Bath & North East Somerset Council	
MEETING:	**LOCAL PENSION BOARD**
MEETING DATE:	**27 July 2017**
TITLE:	**PENSION FUND ADMINISTRATION – COMPLIANCE REPORT** **(1) SUMMARY PERFORMANCE REPORT TO 30 JUNE 2017** **(2) PERFORMANCE INDICATIORS TO 30 JUNE 2017** **(3) TPR COMPLIANCE**
WARD:	**ALL**
AN OPEN PUBLIC ITEM	

List of attachments to this report:

Appendix 1 – Membership data

Appendix 2 – KPIs and Caseloads

Appendix 3 – Employer Performance

Appendix 4 – TPR Data Improvement Plan

Appendix 5 – Late Payers Schedule to 31st May 2017

Appendix 6 - Retirement customer service questionnaire results

Appendix 7 – Administration Workplan to December 2017

1   THE ISSUE

1.1 The purpose of this report is to inform the Pension Board of performance figures for Fund Administration for the three months to 30 June 2017.

1.2 Further to the introduction of The Pension Regulator (TPR) Code of Practice 14 and The Public Service Pensions (Record Keeping & Miscellaneous Amendments) Regulations 2014, this report includes progress on the TPR Data Improvement Plan and levels of employer compliance.

2   RECOMMENDATION

The Board is asked to note:

2.1 Membership data, Employer Performance and Avon Pension Fund Performance for the 3 months to 30 June 2017

2.2 Progress and reviews of the TPR Data Improvement Plan

3   FINANCIAL IMPLICATIONS

3.1 There are no direct implications related to this report as it is an information report.

4   MEMBERSHIP TRENDS

4.1 Appendix 1 provides a detailed breakdown of employer/member ratio and split between whole time and multiple employment membership as well as a snapshot of individual employer and member make up. The increasing number of new smaller employers to the Fund as part of the fragmentation of the employer base (newly created Academies and Transferee Admitted Bodies) has a direct impact on the administration workload with increased movement between employers, especially within the education sector. Continued development of data reporting going forward will enable further understanding of the demographic nature of employer type and associated member make up as employers continue to evolve.

5   LATE PAYERS

5.1 The Fund is required to monitor the receipt of contributions and report materially significant late payments to the Pensions Regulator.

5.2 The Fund maintains a record of all late payments, showing the days late, the amount of payment and reason for delay and whether the amount is of significance.

5.3 Appendix 5 reports late payers in the period to 31st May 2017. There were a small number of late payments in the reporting period, none of which were of material significance and therefore recorded internally but not reported to TPR. The Fund has taken mitigating action in each case to ensure employers are aware of their responsibilities going forward.

6   EMPLOYER PERFORMANCE

6.1 The leaver form checking process continues, immediately flagging employer data submission errors and omissions. It also addresses any issues at point of receipt enabling a prompt communication back with employers where necessary.

6.2 During the period from 1 April to 30 June a total of 1573 leaver forms were received with an average error rate of 27.53%.

6.3 A new simpler leaver form has been introduced from 1 July and it is hoped that better accuracy figures for employers will be reported by the end of the year. A revised training programme for employers will be rolled out shortly. A workshop will take place at each of the planned employer forums including instruction on completing the form and inviting further feedback from employers on training and support requirements.

6.4 Excluding notification of member retirements and death in service; a new process will be followed when leaver forms are received. An acknowledgement letter will be issued to the member confirming entitlement to a benefit. An option form will be issued asking members to confirm if they have re-joined the LGPS with another employer or left completely and want details of their deferred benefits or refund of contributions. The aim is stop duplication of work ie deferring a record and then linking it to a new starter for members who re-join. This process is in response to the movement of employees between employers eg Academies.

6.5 All employers transferring monthly data will only have to supply leaver forms for retirements. Most of the data needed to defer, refund or link is already sent monthly and final pay calculations will be requested via a spreadsheet.

7 AVON PENSION FUND ADMINISTRATION PERFORMANCE

7.1 Key Performance Indicators for the 3 months to 30th June 2017.

7.2 The information provided in this report is based on the Avon Pension Fund's Service Level Agreement which falls in line with the industry standards set out by the LGPC & used in CIPFA benchmarking. All standards fall within the regulatory guidelines set out in The Occupational & Personal Pension Schemes (Disclosure of Information) Regulations 2015 which require provision of information to members.

7.3 Full details of performance against target, in tabular and graph format, are shown in Appendix 2; Annex 1 to 4.

7.4 A new suite of report extracts have been written and introduced to measure SLA standards for processing administration tasks. At the same time new RAG reporting standards have been set, replacing those previously in use which were deemed inconsistent. Whilst the majority of completed tasks remain outside of the SLA a significant improvement has been made towards compliance with cases being completed within 5 days of target. In particular this includes all priority cases.

7.5 Admin Case Workload   Annex 5 & 6

7.6 The level of work outstanding from tasks set up in the 3 month period is reported in Appendix 2 Annex 5 & 6 by showing what percentage of the work is outstanding. As a snapshot, at 30th June 2017 there were 6,583 cases outstanding (a reduction of 1,145 cases from previous report) of which 58.79% represents actual workable cases and 41.21% represents cases that are part complete, pending a third party response. Arrangements have been put in place to target specific work types and the introduction of a daily 'power hour' is also impacting on outstanding case workload.

8 YEAR END / BREACHES

8.1 Year End 2016 / 17

(1) All year end data has been received and loaded, although some queries still remain outstanding with employers. A report is currently being compiled of any employers in breach of the year end requirements and this will be provided at the next meeting as well as details of repeat offenders.

9 CUSTOMER FEEDBACK – RETIREMENT QUESTIONNAIRE

9.1 Appendix 6 highlights the 28 responses to the online survey for retirees. In summary, 68% of respondents indicated that they were very satisfied (57%) or fairly satisfied (17%) with service they received from the Avon Pension Fund.

10 TPR DATA IMPROVEMENT PLAN

10.1 A summary of the Data Improvement Plan as at 30 June 2017 is shown below with a comprehensive breakdown attached in Appendix 4.

Data type	Cases brought forward	New cases	Completed	Outstanding	Completeness as % of membership
Actives	909	477	250	1,136	99.739%
Deferreds	4,680	33	28	4,685	98.874%
Pensioners	79	2	3	78	99.960%
Dependants	29	1	2	28	99.909%
Total	**5,697**	**513**	**283**	**5,927**	**99.62%**

11 EMPLOYER FORUMS

11.1 A series of Employer Forums have been arranged over the rest of the year:

21 July – Unitaries and Admitted Bodies

29 September – Academies

18 October – Town & Parish Councils

15 November – Higher Education (Universities & Colleges)

12 EQUALITIES

12.1   No items in this report give rise to the need to have an equalities impact assessment

13 CONSULTATION

13.1   None appropriate

14 ISSUES TO CONSIDER IN REACHING THE DECISION(S)

14.1   There are no issues to consider not mentioned in this report.

15 ADVICE SOUGHT

15.1   The Council's Monitoring Officer (Divisional Director – Legal & Democratic Services) and Section 151 Officer (Divisional Director - Business Support) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Geoff Cleak, Pensions Manager Tel: 01225 395277
Background papers	Various statistical documents
Please contact the report author if you need to access this report in an alternative format	