

Key Metrics on performance of the Pensions Administration Service - 02 July 2018

For information only

1. This note is to record progress within the Pensions Administration Service since the publication of the Scheme's Record Keeping Plan in February 2018 and other key metrics in relation to governance and risk management. It also notes further work to be undertaken over the coming months. It is intended that this note is updated on a regular basis, alongside the official Record Keeping Plan, and reported to the Pension Board and The Pensions Regulator when appropriate.

2. Data cleansing

Conditional data, excluding addresses and post codes of deferred members, was to be completed end of March 2018. A revised completion date of end July 2018 is now expected. Progress to date is shown on Table 2.

3. Annual Benefit Statements

1. 2016/17 ABS

Actives: In total there were 5,751 active members as at 31 March 2017 and 4,123 ABS were issued by 31 August 2017. As at 14 May 2018 (last formal update from Capita) all ABS have now been issued to those that are eligible. There is a small cohort of records within the total active membership where records were found to be duplicates (and since deleted), leavers not notified about and some records had zero hours recorded and so did not produce results. Capita to update as part of regular performance monitoring, alongside other data management metrics.

Deferreds: 1,478 missing addresses (out of a total of 8,014 deferred members as at 31 March 2017), were passed to Target in February 2018. As at 10 July 2018, 1,110 addresses have been found so far (75%) and data has been passed to Capita to update member records in time for 17/18 ABS roll out. Further, and more extensive, search options will be considered at the next monitoring meeting with Target end August 2018.

2. 2017/18 ABS

Actives members: Capita have implemented agreed actions in relation to improving the process for sending out ABS by 31/8 (dedicated mailbox, dedicated project manager, management information and escalation for non-compliance).

In May Capita informed Brent of 15 employers that did not submit their end of year returns. Brent contacted all employers and escalated accordingly. As at 31 May all year end returns have been received and Capita are now resolving queries with employers.

Capita on track to issue all ABS by 31/8.

Deferred members: All ABS have been produced and sent to the printers as at end May 2018. This includes those members whose address was found through Target. Brent awaiting confirmation of despatch to members from Capita.

4. Update to Record Keeping Plan

1. Revision of Tab 1 Record Keeping Plan: updated for what has happened since January 2018 to end of May 2018, Capita revised data cleansing dates, employer engagement, employer working party, LPP transition, and overall improved layout.
2. Revision of Tab 2 Timescales Objectives: updated May 2018 to take into account revised Capita dates, Target addresses progress.
3. Tab 3 Weekly Monitoring, Tab 4 Common Data Mini Check, Tab 5 One Page Common Data Watcher, have all been updated and are updated in real-time
4. Tab 6 Employer Legal Duties: concluded following responses from all employers.

5. Governance

Compliance with minimum statutory requirements complete. This includes disclosing the Pension Board terms of reference, adding member representation clearly on the website and linking Pensions Board papers to the main pensions webpage.

Production of key documentation:

1. Pensions Administration Strategy. Draft document in progress and will be sent to employers for consultation. Planned to be ratified by Pensions Board in November 2018 as part of transition to LPP.
2. Risk Management Strategy and Risk Register. Documents now complete and planned to be published once ratified by Pensions Board on 24 July 2018.
3. Funding Strategy Statement (now available online alongside Investment Strategy Statement).
4. Record Keeping Plan- updated weekly and reviewed monthly by pensions management team. Updates are provided to Pensions Board regularly.
5. Brent Pension Privacy Notice for GDPR compliance purposes (now available online).

6. Employer engagement

1. Employer Forum held in March 2018. Useful feedback noted and actions planned as part of transition to LPP.
2. Another forum planned in November 2018 in conjunction with LPP.
3. Working group set up with select employers (following feedback from Employers Forum). First meeting held in April 2018 and further meetings planned in 2018. Useful feedback to provide to LPP on new service offer to employers.
4. Pensions management team to attend Schools Bursars meeting on 5 July 2018 to update schools and academies on transition to LPP and remind them of their legal obligations

7. Transition to LPP

- On-going discussions to agree on liability limit to be included in the Liability Agreement
- Rectification of errors following mapping of first data cut with Capita and Brent. Capita have suggested additional charges
- 2nd data cut due from w/c 2 July - ongoing- confirmation of receipt of disc for transfer on Tuesday, 03 July
- Pensions Savings Statements - Due by 6 Oct - Agreed to be done by Capita before 28 September - Capita to confirm in writing
- Capita commissioned to work on GMP reconciliations for active members - due by end of Jul (£40k). LPP to take one queries for deferred members and pensioners post go-live. 2nd conference call to discuss and review progress took place on Tuesday, 03 July
- Weekly meetings with LPP and Capita to discuss exit plan and milestones
- SLA Agreement to be agreed - currently being finalised by Brent
- Pensions Admin Strategy from LPP being adopted for Brent - To be approved by Board and shared with employers
- FRS 102 reports for academies - Capita working on this for 17/18 due to August year end for Academies. Requests have been sent to Capita to allow ample time for delivery
- Progress with the implementation plan is overall on track. Key milestones to commence from July.
- Capita are co-operating but not fully - either incomplete data is provided or request for Brent to pay more.
- Final data cut due w/c 17 September

8. Training

1. Post local elections in May 2018, Cllr Crane has been re-elected to remain on the board and Cllr Perrin is the new member replacing Cllr Kabir.
2. Internal Pensions training session held on 26 June 2018 tailored for investment committee and pensions board. Delivered by Brent officers and Hymans.
3. Bespoke training arranged for next Pension Boards meeting 24 July 2018 on the role of the Pension Board to be delivered by Hymans.
4. All Pension Board members have been asked to complete the Public Service toolkit e-learning programme.

9. Internal Audit

Internal Audit in November 2017 recorded limited assurance on key controls, following which an action plan was agreed in response to key findings.

1. Progress against action plan as at May 2018:
Findings 1-3 (Payments and data management). All actions have been addressed and recorded in the Record Keeping Plan.
Finding 4 (Contract management) ongoing.

- a. More robust and more frequent than formal monthly meetings, including follow up on agreed actions.
- b. No performance bonuses paid since December 2017.
- c. Spot checking has revealed a number of material errors in performance reports. Capita to re-issue the May 2018 report.
- d. Overall performance has been deemed inadequate and has been communicated to Capita. Actions agreed to address key concerns.

2. Follow up audit planned late 2018.

Key Metrics London Borough of Brent 31 May 2018

Table 1 Target Professional Services Results 25 May 2018	
Total of addresses to search	1478
Total addresses confirmed at 25 May 2018	1110
Total Addresses not confirmed	373

Table 2 Capita Conditional Data Progress At 25 May 2018			Start	Progress At	Progress At	
			01/01/2018	25/05/2018	28/06/2018	
Not Started	Started	Finished	National Insurance Number.	192	192	192
			Surname.	0	0	0
			Forename(s) or Initials.	189	189	185
			Gender.	0	0	0
			Date of Birth.	7	7	3
			Date Pensionable Service Started.	0	0	3
			Expected Retirement Date.	0	0	0
			Last Status Event.	151	151	57
			Membership Status.	887	887	887