

North Yorkshire County Council

Pension Fund Committee

5 March 2021

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 30/09/2020	+/- Change (%)	At 31/12/2020
Active	32,681	+4.16%	34,041
Deferred	38,956	-0.2%	38,880
Pensioner (incl spouse & dependant members)	24,860	+1.07%	25,127
Total	96,497		98,048

3.2. Throughput Statistics

- Period from 1 October 2020 to 31 December 2020

Casetype	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	9	35	39	5
Transfer Out quotes	9	113	115	7
Employer estimates	7	63	57	13
Employee estimates	10	161	144	27
Retirement quotes	52	569	580	41
Preserved benefits	126	377	401	102
Death in payment or in service	28	58	56	30
Refunds	53	391	409	35
Actual retirement procedure	477	1,067	1,042	502
Interfund transfers	27	199	129	97
Aggregate member records	152	757	660	249
Process GMP	1	0	0	1
Others	258	317	331	244
Total Cases	1,209	4,107	3,963	1,353

- Alongside the above cases, the Pensions team also handled 2,921 phone calls (average 60 per day) and 5,170 emails received via the Pensions Inbox (average 85 per day) in the quarter to 31 December 2020.

3.3. Performance Statistics

- The performance figures for the period 1 October 2020 to 31 December 2020 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	91%
Customers surveyed ranking service good or excellent	94%	92%
Increase numbers of registered self-service users by 700 per quarter (total registered users 30,642)	700	772

- As expected both our output and work completed within target have been impacted by the requirement for resource to be focussed on our major projects running through to June 2021. This was due to the demands of the various major projects we are currently progressing.
- We continue to prioritise the payment of member benefits.

3.4. Commendations and Complaints

- This quarter the following commendations and complaints were received:

Commendations

Date	Number	Summary
Oct	5	Everyone was polite and professional, a great service well run by people who care
Nov	3	I wish other providers could follow your example. Well done North Yorkshire.
Dec	4	Prompt responses and relevant information.

Complaints

Date	Number	Summary
Oct	1	Complaint from IFA about time taken to respond to transfer request
Nov	0	
Dec	0	

- 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.

3.5. Annual Benefit Statements 2020

The position for the remaining active 2020 annual benefit statements as at 31 December 2020 was:

- 142 - have outstanding year end queries, these will continue to be progressed
- 107 - have outstanding administration tasks so no statement is due
- 171 - are not actually eligible for a 2020 statement for various reasons.

Final number of active statements issued: 30,417

This equates to 99.19% of active benefit statements issued by 31 December 2020.

We have now closed down our processing of the 2020 statements as we move into preparations for the production of the 2021 ones.

4. Issues and Initiatives

4.1. GMP and Pensioner Data Reconciliation

All data files were received from ITM on 30 November however, we were unable to correct the existing data by 21 December which was the day the pensioner data cut was taken for the payroll project. This has meant a rethink of our approach to data correction and we now have a new plan which means all pensions in payment requiring correction will be amended for the April 2021 payment.

We are currently working through the list of corrections and are focussing initially on those pensioners who have been overpaid historically and whose pensions will now be reduced to the correct amount. These have been worked through and we have identified 519 pensioners in this category whose pensions will be changing by more than £5 per annum.

We are currently working through those pensioners who may have been underpaid. These pensioners may receive an uplift in their pensions with arrears and interest.

Final figures will be brought to the next meeting once all the checking has been completed and a final position is known.

4.2. Breaches Policy & Log

The North Yorkshire Pension Fund's Breaches Log is included at **Appendix 2** for review. There are two new entries relating to the late provision of pension saving statements and the starter information provided by an employer.

4.3. Administration System Project

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

- 16 employers have been on-boarded in the quarter starting with smaller online returns to ensure our process was robust.
- We continue to have discussions with a number of our bigger employers assisting them in preparing for the required file upload.
- Data cut taken for payroll project on 21 December. Stand-alone database due to be delivered 14 January ready for parallel payroll processing to commence.
- The data reconciliation work continues with overpaid pensioners identified as a priority.
- Underpaid pensioners to be worked through as next tranche.
- Website requirements discussion with NYCC Schools ICT was held and a way forward was agreed.
- It is anticipated the website development will now start to gather momentum.

