

## North Yorkshire County Council

### Pension Fund Committee

9 September 2022

### Administration Report

### Report of the Treasurer

#### 1. Purpose of the Report

- 1.1. To provide Members with information relating to the administration of the Fund in the quarter and to provide an update on key issues and initiatives which impact the administration team.

#### 2. Admission Agreements & New Academies

- 2.1. The latest position relating to admission agreements and academy conversions is shown in **Appendix 1**.

#### 3. Administration

##### 3.1. Membership Statistics

Membership Category	At 31/03/2022	+/- Change (%)	At 30/06/2022
Active	32,155	-4.92%	30,572
Deferred	38,672	+1.5%	39,244
Pensioner (incl spouse & dependant members)	27,206	+1.77%	27,687
<b>Total</b>	<b>98,033</b>		<b>97,503</b>

##### 3.2. Throughput Statistics

- Period from 1 April 2022 to 30 June 2022

Case type	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	2	29	21	10
Transfer Out quotes	11	114	64	61
Employer estimates	4	38	38	4
Employee estimates	13	96	90	19
Retirement quotes	53	385	407	31
Preserved benefits	74	368	300	142
Death in payment or in service	127	311	343	95
Refunds	47	387	390	44
Actual retirement procedure	834	641	827	648
Interfund transfers	285	359	444	200
Aggregate member records	178	737	715	200
Process GMP	0	0	0	0
Others	212	169	182	199
<b>Total Cases</b>	<b>1,840</b>	<b>3,634</b>	<b>3,821</b>	<b>1,653</b>

- Alongside the above cases, the Pensions team also handled 2,959 phone calls (average 63 per working day) and 6,526 emails received via the Pensions Inbox (average 108 per working day) in the quarter to 30 June 2022.

## Performance Statistics

- The performance figures for the period 1 April 2022 to 30 June 2022 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	92%
Customers surveyed ranking service good or excellent	94%	97%
Increase numbers of registered self-service users by 700 per quarter (total registered users 37,318)	700	999

- Our Measured work completed within target rating continues to be impacted by the high demand into the team. It is anticipated that recent team changes and staff recruitment will start to have a positive impact on this in the near future.
- Our priority continues to be to pay member benefits as promptly as we can. When demand is high on the retirements team staff from other teams are drafted in to assist and this then has an impact on the delivery against their targets. As we are able to increase the knowledge and experience of the new staff, numbers can be increased across all teams, reducing the impact of busy periods.

### 3.3. Commendations and Complaints

- This quarter the following commendations and complaints were received:

#### Commendations

Date	Number	Summary
Apr	2	Fantastic help
May	3	All very helpful, knowledgeable and patient
Jun	0	

#### Complaints

Date	Number	Summary
Apr	0	
May	3	Admin – explanation of previous error not clear and late interest not paid IHER – level of IHER awarded Regs – complaint about reductions being applied to benefits
Jun	1	Admin – delays in processing benefits

- The complaint categories are:
  - Admin - these can relate to errors in calculations, delays in processing and making payment of benefits.
  - Regs - these relate to a complaint where regulations prevent the member being able to do what they want to.
  - IHER - these are where members have been declined for early retirement on the grounds of ill health and are appealing the decision through the Internal Disputes Resolution Procedure.

#### Lessons Learned

Having reviewed the complaints received in the period there were no patterns identified requiring further attention.

### 3.4. Annual Benefit Statements 2022

Annual benefit statements have now been produced.

Deferred members: 100% of membership – 38,823 statements produced on 25 July 2022 and published online on 5 August 2022.

Active members as at 12 August 2022:

97.73% of membership – 28,873/29,545 statements produced on 9 August 2022 and are due to be published online once checking has been finalised (ahead of 31 August 2022 statutory deadline).

Of the remaining 672 members:

120 – have outstanding year end tasks

201 – have “other” outstanding administration tasks on record

56 – are x'd out, no outstanding task, prohibits statement creation due to error on record

295 – pending further investigations as to why statement not produced

All statements are published online with 1,578 paper copies issued to those members who have opted to receive one. Members are notified of statements being available by email and via their employers.

