



## Local Pension Board

### 4 September 2019

<b>Title</b>	<b>Performance Report</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – Capita Performance Report for the period ending July 2019 Appendix B – Risk Register
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### Summary

This paper provides the Local Pension Board with the pensions administration performance report for the period June to July 2019.

### Officers Recommendations

The Local Pension Board are asked to note the current performance levels, plans for improvement and the plans for further development of monthly performance reporting.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 The efficient delivery of benefits is reliant upon effective administrative procedures being in place. It is important that this information is reviewed by the Board.
- 1.2 The report in Appendix A provides an overview of performance of the operational pensions administration service delivered by Capita.
- 1.3 The content of the performance report continues to be enhanced to provide a better understanding of performance in key areas, such as backlog reduction and contribution collection and monitoring. The report will in the future also encompass a comprehensive risk register (the current risk register is attached at Appendix B), which is currently under development in conjunction with Capita.
- 1.4 The report shows a deteriorating situation over recent months with regard to both SLA attainment and an increasing backlog, largely attributable to resources focussing on data cleanse work ahead of the submission of data to the scheme actuary. As noted above, a backlog reduction plan is now in place, with additional resources being brought in to assist the team.
- 1.5 On a more positive note, the finance operations at Darlington are improving, particularly with regard to responding internal audit recommendations on contributions monitoring.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Not applicable in the context of this report.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not applicable in the context of this report.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Not applicable in the context of this report.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 The Local Pension Board supports the delivery of the Council's strategic objectives and priorities as expressed through the Corporate Plan, by assisting in maintaining the integrity of the pension Fund by monitoring the administration and compliance of the Fund.

## **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 Not applicable in the context of this report.

## **5.3 Social Value**

5.3.1 Not applicable in the context of this report.

## **5.4 Legal and Constitutional References**

5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is the London Borough of Barnet. The Local Government (Amendment) (Governance) Pension Scheme Regulations 2015 inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

## **5.5 Risk Management**

5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund.

## **5.6 Equalities and Diversity**

5.6.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public-sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

## **5.7 Corporate Parenting**

5.7.1 Not applicable in the context of this report.

## **5.8 Consultation and Engagement**

5.8.1 Where relevant, consultation and engagement is discussed in the paper.

## **5.9 Insight**

5.9.1 Not applicable in the context of this report.

## **6. BACKGROUND PAPERS**

6.1 None