

# Delivering for our Customers

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# Corporate Performance Report

**Quarter 2 2021/22**

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## **1. Introduction**

- 1.1 South Yorkshire Pensions Authority only exists to provide services to our customers whether they be scheme members or employers.
- 1.2 This Corporate Performance Report provides a summary view of overall performance in achieving the Authority's objectives; bringing together information on progress against the corporate strategy, a range of key performance measures, financial monitoring, and an ongoing assessment of the risks to the delivery of the Corporate Strategy. By providing this single view of how we are doing it will be easier for councillors and other stakeholders to hold us to account for our performance.
- 1.3 This report presents the information on overall performance during the second quarter of the 2021/22 financial year. More detailed information on the performance of the Authority's investments and the pension administration service during the quarter are contained in other reports which are available on the Authority's website.

## 2. Headlines

2.1. Key messages for the quarter are highlighted here. The detail and underlying context behind these are set out in the sections of the report that follow.



Good progress continuing on a range of corporate objectives.

Fund value at a record high of £10.4 billion and funding level almost 115%.

Operational budget forecast shows sufficient resources available for key projects in 2021/22, including completion of Oakwell House.



Under-spends forecast against the budget - particularly staffing budgets due to 14% vacancy rate.

Further increase in sickness absence levels compared to previous quarter and year; mainly driven by long term absences.

### **3. Delivering the Corporate Plan & Supporting Strategies**

- 3.1 This section provides information on the progress we are making on delivering the various strategies which form part of our corporate planning framework.
- 3.2 The latest update to the Corporate Strategy for the period 2021-2024 was approved in January 2021 and reflects the continuing journey to build a stronger, more resilient organisation focussed on delivering for our customers and capturing what we have learnt from having to adapt the way in which we operate to the COVID-19 pandemic. The detailed objectives and plans have been divided into programmes of work each led by a member of the Senior Management Team. These cover:
- a) Services to Scheme Members and Employers (MS) – which is linked to the corporate objectives around Customer Focus, Listening to our Stakeholders, Valuing & Engaging Our Employees, and Scheme Funding;
  - b) Customer Service and Engagement (CS) - which is linked to the corporate objectives around Customer Focus and Listening to our Stakeholders;
  - c) Delivering the Investment Strategy (IS) – which is linked to the corporate objectives around Investment Returns, Scheme Funding and Responsible Investment; and
  - d) Supporting the Corporate Organisation (CO) – which is linked to the corporate objectives around Effective and Transparent Governance and Valuing & Engaging Our Employees.
- 3.3 The following tables provide updates in respect of developments that have taken place during the quarter in delivering these programmes of work, as well as updates in respect of activity that has taken place to deliver on the ICT, HR and Equality strategies.

Corporate Plan Deliverables 2021/22 to 2023/24	Start	Finish	Progress Update / Activity Quarter 2	On Target
[MS1] Complete procurement processes required for Pension Administration System to deliver: > Improved interface with employers including monthly data collection; > Improved member self-service; and > Process automation.	Dec-20	Mar-22	New contract with enhanced support and functionality due to commence in February 2022.	✓
[MS2] Implement regulatory changes arising from the McCloud and Goodwin judgements and the GMP rectification process.	Oct-20	Mar-23	Provider selected to support GMP rectification process. Work to commence in Quarter 3.	✓
[MS3] Clear residual backlog cases.	Feb-20	Jul-21	A new dedicated project team to be established in Q4 once the current round of recruitment for entry level pensions officers has been completed.	✗
[MS4] Put in place and deliver a project and communications plan to support the delivery of the 2022 valuation, taking into account lessons learnt from the 2019 process.	Apr-21	Sep-22	Procurement process for actuarial services commenced this quarter, with focus on improvements to the timeline of the valuation process.	✓
[CS1] Implement a new approach to employer engagement focused on structured support to employers to ensure they are meeting their statutory responsibilities in a timely manner and focusing on compliance.	Apr-20	Mar-22	Formal application of administration strategy in terms of notifications of potential fees for small numbers of persistent late submissions.	✓
[IS2] Implement revised approaches to reporting on the Authority's stewardship approach: > Adopt the revised FRC UK Stewardship Code and report in line with its requirements > Develop a framework for reporting the impact of the Fund's investments against the UN Sustainable Development Goals	Apr-20 Feb-20	Mar-22 Mar-23	Annual Report submitted to FRC for assessment. The impact reporting consultants, Minerva, continuing with data gathering from alternatives managers. Aiming for work to be completed prior to Christmas.	✓

