

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

15 October 2020

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. Following feedback by the Committee in the July 2020, officers made some changes to the structure of this report which now remain in place.
5. Most of the figures in this report cover the period 1 July 2020 to 30 September 2020 unless otherwise indicated.
6. 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.
7. 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.

Conclusions

General comments

Disclosure Regulations (Appendix 1)

8. The table in appendix 1 shows the Fund continues to perform well against these targets. The deferreds and refunds disclosure level have increased over time due to change in the process, further improvements are anticipated with greater onboarding on to i-Connect and with the bedding in of other process improvements.
9. In relation to the measures which are lower than desired, an explanation of the reason for each are given below:
 - a). Transfers out quote (75%): These cases have been treated as a lower priority in comparison to the payment of benefits, resulting in a lower percentage although this is

now being re-assessed to improve the turnaround times (which have improved from the last quarter)

b). New joiners (72%) & Deferments (65%): Staff have focused on end of year submissions and i-Connect onboarding during the quarter. This figure should improve with greater onboarding of employers onto i-Connect and with further bedding in of new processes.

iPR Common and Conditional Data percentages (Appendix 2)

10. There are no change in these figures since last year however they are included for completeness and show how the Fund compares against other Funds on a like with like basis. Our scores were 97.9% (Common) and 95.4% (Conditional) are above average and top quartile compared against peers in both cases which is reassuring on a relative level although further absolute improvement is still desired.

11. As these figures are revised annually, new figures will be available shortly.

Administration Strategy KPIs – Fund (Appendix 3)

12. 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 newly-added CIPFA metrics. Officers have recently increased resourcing in the benefits team and are gradually reviewing processes to improve efficiency and meet our desired timeframes however this is a slow process. The initial focus is on the compliance (disclosure) measures outlined in Appendix 1 whilst time is dedicated to delivering long-term improvements and reforms.

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

13. i-Connect take up has not changed materially over the quarter as resource was focussed on completing the end of year process, however staff are now re-focussed on onboarding new employers, in line with the Business plan, so the number onboarded should improve more steadily in future.

14. MSS sign-ups are broadly in line with industry-norms after successful attempts to encourage more members to sign up.

Administration Strategy KPIs – Employers (Appendix 6)

15. 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.

16. Further onboarding on to i-Connect will force employers to submit more quickly for certain data, including deferments and refunds. We anticipate that over 70% of the active membership covered by 31 March 2020, and potentially much higher. Officers have now implemented escalation procedures to chase employers for later submissions.

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 Board is asked to note the current situation and the Fund's plans for improvement.

Andy Cunningham

Head of Pensions Administration and Relations

Report Author: Andy Cunningham – Head of Pensions Administration and Relations

APPENDIX 1 Table 1: Disclosure Requirements (CIPFA template)