### 3.5. Breaches Policy & Log

The North Yorkshire Pension Fund's Breaches Log is included at **Appendix 2** for review. There is one new entry this time relating to the late provision of the 2021 Pension Savings Statements to five recipients.

We have submitted a report to HMRC advising of the late issuing of the statements and await a response from them. Previous reporting has resulted in no response at all so we don't expect anything in this case either.

To prevent this issue recurring we have undertaken a review of the annual process and made amendments so similar cases can be identified early.

## 4. Issues and Initiatives

### 4.1. Administration System Project

The delivery stage of this project and its various work streams is progressing well.

- Both NYCC & CYC have uploaded their month 12, year end, files via i-Connect and we are now working on catching up with monthly files for both employers from April onwards.
- On-boarding of employers to our online portal i-Connect has been temporarily paused due to the team focussing on year end processing, Valuation data processing and annual benefit statement production. This will resume as soon as possible and our aim is still to have all employers on-boarded by 31 March 2023.
- Website development continues.

### 4.2. McCloud

We continue to collect and collate data from employers. The third party supplier is still collating, formatting and validating the data before moving onto the next stage of data load.

We have undertaken a large amount of manual work on both the NYCC & CYC data files and whilst we have managed to get part of the data to the third party for loading the remaining data will need to be loaded by the pension team in house. This will be approximately 50% of the data for each employer and is a significant piece of work.

When the data has been loaded, the errors will need to be reviewed and corrections made before the live data load can happen. Again, this will be a significant piece of work and will be resourced by a small project team taken from within the administration function.

## 5 Broadacres

Progress continues with the request from Broadacres Housing Association (BHA) to transfer their pension assets and liabilities from the London Pension Fund Authority to the North Yorkshire Pension Fund. The final versions of the draft legal documents are being agreed and, subject to agreement, a transfer date will be then be agreed.

## 6 Governance Documents

The Funding Strategy Statement has been amended. The changes that have been made to the previously approved version can be seen in tracked changes.

The Funding Strategy Statement, attached as **Appendix 3** describes how employers' pension liabilities are to be met going forward, how employer contributions will be kept as stable as possible, and a prudent long-term view of those liabilities. The policy has been reviewed and updated by the Fund's actuary ahead of the 31 March 2022 triennial valuation of the Fund and information regarding pre-payment of employer contributions has been added. The FSS will be subject to further explanation as part and parcel of the Actuary presentation to PFC elsewhere on the agenda. **Members are asked to approve this document** and, following consultation with employers, delegate authority to the Treasurer of the Fund to respond to any comments and feedback from employers.

## 7 Member Training

The Member Training Record showing the training undertaken to March 2022 is attached as **Appendix 4**. Please contact Stephen Loach (01609 532216 or email [stephen.loach@northyorks.gov.uk](mailto:stephen.loach@northyorks.gov.uk)) with any details of training undertaken or conferences attended and these will be added to the training record. Consideration has been given to undertaking the Hymans Knowledge Assessment, however, it was determined that it feels too early, at this stage, for this. Members are encouraged to complete the Hymans online modules on offer and then an assessment will be undertaken as to whether there are knowledge gaps to fill.

Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 5**. Please contact Kirsty Howes (01609 533298) or email [kirsty.howes@northyorks.gov.uk](mailto:kirsty.howes@northyorks.gov.uk) for further information or to reserve a place on an event. Events are currently limited due to the pandemic.

Given the start of a new Committee, further training has been devised to help with the induction of new Members and the creation of a new team. The views of Members will be sought as we progress through this approach but, given the technical nature of some of the areas of responsibility, there will be a significant number of training events and it will be suggested that on-line training is made mandatory for all Members. It is recognised however that this will need to be done proportionately and over a period of time.

## 8 Meeting Timetable

The latest timetable for forthcoming meetings of the Committee and Investment Manager meetings is attached as **Appendix 6**.

## 9 Recommendations

- 9.1 Members to note the contents of the report.
- 9.2 Members to determine whether a report should be made to the Pensions Regulator regarding the data breach reported.
- 9.3 Members to approve the updated Funding Strategy Statement and delegate authority to the Treasurer of the Fund to respond to any comments and feedback from employers

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27 September 2022