

your
pension
service

LANCASHIRE COUNTY PENSION FUND

6 month Interim Administration
Performance Report
1 April - 30 Sept 2014



1. INTRODUCTION

Purpose

This 6 month interim performance report has been produced as an update following the introduction and implementation of the new LGPS 2014, effective from 1 April 2014.

Annual Plan – 2014/15

● Due
 ● Completed

Event	Responsibility Your Pension Service (YPS)											
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Application of Pension Increases	○	○	○	○	○	○	○	○	○	○	○	○
Issue Annual Benefit Statement to Active Members	○	○	○	○	○	○	○	○	○	○	○	○
Issue Annual Benefit Statement to Def Members	○	○	○	○	○	○	○	○	○	○	○	○
Issue P60s to Pensioners	○	○	○	○	○	○	○	○	○	○	○	○
Issue Newsletter	○	○	○	○	○	○	○	○	○	○	○	○
Complete HMRC Scheme Returns	○	○	○	○	○	○	○	○	○	●	○	○
Provide FRS17 data	○	○	○	○	○	○	○	○	○	○	●	○

2. PERFORMANCE

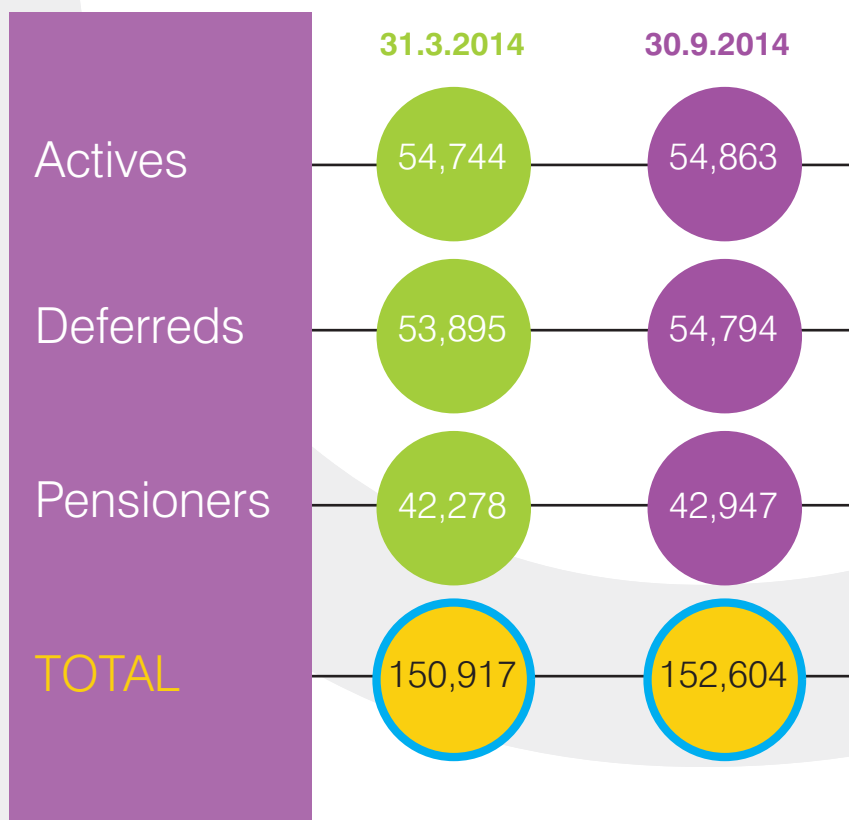
Annual Benefit Statements

Over the period the service produced over 100,000 online benefit statements for active and deferred Scheme members. Annual newsletters were posted online alongside the statements. Email alerts were also sent to Scheme members who had signed up to "My Pension Online" to promote the Pension Surgeries. Over 11,400 active and deferred members have signed up to My Pension online

Membership

As a result of the Probation Transfer, 548 actives and 280 deferred pensioners left in this period. A total of 456 pensioners transferred in early November completing the Probation transfer.

