

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE
24 June 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 Committee

4. The figures in this report cover the period 1 January 2021 to 31 March 2021 unless otherwise indicated.

Conclusions

General comments

Disclosure Regulations (Appendix 1)

5. 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)

6. The Fund's common data figure of **98.5%** and the conditional/scheme specific figure of **96.4%** (both improvements since last year) compare favourable to industry averages of 96.6% (common) and 94.6% (conditional) respectively. Whilst still lower than the long-term goal, which we expect will be met through further implementation of i-Connect, good progress in this area has been made over the last three years.

Administration Strategy KPIs – Fund (Appendix 3)

7. Chart 1 shows the Fund is operating below its desired targets for most cases, although the percentages are stronger against the CIPFA metrics. Additional resourcing is still being sought in addition to process improvements to improve these metrics.

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

8. i-Connect take up has received a significant boost with the onboarding of Swindon Borough Council (the 2nd largest employers) and a large payroll provider in the Fund,

FS4S; both with effect from March 2021, increasing the active membership coverage to over 75%. Officers will continue to work with the remaining circa 93 employers (mostly reasonably small), with the aim of onboarding them by the end of the financial year.

9. MSS sign-ups are broadly in line with industry-norms after successful attempts to encourage more members to sign up and these figures are unlikely to change materially in future now, although some small improvements are still evident in the last few months.

Backlog monitoring (Appendix 5)

10. 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.
11. However, there has been a reduction in the number of outstanding cases in the last quarter and officers have recently appointed a new member of staff, who is undergoing training, and are advertising for a further one, both of whom will be focussing nearly all of their time on reducing down the backloads which are identified.

Administration Strategy KPIs – Employers (Appendix 6)

12. In the majority of cases, employers provide retirement information before the date the member retires, as the Fund requests. Officers intend to develop more relevant tables relating to the performance of employer in light of the introduction of i-Connect for future meetings.

Environmental Impact

13. There is no environmental impact from this report.

Financial Considerations

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

Risk Assessment

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

Legal Implications

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

17. There are no implications at this time.

Proposals

18. The Committee asked to note the current situation and is invited to make any comments or recommendations that it has.

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)

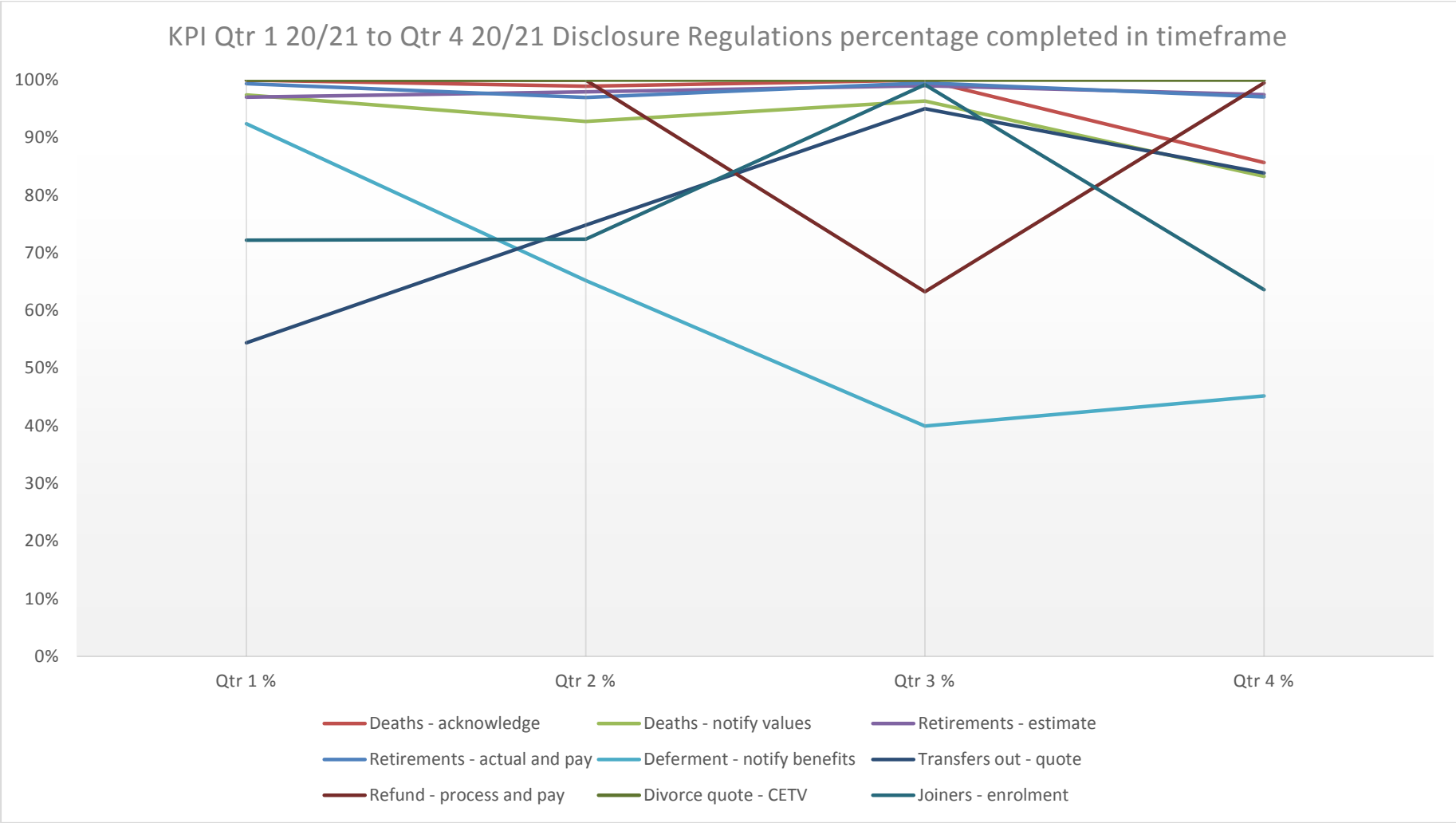
Benefit Administration Key Performance Indicators