Benefit Administration Key Performance Indicators

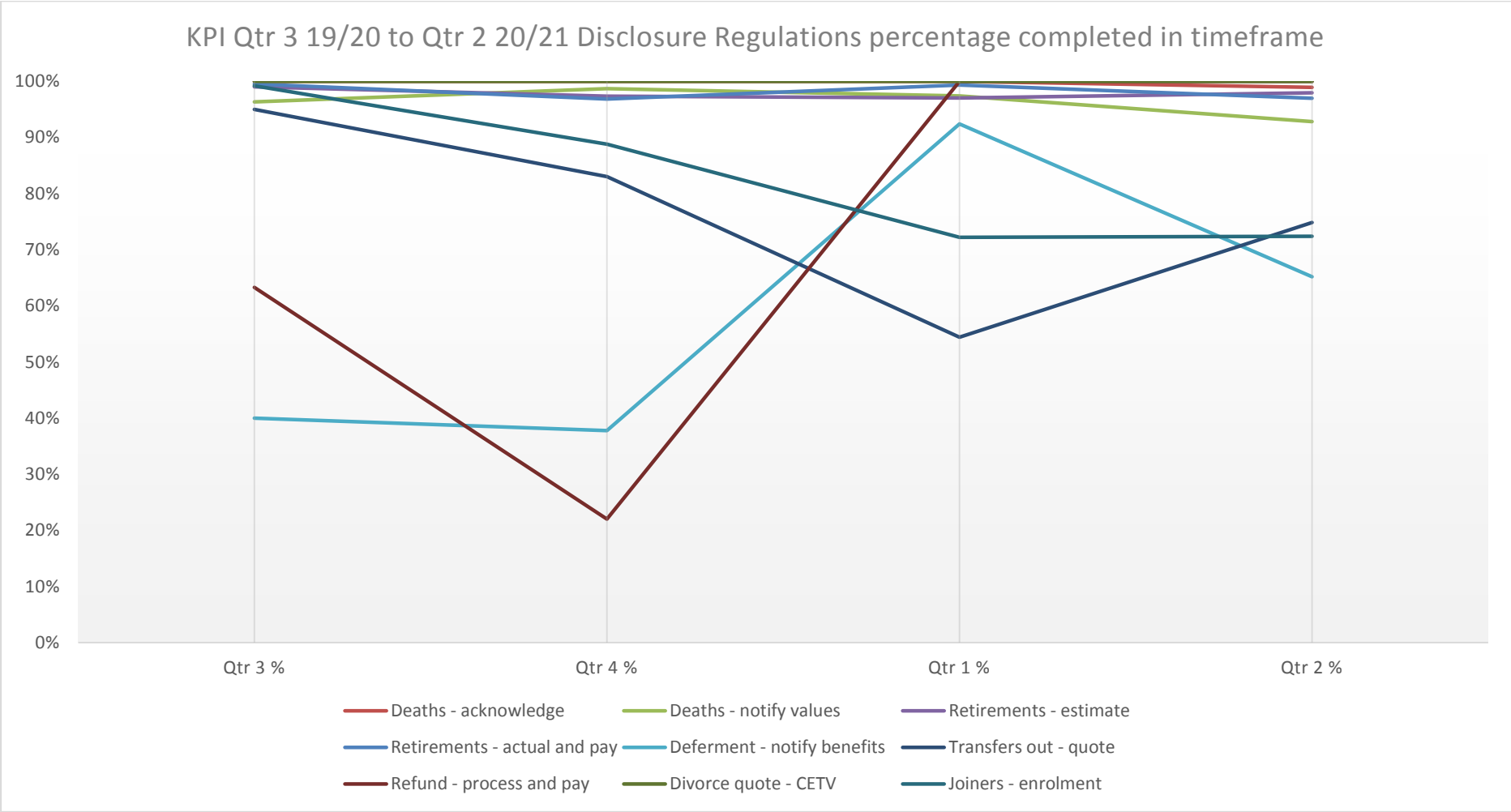
Disclosure Regulations

Period **01/07/2020** to **30/09/2020**

Process name		Disclosure Requirement	%	No. cases within Legal Timeframe
Deaths - initial letter acknowledging death		2 months	99%	82
Deaths - letter notifying amount of dependants pension		2 months	93%	77
Retirements - letter notifying estimate of retirement benefits	Active	2 months	n/a	n/a
	Deferred		n/a	n/a
	Total		98%	449
Retirements - letter notifying actual retirement benefits + process and pay benefits on time	Active	2 months	94%	95
	Deferred		100%	167
	Total		97%	262
Deferment - calculate and notify deferred benefits		2 months	65%	253
Transfers out - letter detailing transfer quote		2 months	75%	49
Refund - process and pay a refund*		2 months	100%	49
Divorce quote - letter detailing cash equivalent value and other benefits		3 months	100%	65
Joiners - notification of date of enrolment		2 months	72%	382

*This measure has risen due to a change in methodology.

APPENDIX 1, Chart 1: Disclosure Requirements



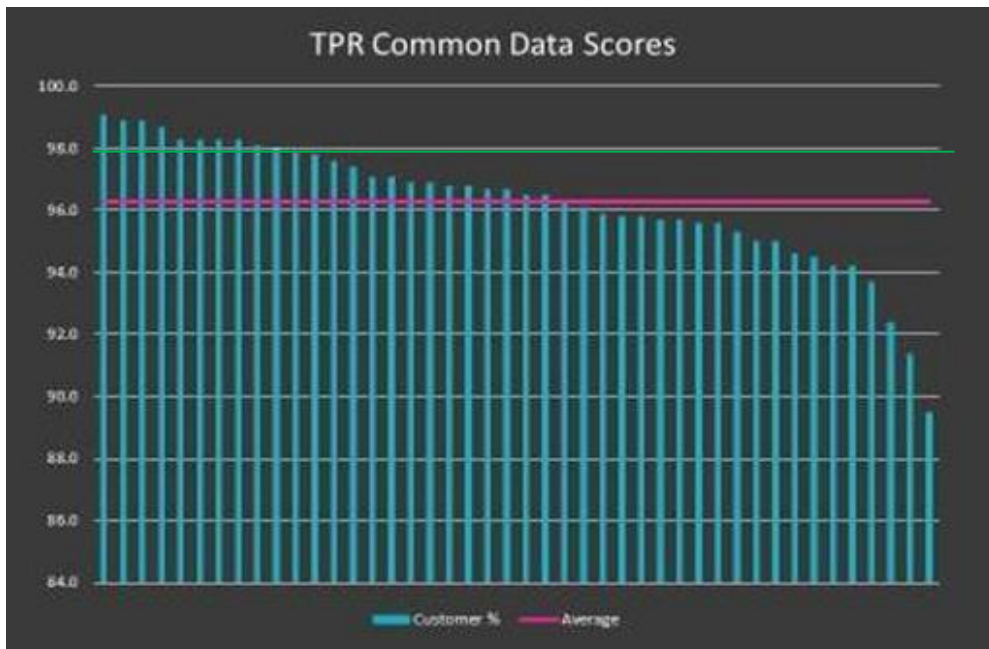
Note: Refunds have increased due to a change in methodology.