Corporate Plan Deliverables 2021/22 to 2023/24	Start	Finish	Progress Update / Activity Quarter 2	On Target
[IS3] Implement the action plan for achieving Net Zero by 2030	Mar-21	Annual reviews to 2030	Border to Coast announced its own Net Zero Commitment and also made proposals for changes to the way in which the equity portfolios are run to reduce carbon exposure. Minerva work will support an initial whole portfolio picture and further work on target setting, which will be included in the March update.	✓
[CO1] Replace the Authority's Business Systems covering:				
> Financials (including removal of cheque acceptance)	Dec-20	Oct-21	As a result of workload pressures from other projects, a decision was taken to delay the go-live date by one month from Nov to Dec. The user acceptance testing is now substantially complete, and the system is due to go live in the first week of December 2021.	↔
> Committee Administration (Modern.gov)	Mar-21	Sep-21	A new instance of Modern.Gov (Governance and Meeting Management solution), has been installed. All meetings content from the existing Joint Authorities Governance Unit site will be migrated to the new system. This will include a specific area for Border to Coast meetings.	✓
[CO2] Implement learning and development tools to improve the links between appraisal and training delivery maximising the benefit of the additional budget investment in learning and development: > Fully revised appraisal system ready to be incorporated into the new HR system.	Apr-20	Mar-22	During the quarter, an internal audit review of HR Governance was undertaken, following up on the previous review in 2019. The results from this review will be used to inform the development of an action plan to further enhance the current appraisal process as far as possible pending the implementation of a new HR system.	✓
[CO4] Implement the preferred option for meeting the Authority's long-term accommodation needs, including a policy framework to support homeworking.	Dec-20	Dec-21	Building works contract awarded and works commenced in late August. An extension to the planned completion date was agreed to allow for supply chain delays (outside of our and contractors' control) to furniture and lighting delivery and to enable the installation of solar panels on the roof. Final completion date now Monday 6th December with plans in place for staff to start using the office from 8th December.	✓

Corporate Plan Deliverables 2021/22 to 2023/24	Start	Finish	Progress Update / Activity Quarter 2	On Target
[CO5] Replace website infrastructure to create a single web presence that better supports the organisation's communication and engagement strategies.	Jan-20	Sept-21	Development of the new corporate website is progressing well but has been subject to external dependencies. This will fully integrate with the new Modern.gov system to provide a seamless interface for all website users. Now expected to be complete in Q3.	✘
[CO6] Roll out Microsoft 365 to ensure the Authority has access to a regularly updated suite of core application software across the whole estate.	Jan-20	Dec-21	Working with a third party, the Authority now has a hybrid Microsoft Exchange environment. Next step is to commence migration of user mailboxes to Exchange online.	✔
[CO8] Replace the Authority's telephony infrastructure with a VOIP system capable of integration with <i>Teams</i> / <i>Microsoft 365</i> and the Pension Administration system.	Sep-20	Mar-22	A test system-build of the new cloud-based telephone system will be provisioned for the first week in October. New 'Direct Dial' numbers have been procured and assigned to users.	✔



### 3.4 Progress and activities undertaken in the quarter on the separate ICT, HR and Equality & Diversity strategies is shown below.

<b>Information and Communications Technology Strategy</b>	<b>Activity this Quarter</b>
Developing and maintaining our ICT infrastructure to meet the needs of an increasingly agile organisation.	Implementation of Microsoft Enterprise & Security (E&MS) is underway. This will control conditional access of the Microsoft 365 applications, thereby enabling the rollout of the Microsoft 365 mobile applications to personal devices (e.g., Mobile phones)
Using technology to deliver efficient business processes.	In-house development of a new application to improve the data accuracy and efficiency of the Employers Monthly Data Contributions process.
Keeping data safe and secure.	Using the NCSC Mail Check facility, we have implemented a DMARC (Domain based Message Authentication Reporting & Conformance) Policy to improve the security of emails. We have registered for the NCSC Early Warning Service. The service will automatically detect if one of our assets has been associated with malware communications, vulnerabilities or network abuse.

