

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
18 February 2021

ADMINISTRATION KEY PERFORMANCE INDICATORS

Purpose of the Report

1. The purpose of this report is to present the Fund's performance against its key performance indicators (KPIs) in relation to the administration of pension benefits.

Background

2. In the interests of transparency and to help monitor overall administration performance, officers agreed with Committee and Board to publish quarterly benefits administration key performance indicators (KPIs)
3. KPIs are an important aspect of providing an efficient and effective customer-focussed benefits administration service.

Considerations for the Board

4. The figures in this report cover the period 1 October 2020 to 31 December 2020 unless otherwise indicated.
5. Overall, the focus of officers continues to be very much on making long-term improvements to processes. During 2020/2021, officers are particularly focussed on onboarding as many employers as possible on to the i-Connect platform (see Appendix 4). With time, this will help directly or indirectly improve the measures shown within but in the short-term some decreases in these metrics may be visible.
6. Furthermore, there is a significant focus on improving controls and accuracy, which are not visible within this figures are a key part of improving the robustness of the Fund.
7. In addition to the standard KPI measures, the tPR has recently released the results from its annual survey which has allowed one piece of benchmarking to take place on a key tPR metric:
Annual Benefit Statements: On average, public service pension schemes send 95% of benefit statements on time, while the LGPS average is 96% and Wiltshire Pension Fund's percentage was 96.9% this year (albeit 95% last year, at the time of the survey). As stated previously, greater onboarding on to i-Connect should increase this figure further.

Conclusions

General comments

Disclosure Regulations (Appendix 1)

8. The table in appendix 1 shows the Fund continues to perform well against these targets, further improvements are anticipated with greater onboarding on to i-Connect and with the bedding in of other process improvements.

tPR Common and Conditional Data percentages (Appendix 2)

9. These figures have now been updated and are shown in appendix 2. Our common data figure is now 98.5% and the conditional/scheme specific figure is 96.4% (both improvements since last year).
10. At the moment, no comparisons on these metrics are available with peers for this year's figures but last year our scores were above average and top quartile in both cases, and with the improvement this year, this should provide a level of assurance.

Administration Strategy KPIs – Fund (Appendix 3)

11. Chart 1 shows the Fund is operating below its desired targets for most cases mainly for the same reasons as outlined in paragraph 6, although the percentages are stronger against the recently-added CIPFA metrics.

i-Connect and My Wiltshire Pension (MSS) onboarding (Appendix 4)

12. i-Connect take up has not changed materially over the last few months due to some limited employer engagement and some employers having difficulty completing the precursor of providing historical member hours histories for the purpose of McCloud.
13. MSS sign-ups are broadly in line with industry-norms after successful attempts to encourage more members to sign up.

Backlog monitoring (Appendix 5)

14. Whilst the current backlogs are not leading to a material number of complaints, they are still an issue which needs further attention to improve overall efficiency and customer service.
15. Officers were the processing of interviewing agency staff at the time of writing (early February) and also working with an external benefits consultancy firm to provide 'on tap' additional resource to attempt to help tackle these issues.

Administration Strategy KPIs – Employers (Appendix 6)

16. In the majority of cases, employers provide retirement information before the date the member retires, as the Fund requests. Employers timeliness in relation to leavers and refunds should improve with greater use of i-Connect although officers also need to consider different metrics for i-Connect employers which revolve around make sure they submit their return on time.

Environmental Impact

17. There is no environmental impact from this report.

Financial Considerations

18. There are no immediate financial considerations resulting from the reporting of the Fund's performance against its key performance indicators.

Risk Assessment

19. There are no direct risks to the Fund associated with this reporting.

Legal Implications

20. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

21. There are no implications at this time.

Proposals

22. The Committee is asked to note the current situation and the Fund's plans for improvement.

Andy Cunningham

Head of Pensions Administration and Relations

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APPENDIX 1 Table 1: Disclosure Requirements (CIPFA template)

