

## PENINSULA PENSIONS ADMINISTRATION PERFORMANCE STATISTICS

### Report of the County Treasurer

Please note that the following recommendation is subject to consideration and determination by the Board before taking effect.

**Recommendation: that the Board notes the report and actions being undertaken by officers to ensure compliance and best practice.**

#### 1. Introduction

- 1.1. In February 2014 the shared service began in earnest when staff moved into one main office, using one database with staff learning new skills and many took on new roles.
- 1.2. The LGPS changed on 1 April 2014 and brought with it its own challenges, not helped with the late regulation changes which impacted on the development of the pension database.
- 1.3. Our main service standard is to complete 90% of work within 10 working days once all necessary information has been received. This is monitored every month through our task management system (TMS) which is an in-house performance tool within our pension database.
- 1.4. We also participate in the CIPFA Benchmarking Club which provides a yearly comparison of performance with other LGPS administration services. Approximately 50 LGPS Funds take part each year.

#### 2. Team Performance

- 2.1. 2014/15 the team issued 88% of work within target though backlogs of work in some areas were building up. The performance target for 2015/16 is to improve on last years performance and see a reduction in the backlogs.
- 2.2. Performance to date for 2015/16 is currently 81% of work within target. Some areas of work are ahead of performance targets whilst others remain below. Backlogs in all areas bar Deferred benefits and amalgamation cases have reduced.

#### 3. CIPFA Benchmarking

- 3.1. Data is collected annually in various areas including membership analysis, Employer analysis, quotations and charges, costs and administration performance. This enables informed comparisons to be made of the net cost per member, payroll cost per pensioner, number of members per admin FTE and also highlights differences of approach.
- 3.2. In September we received the draft report for 2014/15 year. This was the first year that we completed the exercise as a shared service. The key performance indicator that we obtain from this report is the cost per member. This year it has come out at a very low £13.40 compared to the average of £18.68. Later CIPFA will issue all the data from all the funds who participate so at that point we can see the results of others and how many funds/administrators achieved the same or lower cost per member result.

3.3. Our Performance results were in some categories, below the benchmarking average this year. Outstanding PB's are also above the average, we had 5.3% at March 2015 compared to the average of 2.1%.

<b>Process</b>	<b>Target</b>	<b>Our achievement</b>	<b>Average</b>
Transfer in	10 days	61.9%	89.5%
Transfer out	10 days	78.2%	87.9%
Letter notifying <b>actual</b> retirement benefits	5 days	91.0%	91.6%
Letter notifying <b>estimated</b> retirement benefits	10 days	87.5%	90%
Letter acknowledging death	5 days	86%	93.8%
Refunds	5 days	91%	92.2%
Letter notifying dependants benefits	5 days	86%	85.8%
Deferred	10 days	69%	74.5%

#### **4. Actions Implemented**

- 4.1. A review was undertaken late Spring/Early Summer to ensure our performance targets were appropriate. Some amendments were made including increasing the target date for deferred benefits to 20 days inline with most other LGPS funds.
- 4.2. Additional team resource was approved earlier in the year and more staff joined the team during the summer. More staff were allocated to working on retirements over the summer months to improve customer service in this area.
- 4.3. We have also recently reviewed and implemented a new way of working for the main benefit teams which we hope will lead to improved outputs going forward.
- 4.4. On 9 October 2015 we were given approval to increase the grade Ds within the team by 4 for a 6 month period. They will work solely on deferred benefits to ensure our backlog disappears.

#### **5. Conclusion**

- 5.1. We are working towards improving our performance this year, keeping a close eye on the changes we have made to ensure a positive long term outcome for the team and stakeholders.

Mary Davis

Electoral Divisions: All  
Local Government Act 1972  
List of Background Papers - Nil  
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