<b>Human Resources Strategy</b>	<b>Activity this Quarter</b>
Developing the Current Workforce to meet the Needs of the Organisation.	The Manager Development programme, that commenced last quarter, is continuing and feedback is positive. Two modules have been completed this quarter in line with the scheduled programme.
Recruiting a Workforce for the future.	A revised Recruitment and Selection Policy, along with an Exit Strategy and an Apprenticeship Framework, have been developed and been consulted on with SMT during the quarter. The next step is to consult with the Trade Union which is scheduled for Quarter 3.
Retaining a high-quality workforce.	Work has commenced on improving how we collect data from those employees who leave in terms of why they have left and what we might do to improve the experience of working for SYPA and how we might retain staff. Quarterly reporting on this to SMT will begin in Quarter 3 and will hopefully help to identify any areas where improvements can be made.




<b>Equality and Diversity Strategy</b>	<b>Activity this Quarter</b>
A diverse workforce that reflects the customers we serve.	The work done so far on updating the Recruitment and Selection Policies should be a better tool for attracting a wider range of applications; and this issue will be further considered as part of the next HR Strategy to be developed for 2022 to 2025.

## 4. How are we performing?

4.1 This section sets out a range of performance measures which give an overall indication of how the organisation is doing in terms of delivering the services for which it is responsible.

### Corporate Measures

4.2 The level of sickness absence in the quarter and year to date is as follows.

Measure	Performance				Movement Year on Year
	Quarter 2 2021/22	Quarter 1 2021/22	YTD 2021/22	Prior Year: Quarter 2 2020/21	
Short Term Sickness Absence – Days Lost per FTE	0.68	0.58	1.26	0.35	
Long Term Sickness Absence – Days Lost per FTE	2.53	0.60	3.13	0.59	
<b>Total Days Lost per FTE</b>	<b>3.21</b>	<b>1.18</b>	<b>4.39</b>	<b>0.94</b>	

4.3 Sickness absence is reported as 'Days lost per FTE' rather than as a percentage and the measures are calculated as annualised figures to enable comparison from year to year.

4.4 For this quarter, days lost is 3.21 days per FTE employee, representing an increase of 2 days per FTE from the previous quarter. This is primarily driven by the increase in long term sickness absence in this quarter.


4.5 The increase in long term sickness absence is due to one continuing absence and three further absences this quarter – one of which was as a result of Long Covid. Three of the four employees returned to work in quarter 2 on phased returns and the fourth is due to return to work during quarter 3.

4.6 The Authority's managing attendance policy has been refreshed and guidance provided for managers and staff; the data on the application of this policy is reported quarterly to SMT. The Authority's Health, Safety and Wellbeing Committee continue to promote a range of initiatives to help support staff with their wellbeing. A series of webinars on topics including Men's Mental Health, Dealing with the Menopause, Optimising Sleep and Mindfulness are scheduled to be delivered during quarter 3 and there are further activities to be undertaken in 2022.

4.7 It is our understanding that the increase in overall sickness absence levels that we are seeing compared to last year is something that is also being experienced in other local authorities in our region.

## Investment Measures





4.9 The following table presents a high-level summary of the key indicators of investment performance. A more detailed quarterly report on investment performance, including commentary on market conditions and performance, is provided elsewhere on the agenda.

Measure	Performance Quarter 2 2021/22	Quarterly Benchmark	Performance YTD 2021/22	2021/22 Benchmark	2021/22 Actuarial Target	RAG Indicator
Investment Return – Whole Fund	2.30%	1.10%	6.40%	5.50%	2.95%	

- 4.10 The outperformance was primarily due to the positive uplift in valuations of the alternative funds, in particular the private equity funds.
- 4.11 The total Fund value at 30 September was a record £10.4 billion and the estimated funding level at the end of the quarter was 114.9%.
- 4.12 At the end of the quarter, 62.6% of the Fund’s assets were being managed in pooled structures provided by Border to Coast.

## Pension Administration Measures

4.14 The key performance indicators for Pension Administration are presented in the table below. A more detailed report on the performance of the Pension Administration service is provided for each meeting of the Local Pension Board.