APPENDIX 2: tPR Data Quality scores

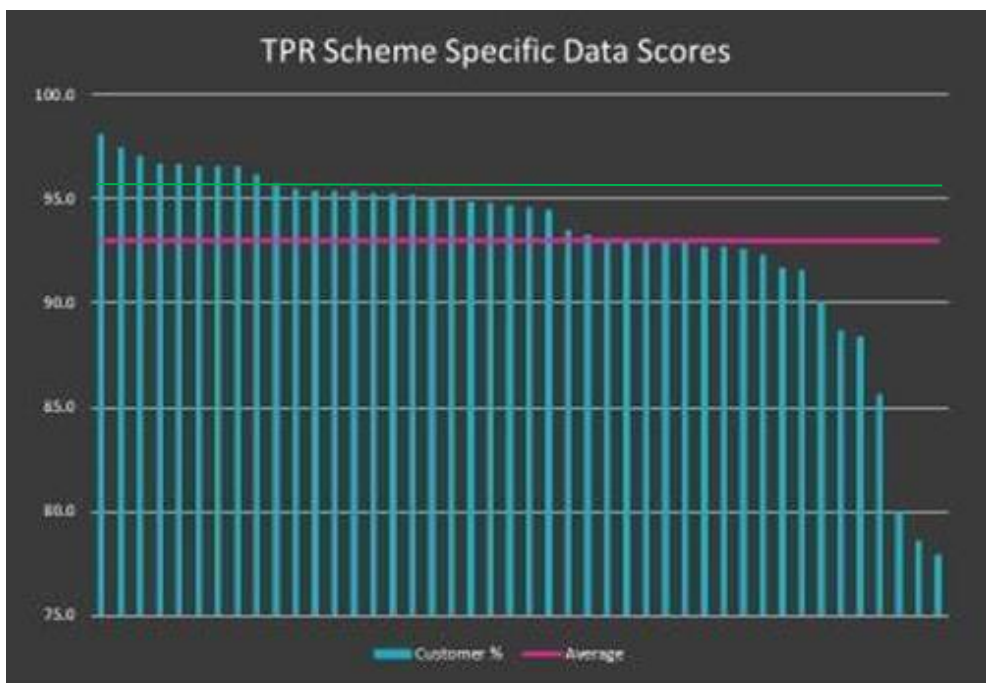
a). tPR Common Data Percentage Breakdown (At 11 October 2019)
Total score = 97.9% (from 94.2%)

b). tPR Conditional Data Percentage
Total score = 95.4%

The charts below show scores across Heywood clients which used the Heywood data quality report on like with like methodology basis.



Wiltshire Pension Fund



Wiltshire Pension Fund

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

Wiltshire Pension Fund

Administration Strategy

Benefit Administration Key Performance Indicators

Period **01/07/2020** to **30/09/2020**

Type of case	Created cases in period	Open cases at period end	Percentage against membership	Completed cases time to complete						Total	Timescales		Notes
				0 - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 + days		CIPFA (Admin Strategy)		
											% on target (CIPFA)	% on target	
Active to Retirement	167	130	0.6%	7	19	16	15	27	17	101	42%	7%	15 (5)
Deferred in to retirement	191	30	0.1%	91	36	32	5	3	0	167	95%	54%	15 (5)
Processing of Death cases	103	123	0.2%	6	7	26	15	22	7	83	16%	7%	10 (5)
Benefit Estimates	543	65	0.3%	54	74	70	62	174	24	458	43%	28%	15 (10)
Leavers to Deferred status	648	3542	15.7%	28	12	5	1	13	200	259	20%	18%	30 (20)
Leavers to Deferred status (i-Connect)	605	428	1.9%	17	3	18	13	9	14	74	75%	69%	30 (20)
Refund of contributions*	62	18	0.1%	8	23	13	4	1	0	49	99%	98%	10 (10)
Grand Total	2319	4336		211	174	180	115	249	262	1191			
Percentage				18%	15%	15%	10%	21%	22%				

*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 to onboard all employers on to i-Connect and to onboard as many as possible by the end of 2020/2021. Data is based on 6 October 2020, the comparison is to position in July 2020.

