

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND LOCAL PENSION BOARD
15 March 2018

PENSION FUND 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 benefits.

Background

2. As part of the Fund's 2015/18 Business Plan, the Fund has a commitment to introduce bi-annual performance reporting of KPIs in order to improve management information, assist with performance monitoring and increase transparency of the administration performance. This objective fits in with our overriding objectives to ensure the effective management and governance of the Fund and to provide an effective, customer friendly benefits administration service.
3. This commitment is also in line with the Pensions Regulator's increased focus on governance of public service pension schemes resulting from the extension of its remit to cover public service pension schemes via the Public Service Pension Act 2013 and the resulting *Code of Practice 14 - Governance and administration of public service pension scheme* which sets out the wide-ranging governance requirements the Regulator expects to see adhered to.
4. At its meeting on 23 March 2017, the Committee agreed a set of KPIs that the Fund would be measured against which are now attached to this report.

Considerations for the Board

5. The following KPIs are reported on and shown on the attached APPENDIX for 2017-18 Quarter 3 along with a trend analysis for the previous 3 quarters:
 - Putting benefits into payment on retirement from active status;
 - Commencing payment of benefits for deferred members;
 - Provision of retirement estimates;
 - Provision of deferred benefit statements to members who leave before 55;
 - Processing of transfer payments into and out of the Fund;
 - Provision of cash equivalent values in cases of divorce;
 - Processing of refunds of contributions;
 - Processing of inter-LGPS Fund transfers; and
 - Payment of death grants and applicable survivor's pensions.
6. The data is subdivided into the time taken to complete each task into different tranches (0 to 5 days, 6 to 10 days, etc.), as well as setting out those instances where performance was outside of the statutory time limits. This information allows the Fund to look at trends and to provide a better understanding of any potential issues impacting the day-to-day administration of the Fund.

7. Separately the Fund is currently developing its reporting capability to provide splits between employer and Fund performance and also to provide comparisons against statutory disclosure timelines and the Fund's administration strategy.

Conclusions

8. This information provides short term analysis on the Fund's performance against key administrative tasks. As time passes, this will provide a greater insight into longer term trends and identify areas for improvements.
9. The **Active to retirement** metric has seen a fall each quarter in meeting the target timeframe although Q3 saw a slight recovery (see chart 1). This is related to resourcing issues at the Senior Pension Officer level, which has led to Pension Officers, who are responsible for these retirements, providing additional cover to maintain the service in **processing death cases**. Despite this, overall, the number of active retirement cases completed was at its highest level over the three quarters in Q2 (see chart 2). The resourcing issues have also had a similar impact on **transfer outs** cases where Q1 reflected a decline in the number of cases meeting the target but Q2 and Q3 saw a recovery. The increases in Q3 is partly due to the successful recruitment to the Senior Pension Officer level although ongoing training may influence the actual levels quoted.
10. The number of **Active to Retirement** cases that met the 20 days reduced due to an increase in the number of cases that required clarification from the member's employer's payroll agents. The Fund is continually striving to work with employers to highlight and address educational issues to ensure processes are seamless in providing the very best service for the member. Internal training needs to be conducted to ensure correct use of workflow when the Fund are waiting for responses from Employers and members.
11. **Refund of contributions and leavers to deferred status** has also seen a fall in terms of number of processed cases that meet targets. Although the number of completed cases has seen a significant increase in Q3, the impact of completing backlogs is reflecting in the drop in meeting targets in the short-term. Leavers to deferred cases increased from 383 cases in Q2 up to 796 cases in Q3 with the subsequent impact of a drop from 92% completed on time in Q2 to only 42% in Q3. Refunds of contributions followed a similar pattern.

Environmental Impact

12. There is no environmental impact from this report.

Financial Considerations

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

Risk Assessment

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

Legal Implications

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

16. There are no implications at this time.

Proposals

17. The Board is requested to note the Fund's performance against its key performance indicators.

MICHAEL HUDSON
Treasurer to the Pension Fund

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APPENDIX (Table 1)