LGPS



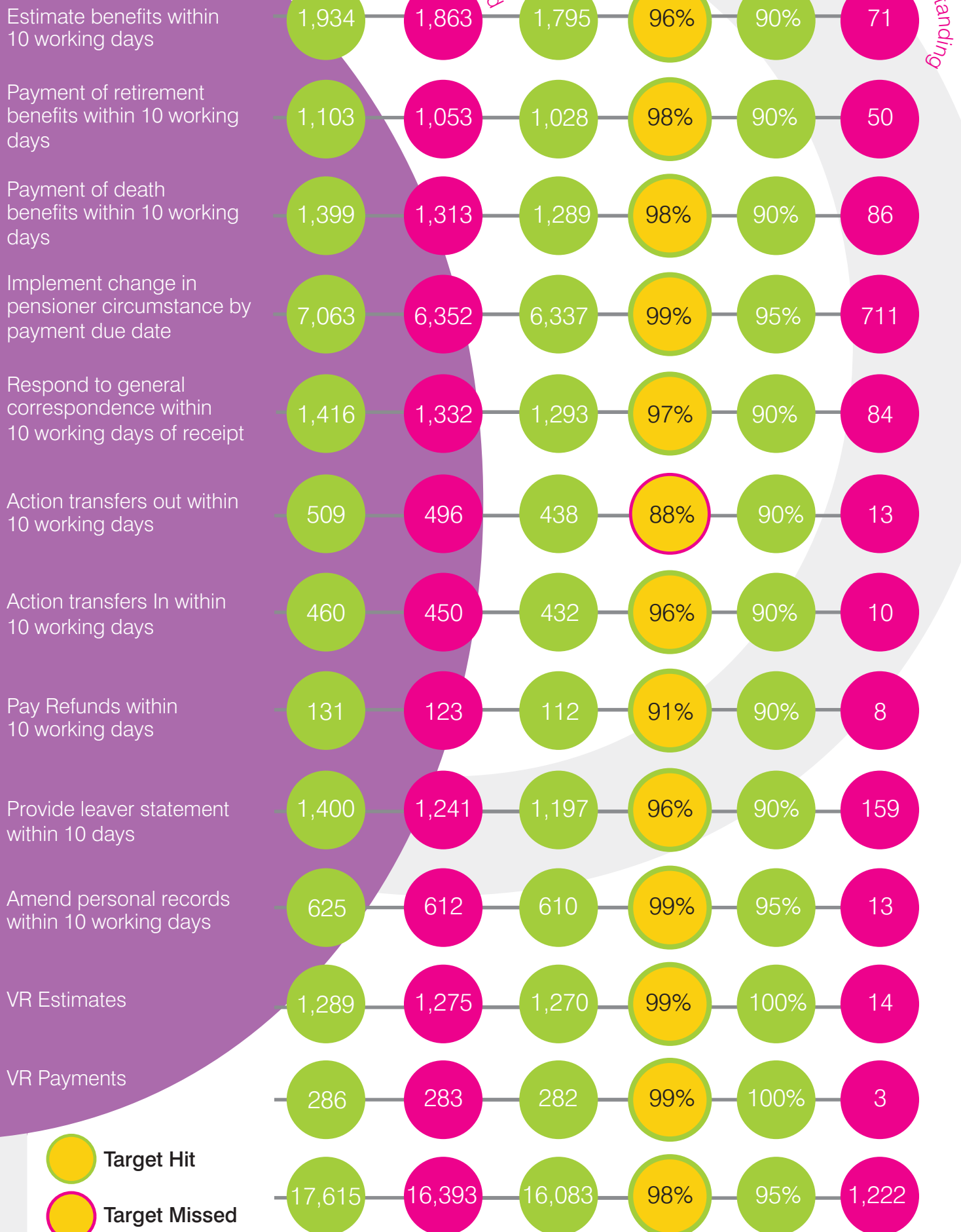
Performance

Performance continues to exceed SLA targets and the Service consistently exceeds its key performance indicator; 'to calculate and pay all retirement benefits within 10 working days'. Overall achievement against SLA targets over the year was 98%. Performance in respect of transfers was adversely affected by the late receipt of revised factors from the Government Actuary's Department (GAD).

During the reporting period, 16,393 individual calculations/enquiries were completed, of which 16,083 met the performance standard; an overall performance of 98% was achieved.

LGPS

Performance Standard



 Target Hit

 Target Missed

3. CUSTOMER SERVICE

Partnership Events

During the Period the Service's dedicated Partnerships Team undertook a variety of events, courses and presentations. In addition the Team visited 25 employers to maintain and improve working relationships and to assist employers with their understanding of the new LGPS 2014 requirements.

AskPensions

A dedicated pension's helpdesk is the first point of contact for both Scheme members and employers. Over the year 97% of calls were successfully answered, exceeding the SLA of 90%.