	Number onboarded	Number left to onboard	Completion rate
Active members	10,347(+93)	12,357 (Total = 22,704)	45.57% (+0.99%)
Employers	41 (+1)	133 (Total = 174)	23.56% (+0.58%)

MSS (My Wiltshire Pension)

A table summarising the position as at 2 October 2020 is shown below. In future we just show the record figures as this is easier to report.

	RECORDS	MEMBERS
ACTIVE		
Registered	8498	7195
Total	22704	18966
Percentage	37.43%	37.94%
DEFERRED		
Registered	9434	6977
Total	31155	23190
Percentage	30.28%	30.09%
TOTAL		
Registered	17932	12543
Total	53859	37804
Percentage	33.29%	33.18%

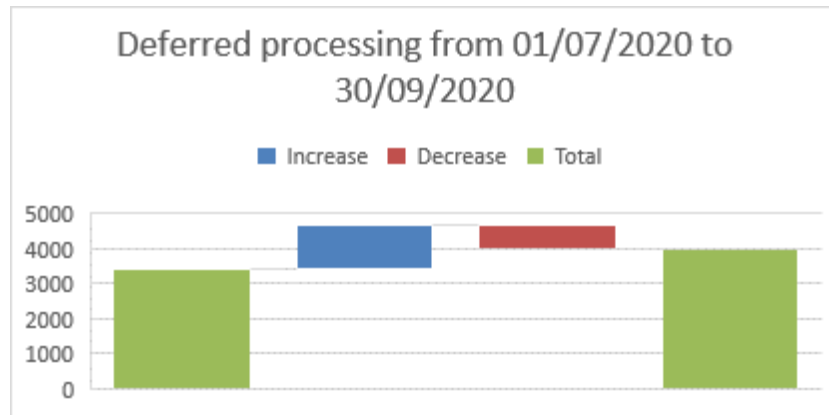
APPENDIX 5: Backlog monitoring

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: 3,275 (+234 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 **01/07/2020** to **30/09/2020**

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	working days
<i>Retirement</i>	70	2	7	1	4	3	14	101	71%	2
<i>Leavers</i>	11	8	6	8	6	21	273	333	12%	20
<i>Refund of contributions</i>	76	0	0	2	1	1	69	149	53%	20
Grand Total	157	10	13	11	11	25	356	583		
Percentage	27%	2%	2%	2%	2%	4%	61%			

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

5 Largest "Managed" Employers

Employer	Managed Records	Time to advise - Retirements							Admin Strategy	Admin Strategy	
		To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 days +	Total	% on target	working days
Wiltshire Council	34154	25	0	2	0	1	0	6	34	74%	2
Swindon Borough Council	15721	6	1	1	0	1	1	4	14	43%	2
Police Civilians	2840	4	1	1	0	0	0	0	6	67%	2
White Horse Federation	1922	1	0	0	0	0	0	0	1	100%	2
Wiltshire College	1859	2	0	0	0	0	0	0	2	100%	2
Others	18263	32	0	3	1	2	2	4	44	73%	2
		70	2	7	1	4	3	14	101		
		69%	2%	7%	1%	4%	3%	14%			

Employer	Managed Records	Time to advise - Leavers							Admin Strategy	Admin Strategy	
		To Target	Target - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 days +	Total	% on target	working days
Wiltshire Council	34154	1	1	0	2	0	3	119	126	3%	20
Swindon Borough Council	15721	3	1	0	0	3	7	31	45	16%	20
Police Civilians	2840	1	0	0	1	0	2	3	7	29%	20
White Horse Federation	1922	0	0	1	1	0	1	10	13	15%	20
Wiltshire College	1859	0	0	0	1	0	3	6	10	10%	20
Others	18263	6	6	5	3	3	5	104	132	17%	20
		11	8	6	8	6	21	273	333		
		3%	2%	2%	2%	2%	6%	82%			

Employer	Managed Records	Time to advise - Refunds							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 +			Total
Wiltshire Council	34154	22	0	0	0	0	1	10	33	67%	20
Swindon Borough Council	15721	19	0	0	0	0	0	18	37	51%	20
Police Civilians	2840	3	0	0	0	0	0	5	8	38%	20
White Horse Federation	1922	6	0	0	1	1	0	8	16	50%	20
Wiltshire College	1859	5	0	0	1	0	0	7	13	46%	20
Others	18263	21	0	0	0	0	0	21	42	50%	20
		76	0	0	2	1	1	69	149		
		51%	0%	0%	1%	1%	1%	46%			