Measure	Quarter 2 2021/22	Previous Quarter 1 2021/22	YTD 2021/22	Previous Year: 2020/21	Target 2021/22	Movement Year on Year
Proportion of priority cases processed on time	76%	88%	82%	78%	100%	
Proportion of non-priority cases processed on time	72%	72%	72%	73%	100%	
Proportion of all cases processed on time	72%	75%	73%	73%	100%	
Proportion of employer data submissions on time	99%	99%	99%	99%	100%	

4.15 There has been a dip in performance on priority cases this quarter compared to last – this is attributable in part to a marked increase in sickness absence on the case processing teams but also a temporary diversion of resources to ensuring the Annual Benefit Statement exercise was completed in time. The performance year to date remains above that of the previous year.

4.16 Although employer submissions performance remains high, a few isolated delays have occurred towards the end of the quarter. These will be addressed through application of penalty fees in Quarter 3 if informal engagement does not prove effective.

4.17 At the end of the quarter, membership of the Fund stood at 167,684.

4.18 Five new employers were admitted during the quarter.

4.19 There were 550 participating employers with active members at 30 September 2021.

## Financial Measures

### 2021/22 Quarter 2 Forecast Outturn

4.20 The quarter 2 performance and forecast outturn is as follows. Details of the significant variances are shown beneath the table.

South Yorkshire Pensions Authority Operational Budget	2020/21 Actuals £	2021/22 Revised Budget £	2021/22 Q2 Forecast £	2021/22 Q2 Forecast Variance £	2021/22 Q2 Forecast Variance %
Investment Strategy	631,420	539,760	541,510	1,750	0.30%
Pensions Administration	2,376,700	2,719,750	2,562,540	(157,210)	(5.80%)
Finance & Corporate Services	685,190	710,620	738,330	27,710	3.90%
ICT	560,960	667,200	655,930	(11,270)	(1.70%)
Management & Corporate	430,000	402,650	364,580	(38,070)	(9.50%)
Democratic Representation	118,180	142,620	124,460	(18,160)	(12.70%)
<b>Subtotal - Cost of Services</b>	<b>4,802,450</b>	<b>5,182,600</b>	<b>4,987,350</b>	<b>(195,250)</b>	<b>(3.80%)</b>
Capital Expenditure	42,600	1,630,000	1,630,700	700	0.00%
<b>Subtotal before transfers to reserves</b>	<b>4,845,050</b>	<b>6,812,600</b>	<b>6,618,050</b>	<b>(194,550)</b>	<b>(2.90%)</b>
Appropriations to / (from) Reserves	600,550	(1,367,000)	(1,172,450)	194,550	(14.20%)
<b>Total</b>	<b>5,445,600</b>	<b>5,445,600</b>	<b>5,445,600</b>	<b>0</b>	<b>0.00%</b>

4.21 The forecast under-spend for the year before transfers from reserves is (£195k) at quarter 2; a small increase on the quarter 1 forecast under-spend of (£181k).

4.22 The majority of the total under-spend relates to employee costs. Details of the variances on the individual service area staffing budgets are included in the analysis below. In short, this reflects the fact that we currently have 13.6 FTE vacancies, representing 14% of the total budgeted establishment of 97.1 FTE.

4.23 The detailed variances against budget for each of the service areas are explained below.

4.24 Pensions Administration – Total Underspend Forecast (£157k):

4.25 There is a total forecast under-spend on the employee costs budget of (£104k). This includes (£35k) relating to the budget for a training officer role that would have been filled by secondment from the benefits team as a way of providing the resource needed whilst offering a development opportunity, but this has not yet been taken

up. The remaining balance of the total forecast under-spend on employee costs is due to staff turnover and vacancies across the service area.