4. ADMISSIONS

During the 6 month period:

- 16 new admission agreements were approved
- 30 new admissions were awaiting approval

Of the 16 new approved and finalised admissions:

- The largest admission agreement covered 93 staff employed by Burnley Leisure (sponsored by Burnley Borough Council)

- 14 covered catering or cleaning staff in schools and academies
- 1 covered catering staff sponsored by Lancashire fire and Rescue Service

The 30 outstanding admissions are at various stages of the admissions process and the majority relate to schools outsourcing.

5. APPEALS

Members who disagree with decisions taken by their employer or administering authority may appeal using the Internal Dispute Resolution Procedure (IDRP) under the LGPS rules.

The IDRP is a formal appeal procedure which contains two stages. The first stage allows the person to ask the body who originally made the decision to review it, i.e. either the employer or the administering authority. The second stage allows the person, if they are not satisfied with the outcome at the first stage, to ask the

Appeals Office at the administering authority to review the disagreement. The Appeals Officer for Lancashire County Council is the Deputy County Treasurer.

During the Period 9 second stage appeals were received. The Appeals Officer has dismissed 7 and upheld 1 of these appeals with 1 currently ongoing.

The majority of appeals relate to ill health retirement.

6. e-DEVELOPMENT

EPIC Update

Your Pension Service (YPS) introduced a new data collection system in April 2014. This is called the “Employer Pension Information Collection” system (EPIC).

In response to the new LGPS 2014, EPIC collects Career Average Revalued Earnings (CARE) data on a monthly basis in order to ensure that:

- Member data is accurate, consistent and up to date
- Contributions are reconciled on a monthly basis
- Employers have complied with the requirements of the new LGPS 2014
- Members who have registered online can see their CARE pension pot ‘grow’

Employers/payroll providers have been asked to submit a data collection file each pay period, from which CARE pay data and contributions data is uploaded to the pension administration system; Altair. New starter information and amendments are also uploaded from the files submitted. Prior to the introduction of the new LGPS 2014, Your Pension Service provided significant support and training to assist employers in meeting their new responsibilities.

As of the end of October 2014, files have been successfully submitted covering 94% of the Fund’s active membership.

Unfortunately some employers/payroll providers have not submitted any files since April 2014. These non-submissions cover approximately 6% of the Fund’s active membership. (This involves 53 employers, 31 of which employ less than 10 scheme members).

For employers who have not submitted any files, this means that new starters and amendments from 1 April 2014 have not been identified, and new Scheme CARE pay data and contributions data has not been uploaded to member records on Altair.

A significant amount of resource has been dedicated to contacting, chasing and offering support to the employers/payroll providers who have not submitted files. The YPS Data Management Team and Partnerships Team have worked together to provide support in order to encourage and assist employers in the implementation of our new data collection requirements.

However, in the continued absence of data files, the County Treasurer has now written formally to employers concerned to inform them that their payroll providers have not submitted the information required by the Fund. Employers have been given a deadline of 31 January 2015 to comply with the Fund’s requirements which are set out in the Pensions Administration Strategy Statement (PASS). All employers are asked to sign up to the PASS. Further support has been offered, particularly for smaller employers where it is recognised that new system requirements may be problematic.

From 1 April 2015, the Pensions Regulator will assume new powers in respect of public sector schemes. Guidance received to date suggests that more robust data quality reporting requirements will be required from public sector pension schemes, and their employing organisations, going forward. Therefore, from 1 April 2015 Your Pension Service will monitor monthly data collection and will introduce performance targets for employers. Employers have been informed

that they should submit data collection files by 6th of the month following the payroll period end date. YPS will monitor receipt of employer files and report employers that fail to meet the deadline. Files submitted by 6th of the month will be reconciled against contributions paid by 19th of the month following payroll period

end and these data submissions will be fully uploaded to Altair by the last working day of the month following payroll period end.

Performance against these targets will be reported to the Pension Fund Committee.

7. CHARGES

Your Pension Service makes a charge to the Pension Fund on a per member basis which is restricted to the lower quartile as reported in national benchmarking returns. This charge is currently set at £21.50 per member as against a benchmark of £23.00. The ongoing level of charge to the Fund will be kept under review.

Despite the increased workload due to the implementation of the new LGPS, this unit cost is not expected to rise. This is due to a continued focus on efficiency, in particular the use of online services.