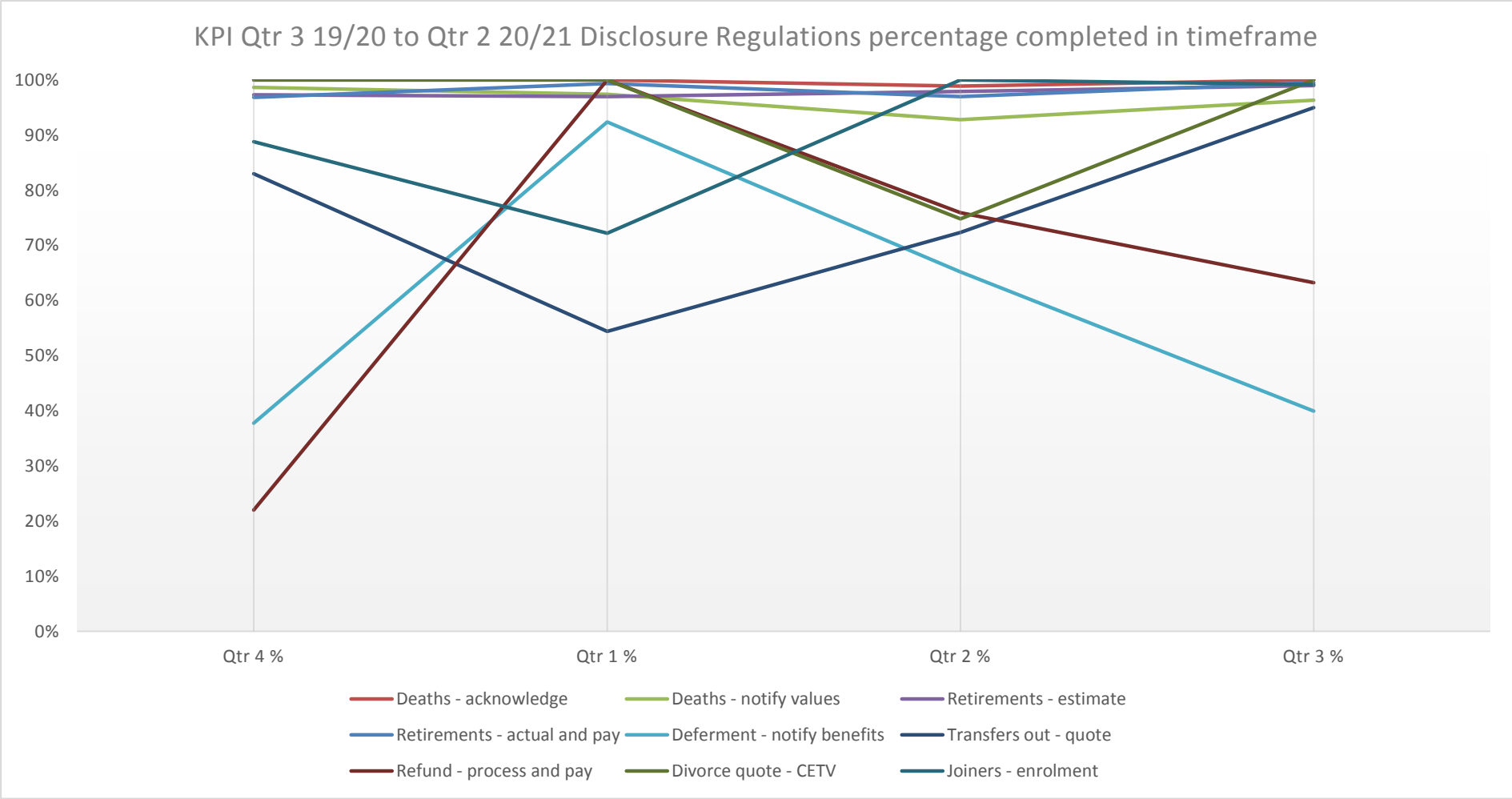
Benefit Administration Key Performance Indicators

Disclosure Regulations

Period 01/10/2020 to 31/12/2020

Process name		Disclosure Requirement	%	No. cases within Legal Timeframe
Deaths - initial letter acknowledging death		2 months	99%	69
Deaths - letter notifying amount of dependants pension		2 months	89%	62
Retirements - letter notifying estimate of retirement benefits	Active	2 months	n/a	n/a
	Deferred		n/a	n/a
	Total		93%	331
Retirements - letter notifying actual retirement benefits + process and pay benefits on time	Active	2 months	90%	138
	Deferred		99%	169
	Total		94%	307
Deferment - calculate and notify deferred benefits		2 months	44%	160
Transfers out - letter detailing transfer quote		2 months	81%	49
Refund - process and pay a refund		2 months	97%	107
Divorce quote - letter detailing cash equivalent value and other benefits		3 months	96%	62
Joiners - notification of date of enrolment		2 months	92%	1136

