

Pension Fund Committee

Meeting to be held on Friday, 21 June 2019

Electoral Division affected: None

Annual Administration Report 2018/19

(Appendix 'A' refers)

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Executive Summary

The annual report set out at Appendix 'A' has been produced in accordance with the arrangements for the provision of pension administration services to the Lancashire County Pension Fund and describes performance against standards and targets during 2018/19.

Recommendation

The Committee is asked to note the contents of the annual report as presented at Appendix 'A'.

Background and Advice

The Pension Fund Committee is required to receive regular reports from the Head of Fund on the administration of the Fund, to ensure that best practice standards are satisfied and met, and to satisfy itself and justify to all stakeholders, including Fund employers that the Fund is being run on an efficient and effective basis.

The report attached at Appendix 'A' has been produced to inform the Committee of performance against standards and targets set over the year to 31 March 2019.

Over the year, an overall performance of 87% has been achieved and all statutory requirements, including the production of annual benefits statements and annual allowance calculations, have been met. This represents a fall when compared to the overall performance of 96% figure for the previous year of 2017/18. The Local Pensions Partnership's new administration structure and case management system went live on 1 April 2018 and, as has been previously reported to the Committee, there were issues in the implementation of the new systems and processes that impacted on the level of service provided. Whilst performance since April has been below the required service level agreement, improvements have been apparent as the months have progressed.

The overall percentage of cases meeting the service level agreement in April and May 2018 were recorded as 66% and 73% respectively. Those figures have

improved throughout the year and had risen to 93% in February 2019 and 94% in March 2019

During the 2018/19 period 7 out of the 10 areas of performance standard that are regularly reported to the Fund fell below the service level agreement.

Overall activity remains broadly the same as that reported in the previous year, with one notable difference in the measure of the calculation of retirement benefits which has increased to 5,434 a significant increase in the figure of 2797 quoted in the previous year. The increase is a result of a change in methodology on the measure of the calculation of retirement benefits within 10 working days.

The report states that during the reporting period 32,637 individual calculations and enquiries were dealt with in relation to the reported performance standard, an increase of just over 5,000 from the previous year. There is also an increase of the overall membership of the Lancashire Fund of just under 4,500 members.

The elapsed time from the notification of a retirement to the date a retirement is processed has increased from 42 days reported for 2017/18 to 53 days in the current report.

Compliments received for the service are broadly in line with the number received in 2017/18 however the number of complaints has risen from 49 in 2017/18 to 208 in the current report.

The online service for members continues to be actively promoted and the figure of 58,802 members who have signed up by the end of March 2019 is an increase of nearly 6,000 from the figure reported last year.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risks have been identified.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
N/A		

Reason for inclusion in Part II, if appropriate

N/A