4.4. Other Key Projects

4.4.1 McCloud

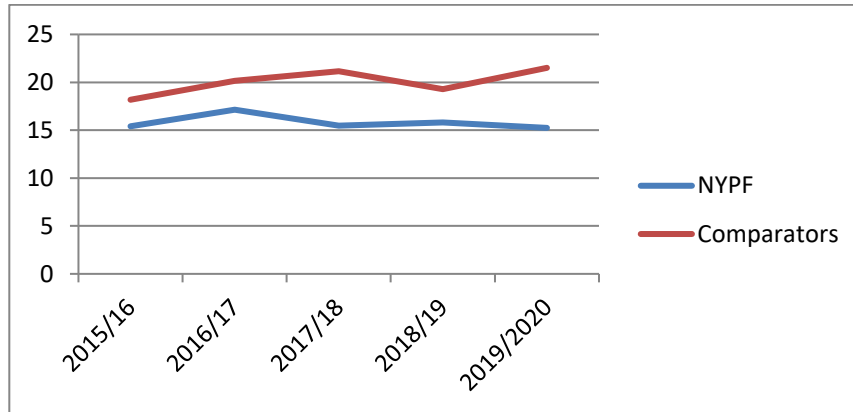
This project has been stalled due to other higher priority activities currently underway. We have included an allowance in the 2021/2022 budget to cover the appointment of a 3rd party to undertake the data gathering element of this for us.

As previously advised we anticipate the drain on resource will be significant (we believe we have approximately 20,000 members affected and CIPFA have estimated it could take an average of 30 minutes per case to process). Due to other demands within the team we are unable to automate the gathering, auditing and verification of the vast amount of data that is required.

5. CIPFA Benchmarking Return 2019/2020

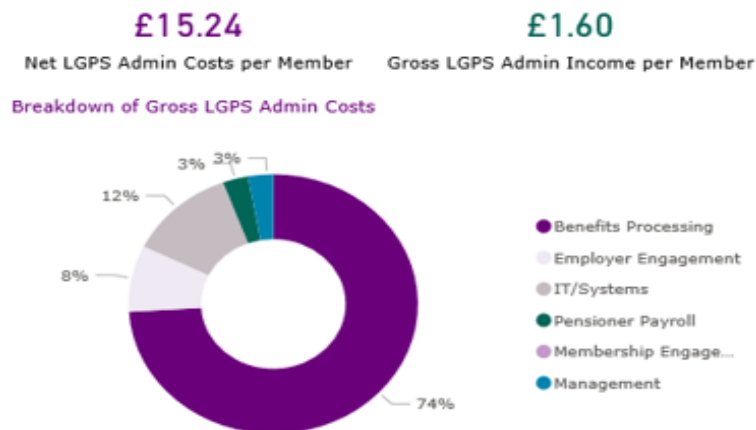
The benchmarking results for the year 2019/2020 showed the unit cost for NYPF Pensions Administration was £15.24 compared with an average unit cost across our comparator funds of £21.51.

The comparator funds are those who are a similar membership size to the NYPF.



The results show that NYPF continues to provide an administration service at a lower cost than funds of a similar size.

A breakdown of the £15.24 unit cost is shown below:



6. Member Training

- 6.1. The Member Training Record showing the training undertaken over the year to 31 December 2020 is attached as **Appendix 3**.
- 6.2. Responses to the CIPFA Skills Matrix are being collated and it is anticipated the results of the assessment will be brought to a forthcoming meeting following delays due to competing priorities. It is now proposed that this will be considered alongside the Fund's business plan and budget.
- 6.3 Following the success of the "Introduction to the LGPS" in-house training session held on 25th January 2021, consideration is being given to the possibility of arranging subsequent sessions for Members on individual issues pertinent to the operation of the Fund. Members will be invited to provide their input in respect of potential subjects for training sessions.

6.4 Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 4**. Please contact Ashleigh Burdess (01609 536053 or email Ashleigh.burdess@northyorks.gov.uk) for further information or to reserve a place on an event. Events are limited currently due to the pandemic.

7. Meeting Timetable

7.1. The latest timetable for forthcoming meetings of the Committee and Investment Manager meetings is attached as **Appendix 5**. Meetings will continue to be undertaken virtually until further notice.

8. Recommendations

8.1. Members to note the contents of the report.

8.2. Members to note the contents of the Breaches Log and determine whether the breaches should be reported to the Pensions Regulator.

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Treasurer of North Yorkshire Pension Fund
NYCC
County Hall
Northallerton

25 February 2021