APPENDIX 1, Chart 1: Disclosure Requirements



APPENDIX 2: tPR Data Quality scores

The Fund scores against the two the Pension Regulator (tPR) key data scores are as follow:

Both scores are based on data held as at 12 October 2020:

a). tPR Common Data Percentage Breakdown

Total score = 98.5% (+0.6% since 11/10/2019)

b). tPR Conditional Data Percentage

Total score = 96.4% (+1.0% since 11/10/2019)

Officers commission Aquila Heywood (our software provider) to re-calculate these percentages annually, in line with our requirement to report these figures to tPR. The target for both figures is 100%.

A comparison graph with other Funds is not current available (as other Funds are still undertaking their calculations) but once it is, this will be shared.

APPENDIX 3: Administration Strategy KPIs - Fund (Table 1)

Wiltshire Pension Fund

Administration Strategy

Benefit Administration Key Performance Indicators

Period 01/10/2020 to 31/12/2020

Type of case	Created cases in period	Open cases at period end	Percentage against membership	Completed cases time to complete						Total	Timescales		
											CIPFA (Admin Strategy)		
				0 - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 + days		% on target (CIPFA)	% on target (Admin)	working days
Active to Retirement	323	243	1.1%	8	10	18	21	63	33	153	24%	5%	15 (5)
Deferred in to retirement	221	55	0.2%	57	23	30	25	2	34	171	64%	33%	15 (5)
Processing of Death cases	135	164	0.2%	5	8	9	6	31	11	70	19%	7%	10 (5)
Benefit Estimates	523	151	0.7%	46	47	83	39	107	35	357	49%	26%	15 (10)
Leavers to Deferred status	889	3393	15.1%	40	10	11	7	23	235	326	24%	21%	30 (20)
Leavers to Deferred status (i-Connect)	519	511	2.3%	6	6	22	8	28	12	82	68%	51%	30 (20)
Refund of contributions	126	29	0.1%	60	37	11	1	0	1	110	98%	99%	10 (10)
Grand Total	2736	4546		222	141	184	107	254	361	1269			
Percentage				17%	11%	14%	8%	20%	28%				

*Note: Refunds as now calculated using a revised methodology to reflect improvements in the process used.

APPENDIX 4: i-Connect and My Wiltshire Pension (Member portal) progress

i-Connect

The following table shows the progress in onboarding employers on to i-Connect. The long-term target is now to onboard all employers on to i-Connect and to onboard as many as possible by the end of 2021/2022. Data was calculated on 8 February 2021.

	Number onboarded	Number left to onboard	Completion rate
Active members	10,587	12,512 (total = 23,099)	45.83%
Employers	45	129 (total = 174)	23.56%

MSS (My Wiltshire Pension)

A table summarising the position as at 8 February 2020 is shown below. Note the figures are 'pension record' level figures, rather than member level, as this is easier to report and there is little difference in the percentages. There has been very little change since the last period.

RECORDS	
ACTIVE	8 Feb 2021
Registered	8,677 (+134)
Total	23,122
Percentage	37.53%
DEFERRED	
Registered	9,760
Total	31,220
Percentage	31.3%
TOTAL	
Registered	18,437
Total	54,500
Percentage	33.55%

