

Report for: Pensions Committee and Board – 30 January 2024

Item number: 8

Title: Pensions Administration Update

Report authorised by: Josephine Lyseight, Assistant Director of Finance (Deputy Section 151 Officer)

Lead Officers: Tim Mpofo, Head of Pensions & Treasury
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This report provides the Pensions Committee and Board (PCB) with the following updates regarding Pension Fund's administration activities:
- a. Pension Fund membership update
 - b. Online Member Self Service portal update
 - c. Update on McCloud project
 - d. Update on Service Level Agreement (SLA) statistics
 - e. Update on staffing and recruitment

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is recommended to note this report and the information provided regarding the Pension Fund's administration activities for the quarter ending 31 December 2023.

4. Reason for Decision

- 4.1. Not applicable.

5. Other options considered

- 5.1. Not applicable.

6. Background information

Membership Update

- 6.1. Employees working for an employer that participates in the Local Government Pension Scheme (LGPS) are eligible for membership in the scheme. Membership in the LGPS is voluntary, and members are free to choose whether to continue participating in the scheme or to make personal arrangements outside of it.
- 6.2. The table below provides a breakdown of Haringey Pension Fund’s (the Fund) membership on 31 December 2023.

Member status	31 Mar 23	30 Jun 23	30 Sep 23	31 Dec 23
Active members	6,350	6,244	6,188	6,223
Pensioner members	8,633	8,684	8,742	8,860
Deferred members	11,194	11,157	11,306	11,137
Total scheme members	26,177	26,085	26,236	26,220

Online Member Self Service Portal Update

- 6.3. The Haringey Member Self Service (MSS) portal is a website where members can register an account to view/edit their personal information as well as run their own retirement estimates.
- 6.4. The table below provides a breakdown of the number of active members registered for the the Fund’s MSS as at 31 December 2023.

Member Self Service	31 Mar 23	30 Jun 23	30 Sep 23	31 Dec 23
Total active scheme members	6,350	6,244	6,188	6,223
Total active member registrations on MSS	1,057	1,087	1,232	1,311
Proportion of registered active members	16.65%	17.4%	19.91%	21.06%

- 6.5. The table below provides a breakdown of the number of members who have accessed the MSS portal over the past 7 days, 30 days, 2 months, and 3 months periods. This table is provided for information purposes only. The frequency at which members access the MSS depends on individual circumstances. Individuals will have different reasons for needing access to their pension information.

Period last accessed	No. of Members*
Last 7 days	43
Last 30 days	134
Last 2 months	244
Last 3 months	362

* The above figures are shown on a cumulative basis

Update on McCloud Remedy Implementation Project



- 6.6. The PCB has previously received advice regarding the outcome of the McCloud case, an age discrimination court case involving the transitional protection arrangements introduced as part of the 2014 LGPS reforms.
- 6.7. On November 15th, the Local Government Association (LGA) released their first instalment of the McCloud technical guide which explains how the underpin protection may be applied in the LGPS after the legislative changes made by the Government following the outcome of the McCloud legal case.
- 6.8. The Pensions Team are currently working through the guidance to understand any impacts on the Fund’s ongoing McCloud Implementation Project. Any findings of material significance will be communicated to the PCB.
- 6.9. Officers continue to engage with Heywood, the Fund’s administration software provider, to assess the initial data in the test environment. The outcome of this exercise has resulted in several data validation queries which are currently being reviewed by the team.
- 6.10. It is anticipated that the implementation of the proposed remedial regulations will be both complex and time consuming. Additional specialist resources are likely to be required to undertake this work.
- 6.11. Officers will continue to keep the PCB informed of the developments related to the McCloud remedial activities and update on any additional resource requirements when identified.

Update on Service Level Agreement (SLA) statistics

- 6.12. The Fund’s Service Level Agreement (SLA) sets out the agreed timeframes in which the pensions administration team aims to process the various case work related to the administration of the pension scheme. This includes activities related to processing member retirement benefits and transfers in and out of Haringey LGPS.
- 6.13. The agreed turnaround time varies depending on the type of case and these targets can be found in the Fund’s Administration Strategy document.
- 6.14. The table on the following page shows the current target SLA days to complete. Currently, these targets are not aligned with the CIPFA Benchmarking process. However, the team has commenced a thorough review of all the SLA targets with the intention of aligning them with the CIPFA Benchmarking process.
- 6.15. This will improve the existing monitoring process of these targets by Senior Fund Officers at an operational level and allow for strategic level comparisons with other LGPS schemes.
- 6.16. The table below includes the current SLA statistics for the period ending 31 December 2023.

Process	Cases completed	SLA Days to complete	% Completed within SLA
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Deaths notifying amount of dependents benefits	144	10	93%
Estimates	151	15	88%
Retirement quote	364	15	87%
Retirement Actual	261	10	89%
Deferment of records	368	30	84%
Refund quote	192	30	79%
Refund actual	43	10	91%
Transfer in Quote	127	20	64%
Transfer in Actual	102	20	53%
Transfer Out Quote	187	20	82%
Transfer Out Actual	149	20	47%
Divorce Quote	4	30	75%
Actual payment of retirement LS	284	10	87%
Amend address/bank details	135	10	91%

Update on Staffing and Recruitment

- 6.17. The pensions administration team structure has been amended to include two new posts for local pensions apprentices. A training plan for the apprentices has been agreed which includes a mixture of on-the-job and off-the-job training to support their development.
- 6.18. The recruitment of apprentices is aimed at providing resilience within the team and supporting effective succession planning.

7. Contribution to Strategic Outcomes

7.1. Not applicable

8. Carbon and Climate Change

8.1. Not applicable

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

9.1. Not applicable.

Head of Legal and Governance [Patrick Uzice, Principal Lawyer]

9.2. The Head of Legal and Governance (Monitoring Officer) has been consulted on the content of this report. Members should note that the regulations relating to the “McCloud remedy” in respect of the LGPS are now in place and came into force on 1 October 2023 and is known as the Local Government Pension Scheme (Amendment) (No.3) Regulations 2023/972 and will have retrospective effect.

Equalities

9.3. The Local Government Pension Scheme is a defined benefit open scheme enabling all employees of the Council to participate. The report's content has no direct impact on equality issues.

10. Use of Appendices

10.1. None

11. Local Government (Access to Information) Act 1985

11.1. Not applicable.