Disclosure Regulations

Period 01/01/2021 To 31/03/2021

Process name		Disclosure Requirement	%	No. cases within Legal Timeframe
Deaths - initial letter acknowledging death		2 months	86%	110
Deaths - letter notifying amount of dependants pension		2 months	83%	106
Retirements - letter notifying estimate of retirement benefits	Active	2 months	n/a	n/a
	Deferred		n/a	n/a
	Total		97%	461
Retirements - letter notifying actual retirement benefits + process and pay benefits on time	Active	2 months	96%	192
	Deferred		99%	221
	Total		97%	413
Deferment - calculate and notify deferred benefits		2 months	45%	290
Transfers out - letter detailing transfer quote		2 months	84%	51
Refund - process and pay a refund		2 months	100%	203
Divorce quote - letter detailing cash equivalent value and other benefits		3 months	100%	56
Joiners - notification of date of enrolment*		2 months	64%	565

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 (these scores are updated annually)

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%.

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

Wiltshire Pension Fund

Administration Strategy

Benefit Administration Key Performance Indicators

Period 01/01/2021 to 31/03/2021

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	273	237	1.1%	7	9	23	38	93	31	201	19%	19%	15 (15)
Deferred in to retirement	224	30	0.1%	86	54	49	15	15	5	224	84%	84%	15 (15)
Processing of Death cases	158	176	0.2%	8	12	20	10	43	37	130	15%	31%	10 (15)
Benefit Estimates	551	120	0.5%	60	48	67	84	193	21	473	37%	23%	15 (10)
Leavers to Deferred status	1069	2922	13.0%	140	39	17	19	35	399	649	36%	33%	30 (20)
Leavers to Deferred status (i-Connect)	142	129	0.6%	0	0	6	8	17	35	66	34%	21%	30 (20)
Refund of contributions	184	3	0.0%	19	122	57	2	2	2	204	97%	98%	15 (15)
Grand Total	2601	3617		320	284	239	176	398	530	1947			
Percentage				16%	15%	12%	9%	20%	27%				

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- by the end of 2021/2022. Data was last calculated on 7 June 2021.

	Number onboarded	Number left to onboard	Completion rate
Active members	17,701	5398 (total = 23,099)	76.6% (+30.8% since last meeting)
Employers	77	93 (total = 170)	45.3% (+21.8%)

The active member percentage is much higher than the employer percentage because officers have focussed on onboarding the largest employers.

MSS (My Wiltshire Pension)

A table summarising the position as at 7 June 2021 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	7 June 2021
Registered	9,041
Total	23,101
Percentage	39.1% (up 1.6%)
DEFERRED	
Registered	10,291
Total	31,692
Percentage	32.5% (up 1.2%)
TOTAL	
Registered	19,340
Total	54,793
Percentage	35.3%

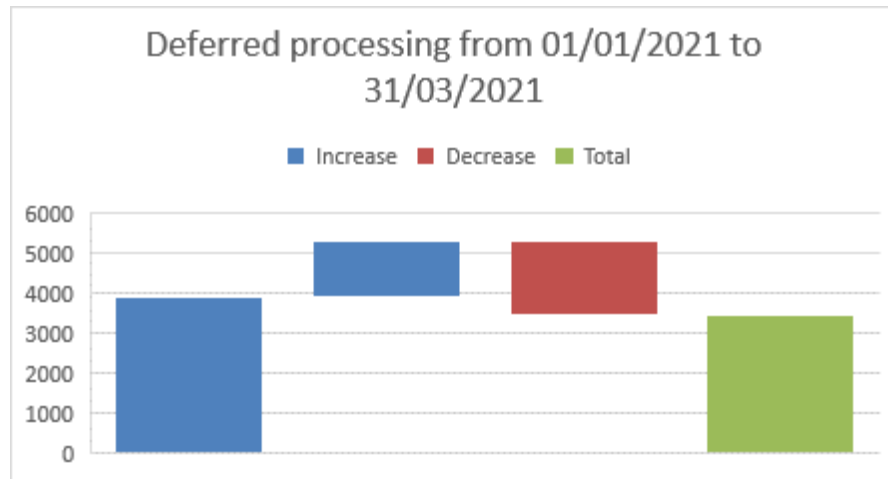
APPENDIX 5: Backlog monitoring

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: c3,400 (immaterial change 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 01/01/2021 to 31/03/2021

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>	83	11	16	9	3	32	47	201	47%	2
<i>Leavers</i>	29	22	24	49	40	118	433	715	23%	20
<i>Refund of contributions</i>	169	45	15	23	24	50	209	535	52%	20
Grand Total	281	78	55	81	67	200	689	1451		
Percentage	19%	5%	4%	6%	5%	14%	47%			