scheme members and would include names, addresses, national insurance number and date of birth.

Conditional Data essential to calculate benefit entitlements such as, member contributions, pensionable pay, service history.

It also encompasses data relating to events that occur during an individual's membership, for example transfers, purchase of additional pension and pension sharing orders. Both types are data that are equally important, but are defined separately for the purposes of measurement and relationship to obligations under the Data Protection Act.

Figures 3 below displays the TPR scores achieved in regards to the accuracy of common and conditional data. As at 31 March 2022, Common data has a total accuracy rate of 96.7% while conditional data has a total accuracy rate of 86.4%, an improvement from the previous quarter.

Figure 3:



- 3.14 The Spring Newsletter for Retirees 2022 has been published, and is attached to this report as Appendix 2. The edition provides updates on PensionPoint, pension increases, and tips and ideas relating to retirement.

4.0 Annual Benefit Statements

- 4.1 It is a statutory responsibility for the scheme manager to issue an Annual Benefit Statement (ABS) to all eligible active and deferred members by 31 August each year.
- 4.2 Scheme employers are required to submit an end of year return in order to be able to produce an ABS. Following submission of the return, employers may be required to respond to queries to clarify any data on the return before an ABS can be produced. It is therefore important that end of year returns are received promptly. Therefore, delays in submission of returns can lead to a risk that the ABS are not issued by the deadline.
- 4.3 At the time of dispatch of this report, 12 employers, which represent 11% of members in the Fund, had not submitted their end of year return. The Fund and LPP are closely monitoring submission of returns and working together with employers to ensure the returns are received promptly. Fund officers are now in the process of escalating to senior management of employers (CEO/CFO, Headteachers and Governors/trustees) where returns are still outstanding.
- 4.4 The Pensions Administration Strategy allows the scheme manager to take action against employers that do not comply with their statutory and legal obligations to the Pension Fund. These actions will be considered should employers not respond to requests for information in a timely manner.

5.0 LPP Business Update

- 5.1 LPPA are continuing the introduction of a new pension administration system which is made by Civica and called Universal Pensions Management (UPM). The UPM system will replace 5 different systems including Altair, LPP's workflow management system (CMS), both YourFund employer portals and the My Pension Online member self-service portal. The overall project is called project PACE. It is confirmed that go live for the Brent Pension Fund will be 11th November 2022. LPP are providing Brent officers with regular updates in monthly meetings to ensure successful transfer of administrative systems.
- 5.2 Updates for this quarter include:
- LPPA successfully completed Phase 1 of the migration to UPM with 9 clients. Plan for Phase 2 migrations has now been agreed – this will move all remaining clients to UPM between October - December 2022
 - Successful implementation includes 40,000 members having now registered successfully to the new member portal, PensionPoint and over 10,000 forms have been submitted by employers through the UPM employer portal.

- There has been a significant increase in the numbers of calls coming into the helpdesk and consequently, there have been an increase in wait times. Additionally, UPM calls have increased the call handling time as call handlers were not familiar with UPM.

A full update provided by LPPA is attached in Appendix 3.

5.3 John Crowhurst, the Commercial Director at LPP will be in attendance at the Pension Board meeting to provide a verbal business update.

6.0 Financial Implications

6.1 Not applicable.

7.0 Legal Implications

7.1 Not applicable.

8.0 Equality Implications

8.1 Not applicable.

9.0 Consultation with Ward Members and Stakeholders

9.1 Not applicable.

10.0 Human Resources

10.1 Not applicable.

Report sign off:

Minesh Patel
Director of Finance