- 4.26 It is currently estimated that the budgets for actuarial, legal and professional fees and corporate subscriptions will be under-spent by a total of (£35k) based on the known and anticipated expenditure requirements for this year.
- 4.27 Total savings of (£18k) are forecast across budgets for travel expenses, office-related expenses, catering, training courses, conferences, and subsistence, due to continued impact of remote working and knock-on effects from COVID-19.
- 4.28 Finance and Corporate Services – Total Overspend Forecast £27k:
- 4.29 The employee costs budget head includes two planned over-spends which will be financed by transfers from earmarked reserves. These over-spends are as follows.
- 4.30 An amount of £22k relating to agency staff costs as a result of hiring an interim accountant in the early part of the year to support the accounts closedown and audit process which was required as a one-off to provide cover whilst some of the permanent team members were working on the implementation project for the new finance system.
- 4.31 An amount of £11k relating to the HR Undergraduate placement student, the financing for this was set aside from the 2020/21 training and development budget into the corporate strategy reserve.
- 4.32 There are savings of (£18k) anticipated as a result of staff turnover / vacancies for the year – these have been used to fund additional costs of £17k on overtime that was required in the first half of this year due to having staff shortages at the same time as undertaking major projects to implement a new finance system and a new investment accounting system, and also produce the 2020/21 accounts and ensure the audit was completed successfully to the usual early timescale of 31 July, well ahead of the statutory deadline of 30 September.
- 4.33 There is a forecast saving of (£5k) across budgets for travel expenses, office-related expenses, catering, conferences, and subsistence due to continued remote working for the first half of the financial year and the knock-on effects from COVID-19.
- 4.34 ICT – Total Underspend Forecast (£11k):
- 4.35 The main reason for this underspend is that the budget for employee costs included resourcing for an ICT Apprentice but, due to various factors, the timing of this has now had to be rescheduled to 2022/23.
- 4.36 Management & Corporate Costs – Total Underspend Forecast (£38k):
- 4.37 The employee costs budget is forecast to be under-spent by (£13k) as a result of an unfilled vacancy in the post of Business Support Officer (Corporate). After two unsuccessful attempts to recruit to this post during the first half of the year, we have now recruited through an agency – to commence in December initially on a temporary basis. There is a related overspend of £5k forecast on the staff recruitment and advertising budget.
- 4.38 The organisational training and development budget was included as a growth item in the budget with effect from 2020/21 but due to the impact of COVID-19 and remote working, progress on the planned activities in this area has been slower than originally anticipated, and the available budget in 2021/22 of £55k is forecast to be under-spent

this year by (£20k). Nevertheless, the planned work in this area is continuing to progress with a number of initiatives under way including a manager development training programme, implementation of the *LinkedIn Learning* platform, and an HR Undergraduate student now in post on a 12-month placement, which will provide the needed additional staff resource to support and take forward some of the plans around training and development including production of an e-learning package for new staff.

- 4.39 An under-spend of (£5k) is forecast due to savings made on insurance and central corporate services costs.
- 4.40 The external audit budget includes a forecast over-spend of £17k for audit fees payable to Deloitte LLP based on anticipated increases to be approved by the contracting body, Public Sector Audit Appointments Ltd (PSAA) – reflecting increased costs of audit delivery that are taking place across local government. This will be offset by a grant that will be paid to local authorities from the Department for Levelling Up Housing and Communities (DLUHC) for this purpose – the Authority is due to receive a grant of (£16k).
- 4.41 Additionally, the Authority has also received income of (£6k) from the PSAA in relation to a surplus distribution that is paid to all opted-in bodies to the national audit procurement arrangements.
- 4.42 Democratic Representation – Total Underspend Forecast (£18k):
- 4.43 There is a small under-spend of (£2k) expected on the Member Allowances budget due to turnover and changes in Authority membership following the elections in May 2021.
- 4.44 The budget for Authority running costs and training costs is forecast to be under-spent by (£13k) and the Local Pension Board budget by (£3k) due to the fall in expenditure for room hire, catering, travel, subsistence and conferences, mainly arising from the knock-on effects of COVID-19.
- 4.45 Capital Expenditure – Total Overspend Forecast £1k
- 4.46 The total forecast capital expenditure to be financed from revenue this year is £1,631k.
- 4.47 This total includes a forecast £185k for implementation costs of the new contract to commence in February 2022 for the pensions administration system. This represents a (£40k) under-spend against the amount that was estimated when setting the budget.
- 4.48 The remaining balance of forecast capital expenditure is £1,446k for the Oakwell House project; details of which are set out in the table below. This forecast represents an over-spend of £41k compared to budget, which is primarily due to additional costs for the installation of solar (PV) panels on the roof and variations added to the contract sum for costs of fire-stopping enhancements and works on the lift, both of which were essential for health and safety compliance and were only identified during the course of the refurbishment.

