



## Local Pension Board 10 February 2020

<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 December 2019 Appendix B – Weekly Backlog Report – 20/01/2020 Appendix C – Non Workable Action Plan
<b>Officer Contact Details</b>	Mark Fox, Pensions Manager – 0208 359 3341
<b>Summary</b>	
This paper provides the Local Pension Board with the pensions administration performance report for December 2019.	

### Officers Recommendations

The Local Pension Board are asked to note the current performance levels, plans for reducing non actionable caseload backlogs 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 at Appendix A provides an overview of performance of the operational pensions administration service delivered by Capita.
- 1.3 Work is continuing, in conjunction with Capita, to develop a comprehensive risk register. This will be included in the Performance Report at the April 2020 Board meeting.
- 1.4 Capita also provide weekly reports on the reduction of the actionable caseload backlog. The latest report as at 20 January 2020 is attached at Appendix B.
- 1.5 The December report shows an improvement in SLA attainment compared to the previous report (from 82% up to 90%). Although this improvement is encouraging, it still falls below pensions industry acceptable levels, which is 95% or above. The main factor still affecting the level of performance continues to be attributable to resources, both planned and unplanned absence.
- 1.6 Case types that Capita should aim to prioritise and improve their performance on are Leavers (64%), Retirements (82%) and Bereavements (83%). Fortnightly telephone calls with Capita will continue to impress on them the importance of improvement on these three case types.
- 1.7 On a positive note, the number of errors and complaints have both reduced since the September report.
- 1.8 A process has been agreed with Capita to improve the process for chasing employers for outstanding monthly contributions, which will include the possibility of issuing fines and reporting to the Pensions Regulator. A process has also been agreed for the recovery of both strain invoices and overpayments made, with the aim of reducing the numbers detailed in the December report.
- 1.9 The actionable backlog reduction has now been completed.
- 1.10 Capita have also now produced a plan to clear the 1685 non-actionable cases (as at 16 October) by the end of January 2020. A copy of the plan is at Appendix C.

## **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, marriage and civil partnership.

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