



Surrey Local Pension Board 23 October 2018

Administration Performance Report 1 July 2018 to 31 August 2018

Recommendations:

The Board is asked to **note** the content of this report and **make recommendations** to the Pension Fund Committee if appropriate.

Background

1. At the Pension Fund Committee of 15 September 2017, the Pension Fund Committee (Committee) approved a new Administration Performance Report (APR) to replace the existing Key Performance Indicators (KPI) from quarter 3 of 2017/18.
2. The new APR is designed give a wider snap shot of the administrative function. It is designed to provide an overview of the administration function including ongoing workflow, oversight of customer feedback and future performance plans. It also allows the Committee and Board oversight of statutory compliance and meets a recommendation from the 2016/17 internal audit.
3. At the Committee meeting of 10 November 2017, the Committee agreed that future administrations statistics reports presented to the Committee be in the form of focused summary of the APR. This summary will be produced after the full APR has been scrutinised by the Board and will include any relevant Board recommendations.

The 2018/19 Quarter 2 APR

Summary

4. The APR contains three sections:
 - Ongoing workflow;
 - Performance standards; and
 - Administration forward plan.

5. The Ongoing workflow section provides detail of the activities of the administration function, along with measurement against performance standards. It includes the following sub-sections:
 - Overview;
 - Caseload detail (members);
 - Caseload details (employers); and
 - Complaints/breaches

6. The Performance standards section highlights functions that are a regulatory requirement but also concentrates on customer driven performance criteria to inform continuous improvement work. This section consists of the following sub-sections:
 - Scrutiny;
 - Data quality;
 - Communications;
 - Value for money; and
 - Projects.

7. The Administration forward plan include reports scheduled to be brought to the Committee and Board.

Caseload performance RAG

8. Member and employer caseloads are measured against performance levels, with red, amber and green ratings. A green rating indicates the tolerable performance level has been met. An amber rating indicates that performance levels were below tolerable by 5% or less. A red rating indicates that performance levels were below tolerable by more than 5%.

9. The board debated lowering the existing aspiration from 100% to 95% for a variety of reasons; however, upon mature consideration it was decided that 100% was the only appropriate target.

Material changes since 2018/19 Quarter 1

10. The context is important in this quarter as pension's admin team continue to replace number of key posts and it is, perhaps, understandable that the figures have suffered.

11. Of the 26 pension administration case load details sub-categories, there were improvements in two area and a decline in eighteen. The deferred status (fallen to 60%), lump sum death grant initial (fallen to 33%), lump sum death grant complete (fallen to 40%), death dependent's benefits initial (fallen to 60%), death dependent's benefits complete (fallen to 50%), death on pension initial (fallen to 51%), death on pension complete (fallen to 67%), deferred benefits (increased to 74%), LGPS transfer out estimate (fallen to 79%), NON-LGPS transfer out estimate (fallen to 78%), NON-LGPS transfer out actual (fallen to 59%), ill health retirement complete (increased to 77%) and employer estimate (fallen to 64%) were all below the tolerable level (red).

Next steps

12. The Board is asked to **note** the content of this report and the 2018/19 Quarter 2 APR Report (shown as Annex 1) and **make recommendations** to the Pension Fund Committee if appropriate.

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Sources/background papers:

Annexes:

1. 2018/19 Quarter 2 APR Report

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