Item of Expenditure	Budgeted Cost £000	Forecast Cost at 10/11/21 £000	Variance £000	Variance %
Acquisition Costs - Legal Fees, Stamp Duty Land Tax, Surveys	20	16	(4)	(20.0%)
Design & Project Management	98	98	0	0.0%
Legal Fees - Tender Contract Documents Preparation	17	9	(8)	(47.1%)
Main Contract Sum	1,054	1,093	39	3.7%
PV Panels	16	30	14	87.5%
AV Fit Out	120	140	20	16.7%
Other Estimated Costs - including: Dilapidations Payment Gateway Plaza, Removals, ICT Installation etc.	60	55	(5)	(8.3%)
Contingency	20	5	(15)	(75.0%)
<b>Total Project Cost</b>	<b>1,405</b>	<b>1,446</b>	<b>41</b>	<b>2.9%</b>

#### 4.49 Earmarked Reserves

4.50 The Authority has three earmarked reserves, the Corporate Strategy reserve, the ICT reserve, and the Capital Projects reserve.

4.51 The table at paragraph 4.53 shows the detail of planned transfers from the reserves in 2021/22 to finance the various projects being delivered as part of our corporate strategy.

4.52 Given that there continues to be a need to ensure the balance of reserves is kept to an adequate level going forward to meet resourcing requirements for specific corporate strategy objectives and for managing risk, it is proposed to transfer the forecast under-spend for 2021/22 into the reserves as set out in the following table.

#### 4.53

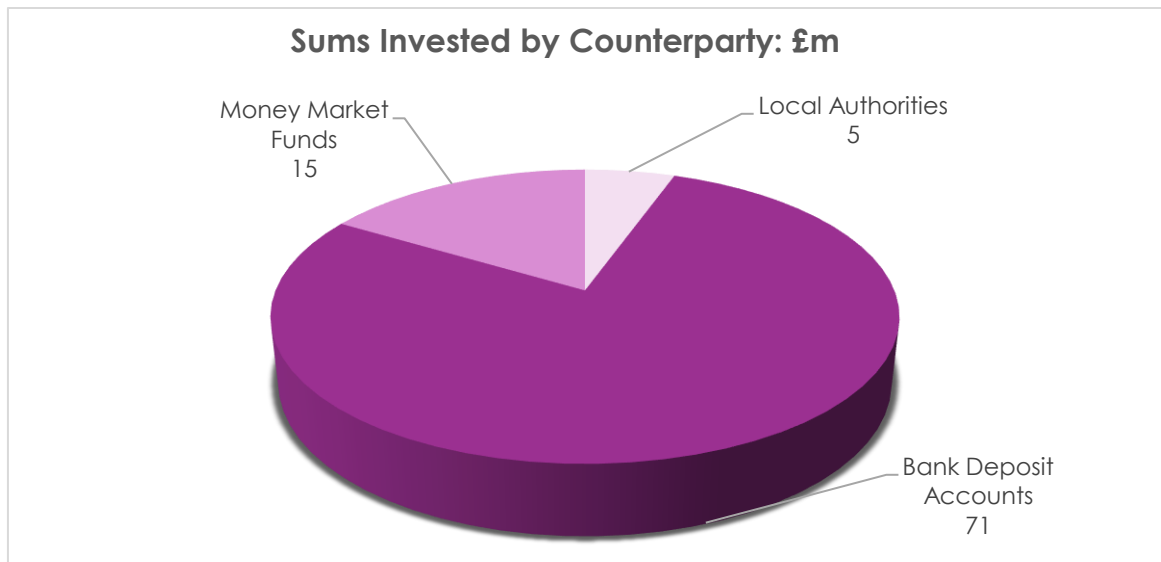
Reserves	Balance at 01/04/2021 £	Transfers In £	Transfers Out £	Forecast Balance at 31/03/2022 £
Corporate Strategy Reserve	238,500	120,000	(144,000)	214,500
ICT Reserve	118,300	60,000	0	178,300
<b>Subtotal: Revenue Reserves</b>	<b>356,800</b>	<b>180,000</b>	<b>(144,000)</b>	<b>392,800</b>
Capital Projects Reserve	1,254,470	52,020	(1,260,470)	46,020
<b>Total Reserves</b>	<b>1,611,270</b>	<b>232,020</b>	<b>(1,404,470)</b>	<b>438,820</b>



