

**Report for:**  
**ACTION/INFORMATION**

**Item Number:**

<b>Contains Confidential or Exempt Information</b>	No
<b>Title</b>	Pensions Administration – (1) Monitoring and Contract Arrangements Update
<b>Responsible Officer(s)</b>	Mark Nelson MNelson@ealing.gov.uk
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<b>Portfolio(s)</b>	Clr Johnson – Chair of the Pension Fund Panel and Deputy Leader of the Council
<b>For Consideration, By</b>	Pensions Fund Panel
<b>Date to be considered</b>	2 <sup>nd</sup> July 2020
<b>Implementation Date if Not Called In</b>	None
<b>Affected Wards</b>	None
<b>Keywords/Index</b>	Pension administration, Monitoring, LPP

**Purpose of Report:**

This report:

- (1) updates the panel on the performance of the external contractor, Local Pensions Partnership (LPP), who are responsible for the pension administration contract. Payment cases completed by the LPP are checked by Ealing staff to ensure that all payments being made are correct and that all documentation is correctly stored on the Pensions system.

**1. Recommendations**

- The Panel is recommended to note the performance of the LPP since the last meeting.
- The panel is recommended to note that SLM Dormers Wells became an Admitted Body in the fund from 1/11/2018 (only three staff are in this admitted body). These staff were previously employed by Greenwich Leisure, a current admitted body in the fund.
- The panel is recommended to note that Greener Ealing Ltd will become a Designated Body in the fund from 5/7/2020. There are potentially 32 staff tupeing over who have a protected right to be in the LGPS. As Greener Ealing are wholly owned by Ealing Council, the admission falls under Part 2 of Schedule 2 of the LGPS Regulations. Unlike admission bodies, Designating Bodies are not subject to entering an admission agreement with the administering authority when they join the Fund.

## **2. Summary of Current Position**

- The pension administration internal audit report has now been finalised and will hopefully be going to the audit committee in July 2020. (the May audit committee was cancelled).
- The pensions administration external audit is currently in progress.
- The 2019 / 2020 end of year data has been uploaded onto the pensions administration system. We are currently resolving the queries. Everything is on track for the annual benefit statements to be available by 31/08/2020.

### 3. Performance Figures (based on information received from LPP)

	<b>Number of Cases Completed</b>	<b>% Completed on Time</b>	<b>Number of Cases Completed Early</b>	<b>Cases Outstanding</b>
<b>May 2019</b>	394	100	171	989
<b>June 2019</b>	374	99.47	69	837
<b>July 2019</b>	503	99.80	381	1133
<b>August 2019</b>	520	100	420	1092
<b>September 2019</b>	493	100	155	1087
<b>October 2019</b>	537	99.81	68	1023
<b>November 2019</b>	423	99.76	194	1047
<b>December 2019</b>	404	99.5	247	997
<b>January 2020</b>	656	100	292	1060
<b>February 2020</b>	476	99.79	475	1116
<b>March 2020</b>	681	100	409	1021
<b>April 2020</b>	432	100	389	965

The number of outstanding cases is to be expected and should not be a cause for concern. Ealing Councils total scheme membership is in excess of twenty-four thousand members. With a constant turnover of, staff joining and leaving, changing positions, transferring in and out benefits, retiring and bringing previous deferred benefits into payment, a high number of ongoing cases is to be expected.

The majority of the on-hold cases fall into the following five main categories.

251 - cases relating to transfers in and out of the scheme, (currently on hold)

100 - outstanding death cases, mainly waiting for communications from the next of kin

79 - refund cases, these have increased due to the vesting period moving to 2 years

99 - deferred benefits due to be calculated

141 - deferred benefits in the process of being paid. High due to a change to the regulations, allowing people to claim reduced benefits from age 55.

#### 4. Monitoring Performance (based on monitoring by Ealing Council staff)

	Number of cases checked	Accuracy %	Timeliness %	Documentation %	System Updated %
May 2019	147	100	100	100	100
June 2019	114	100	99.12	100	100
July 2019	135	98.52	99.26	100	100
August 2019	124	99.19	100	98.4	99.19
September 2019	112	98.21	98.21	100	99.10
October 2019	142	98.59	100	99.3	100
November 2019	128	98.4	100	99.17	98.4
December 2019	104	98.08	100	99.04	99.04
January 2020	131	100	100	100	100
February 2020	138	98.55	99.28	99.28	100
March 2020	169	97.63	100	100	99.41
April 2020	134	100	100	99.25	100

The pensions monitoring team check all payment cases, to ensure that the correct benefits are being paid.

#### ATMOS (Address Tracing Mortality Screening) – statistics chart

	Number of reported deaths that had not already been notified to the LPP / Ealing
June 2019	4
July 2019	4
August 2019	3
September 2019	0
October 2019	0
November 2019	2
December 2019	0
January 2020	2
February 2020	0
March 2020	5
April 2020	3
May 2020	2

A total of 25 death cases have been identified by ATMOS in the last twelve months. These numbers have reduced, as more notifications are being received from Tell Us Once.

## **5. Outstanding Issues**

- a) GMP Reconciliation Project – we are currently in the final stages of this project. HMRC have recently changed their position on the payment of outstanding CEP's. Last year we paid the total amount due in accordance with the invoice issued by HMRC. The LPP have now submitted a claim for a refund on behalf of Ealing Council for cases that we believe are not due to be paid by Ealing Council. We are currently awaiting a response from HMRC.

## **6. Financial**

The cost of the contract is fully met from the Pension Fund revenue budget.

## **7. Legal**

None

## **8. Value for Money**

None

## **9. Staffing / Workforce and Accommodation Implications**

Monitoring performance by the LPP and managing the contract, is dealt with through 4 FTE Ealing employees, who make up the Pensions Monitoring Team. This team also deals with the administration of the Teacher's Pension Scheme.

## **10. Property and Assets**

None

## **11. Any Other Implications**

None

## **12. Consultation**

None

## **13. Timetable for Implementation**