

Item No. 13	Classification: Open	Date: 22 December 2021	Meeting Name: Pensions Advisory Panel
Report title:		Pension Services - administration function update	
Ward(s) or groups affected:		None	
From:		Pensions Manager, Finance and Governance	

RECOMMENDATION

1. The Pensions Advisory Panel (the **Panel**) is asked to note this update on the pensions administration function.

BACKGROUND INFORMATION

2. The Panel received an update in September 2021 which set out information about staff changes, IT/systems, communications and complaint management.

COVID-19 IMPLICATIONS

3. Prior to 13 December there had been a daily presence of pensions staff in Tooley Street. However, in line with recent Government guidance and Southwark HR advice, all staff have now been asked to work from home wherever possible.

IT/SYSTEMS

4. The Data Systems Team continue to test new Civica/UPM processes and data that has been mapped to the new system. Unfortunately, we have uncovered some formatting issues with SAP (pensioner) data which has meant Civica requiring more historical pensioner data from the existing admin system (Altair).
5. Whilst a go-live in Q1 2022 was achievable, it placed too much risk on three high profile projects - (employer year-end data submissions for Annual Benefit Statement production - Pension Increase for 8,000 members - and the data extraction requirements for the 2022 actuarial valuation). Therefore, go-live for both Pensioner Payroll and Admin will be aligned to 1 May 2022 (not phased).
6. Documents/imaging - the first transfer has been completed successfully with two more scheduled before the UPM system goes live.
7. The new system's web Member Portal and Employer Portal are in the development phase and will shortly move into the testing phase.

- The Member Portal includes many self-service enhancements on the current portal, particularly for pensioners, who will be able to manage their pension online and see monthly digital payslips.
- The **Employer** Portal includes monthly return functionality and adds a function for Pension Services to assign tasks to Southwark employers.

UK PENSIONS DASHBOARD PROGRAMME

8. Pension Services are staying informed and updated on the development of the nationwide Pensions Dashboard Programme, with team members attending webinars and receiving email updates. On-boarding and data/process testing begins in autumn 2022, carrying on until the public launch in autumn 2023.
9. The programme has published its preliminary data standards but not a specific data format. We have confirmed with Civica that once final data requirements are published, they will update the UPM system with the functionality to produce the data required. As it will be a national requirement for all pension schemes it will be introduced as a standard system function upgrade at no extra cost.

RECRUITMENT/STAFFING

10. In view of current Covid guidelines, recruitment of assistant level/apprentice roles will be postponed until early 2022.

PROGRESS TO DECEMBER 2021

Since the last Panel update, further progress has been made in the following areas.

COMMUNICATION INITIATIVES

11. An AVC information/awareness email will be issued shortly to active members.
12. Annual Allowance tax checks for 2020-21 are now complete with all affected members being contacted in early October 2021.
13. Communication review now underway for all pensions/payroll admin letters/statements as part of the move to UPM software. Wherever possible, communication will be in Plain English and Crystal Marked.
14. Website initiatives underway to improve member engagement and interest.

15. Training continues to be delivered to members, staff, HR and employers.
16. Winter 2021 newsletter will be finalised shortly and issued in paper and digital formats. It will include commentary on the Funds carbon journey.

COMPLAINT MANAGEMENT

- General Complaint - Co-Op Legal contacted the Fund in relation to the balance of pension due to the estate of a deceased member. Vendor creation process had delayed the payment. Balance has now been paid and case is closed.
- The Pensions Ombudsman (TPO) - a deferred member requested a transfer out to another pension provider but it was within 12 months of Normal Pension Age and is prohibited under the LGPS Regs/PSA93. Ongoing case with TPO.
- IDRP - lack of 'due diligence' claim against the Fund following the decision of a former deferred member to transfer out. As the transfer value was less than £30k the onus was on the former member/agent to obtain appropriate advice.
- General Complaint - member was kept on hold for 40 minutes on the phone with Contact Centre whilst trying to make contact with Pension Services. Member said they were 'uncomfortable' using email. Matter now resolved.

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PERFORMANCE MONITORING

Attached as Appendix 1 is statutory data collected between 1 September 2021 and 30 November 2021. The format has been amended slightly to show how current performance compares to the previous metrics provided in September's report.

Longer-term aspirations are to benchmark against CIPFA guidance (or better).

CONCLUSIONS

17. Retention of key staff with the necessary skills is critical to the achievement of future plans.
18. There will continue to be some reliance on specialist external support. However, with internal training now in place, 95% of all business as usual and project work is managed in-house by Pension Services.
19. Performance monitoring remains an important part of the pensions function. The procurement of new Civica UPM software will allow Pension Services to develop workflow and task management, where more detailed Management Information can be extracted around performance. However, the Panel is also asked to consider that processing speed is not the only indicator of success, and that attention to detail and the customer journey must also be considered.

KEY ISSUES FOR CONSIDERATION

20. N/a

Policy framework implications

21. There are no immediate implications arising from this report.

Community, equalities (including socio-economic) and health impacts

Community impact statement

22. There are no immediate implications arising from this report.

Equalities (including socio-economic) impact statement

23. There are no immediate implications arising from this report.

Health impact statement

24. There are no immediate implications arising from this report.

Climate change implications

25. There are no immediate implications arising from this report.

Resource implications

26. There are no immediate implications arising from this report.

Legal implications

27. There are no immediate implications arising from this report.

Financial implications

28. There are no immediate implications arising from this report.

Consultation

29. There are no immediate implications arising from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

30. Not applicable.

Strategic Director of Finance and Governance

31. Not applicable.

Other officers

32. Not applicable.

APPENDICES

No.	Title
Appendix 1	Performance Metrics

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Barry Berkengoff, Pensions Manager, Finance and Governance	
Version	Final	
Dated	22 December 2021	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	No	N/a
Strategic Director of Finance and Governance	No	N/a
Cabinet Member	No	N/a
Date final report sent to Constitutional Team	15 December 2021	