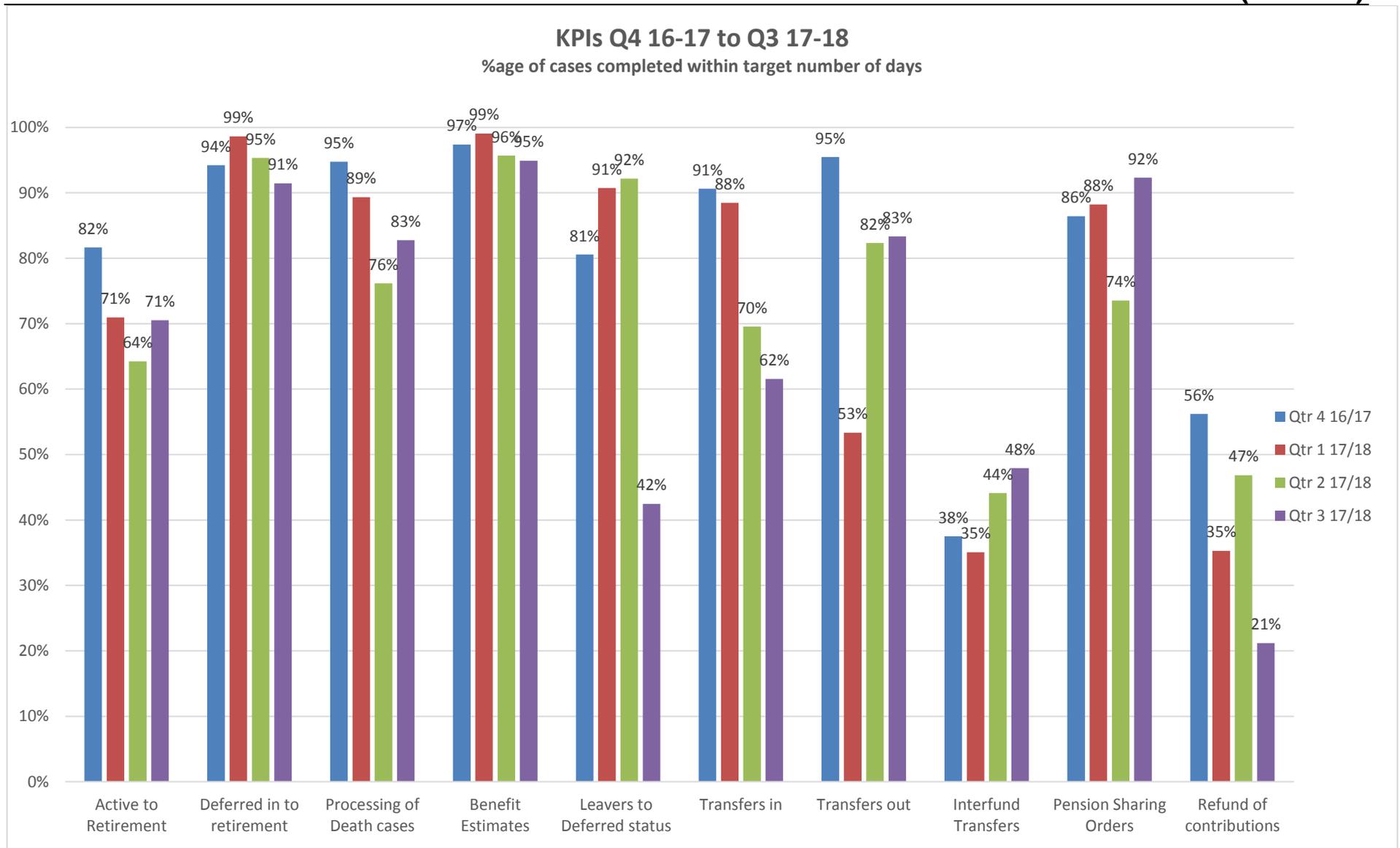
Wiltshire Pension Fund

Benefit Administration Key Performance Indicators

Period 01/10/2017 to 31/12/2017

Type of case	Time to complete					40 days +	Total	Timescales % on target	Timescales working days
	0 - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days				
Active to Retirement	33	35	25	17	23	23	156	71%	20
Deferred in to retirement	111	21	4	3	12	1	152	91%	20
Processing of Death cases	34	24	9	5	3	12	87	83%	20
Benefit Estimates	48	32	31	15	23	8	157	95%	40
Leavers to Deferred status	56	34	10	2	236	458	796	42%	40
Transfers in	0	3	5	0	0	5	13	62%	40
Transfers out	8	0	1	0	1	2	12	83%	30
Interfund Transfers	10	10	2	0	1	25	48	48%	40
Pension Sharing Orders	19	5	6	9	9	4	52	92%	30
Refund of contributions	17	17	19	23	56	227	359	21%	20
Grand Total	336	181	112	74	364	765	1832		
Percentage	18%	10%	6%	4%	20%	42%			

APPENDIX (Chart 1)



APPENDIX (Chart 2)