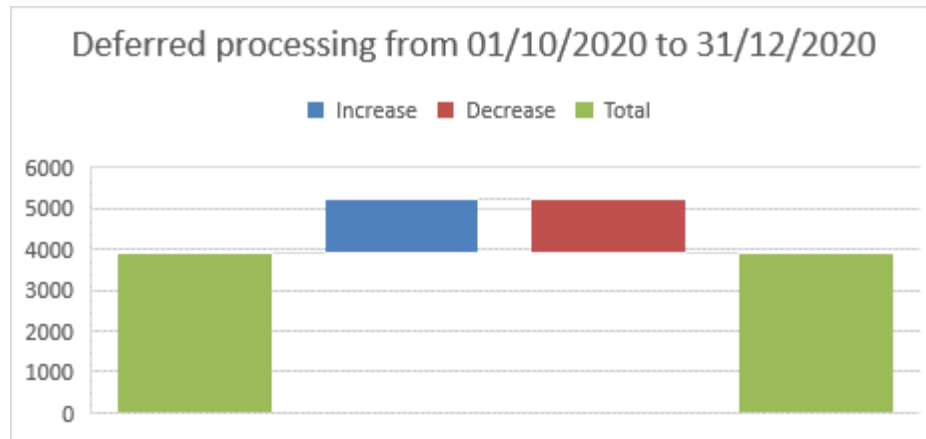
APPENDIX 5: Backlog monitoring

Prior to making a number of process improvements to the refunds, deferreds and aggregations processes, the Fund accumulated processing backlogs in certain areas. Officers have defined a backlog for a process where there are more than 250 outstanding cases. Where this is the case, officers plan to ring-fence this area of work and manage the backlog area of work separately although this is not in place as at the date of this report.

At present, there are two areas which meet this criteria and current situation in respect of these processes are outlined:

a). Deferred/Refunds

Cases where the member has left and we need to calculate their pension entitlement, but they are not old enough to be able to start receiving their benefits.



b). Internal aggregation cases

These cases are where the member has more than one record at Wiltshire Pension Fund which should be combined together. Members are not financially disadvantaged by delays in completing this work.

Cases currently outstanding: 3,444 (+253 since the last quarter)

(Analysis similar to the above will be available in future, once developed)

APPENDIX 6: Administration Strategy KPIs - Employers (Table 1)

Employer Key Performance Indicators

Administration Strategy

Period 01/10/2020 to 31/12/2020

Type of case	Time to advise							Total	Timescales	
	To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 days +		% on target	Admin Strategy working days
<i>Retirement</i>	68	20	15	15	18	6	11	153	58%	2
<i>Leavers</i>	83	11	3	9	12	97	193	408	29%	20
<i>Refund of contributions</i>	76	5	4	10	6	75	186	362	28%	20
Grand Total	227	36	22	34	36	178	390	923		
Percentage	25%	4%	2%	4%	4%	19%	42%			

APPENDIX 6: Administration Strategy KPIs - Employers (Table 2)

5 Largest "Managed" Employers

Employer	Managed Records	Time to advise - Retirements							Total	Admin Strategy % on target	Admin Strategy working days
		To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 days +			
Wiltshire Council	34154	38	6	3	1	7	6	7	68	56%	2
Swindon Borough Council	15721	7	1	2	1	0	2	3	16	44%	2
Police Civilians	2840	3	1	1	0	0	0	1	6	50%	2
White Horse Federation	1922	3	0	0	1	0	0	0	4	75%	2
Wiltshire College	1859	2	1	0	0	0	0	1	4	50%	2
Others	18263	28	2	7	1	9	1	7	55	51%	2
		81	11	13	4	16	9	19	153		
		53%	7%	8%	3%	10%	6%	12%			

Employer	Managed Records	Time to advise - Leavers							Total	Admin Strategy % on target	Admin Strategy working days
		To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 days +			
Wiltshire Council	34154	21	1	0	0	0	66	62	150	15%	20
Swindon Borough Council	15721	1	1	0	0	1	2	30	35	9%	20
Police Civilians	2840	2	0	0	1	1	0	3	7	57%	20
White Horse Federation	1922	15	3	0	0	2	14	10	44	45%	20
Wiltshire College	1859	0	0	0	0	1	1	4	6	17%	20
Others	18263	44	6	3	8	7	14	84	166	41%	20
		83	11	3	9	12	97	193	408		
		20%	3%	1%	2%	3%	24%	47%			

Employer	Managed Records	Time to advise - Refunds						Total	Admin Strategy % on target	Admin Strategy working days	
		To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days				40 days +
Wiltshire Council	34154	10	0	1	0	0	53	51	115	10%	20
Swindon Borough Council	15721	8	0	0	1	0	5	28	42	21%	20
Police Civilians	2840	0	0	0	0	0	1	5	6	0%	20
White Horse Federation	1922	19	1	2	0	1	2	10	35	66%	20
Wiltshire College	1859	5	3	0	5	0	1	1	15	87%	20
Others	18263	34	1	1	4	5	13	91	149	30%	20
		76	5	4	10	6	75	186	362		
		21%	1%	1%	3%	2%	21%	51%			