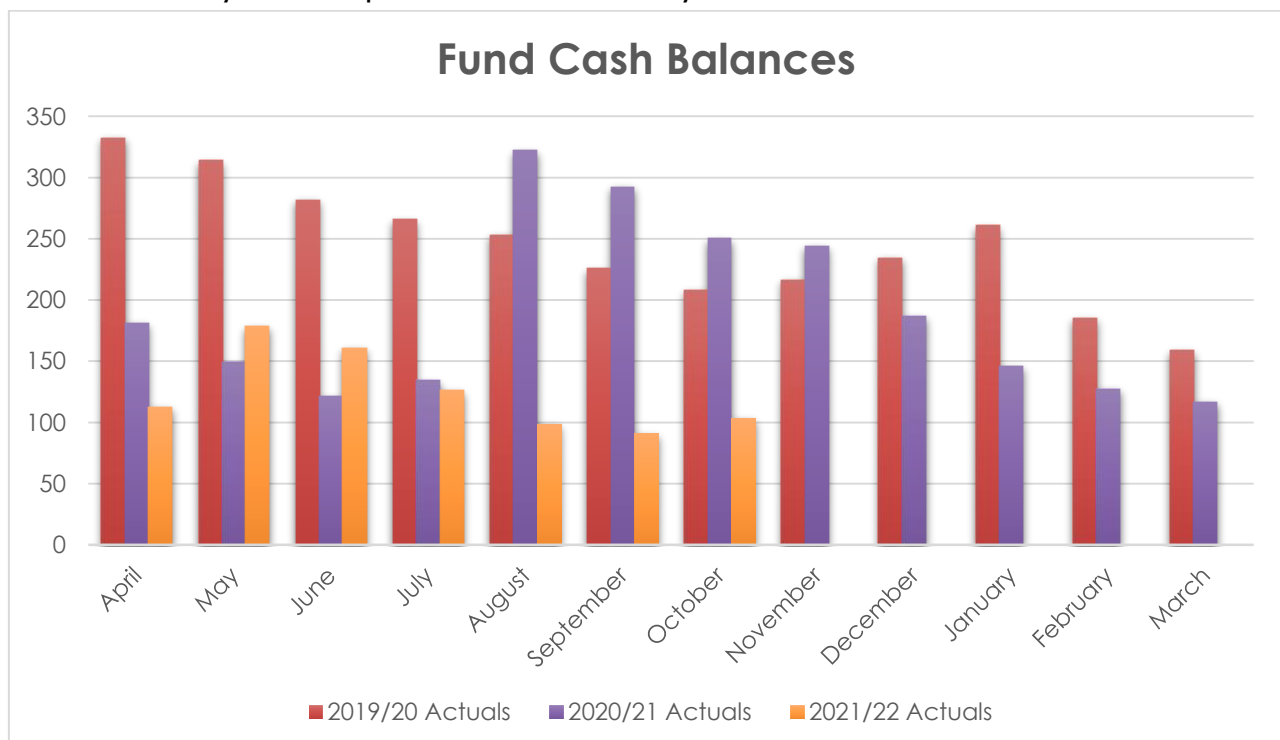
4.54 The balance of the revenue reserves following the transfers proposed for the year, would be £392,800 in total which equates to 7.2% of the Authority’s total revenue budget.

*Treasury Management*

4.55 The Fund’s cash balances at 30 September 2021 stood at £91m. The chart below shows how the balances have been invested with different counterparties in line with the approved treasury management strategy for the year.



4.56 The following chart shows the movement in cash balances held for the last two financial years compared to this financial year to date.



4.57 Cash is only held pending Fund investment and the balance of cash at the end of the second quarter represents 0.87% of the Fund, compared with 1.57% at 31 March 2021. The cash allocation remains well within the permitted range of 0% to 10% and is below the benchmark of 1.5% at 30 September due to timing of outflows and also the increase in the Fund value from the previous quarter.

## 5. What is getting in the way – Risk Management

- 5.1 We regularly review the things which might get in the way of us achieving our objectives – these are the risks that are set out in detail in the corporate risk register.
- 5.2 The Corporate Risk Register is attached at Appendix A. The October review of the register resulted in the following changes:
- 5.3 Removal of risk I3 – *Failure to implement effective arrangements for the oversight of investment management functions being undertaken by Border to Coast Pensions Partnership*. Given that the current level of risk meets the target level and that it is proposed to develop further mitigations, it is appropriate to now remove this risk from the register.
- 5.4 Reduction to risk I6 - *Contribution rates for employers are unaffordable due to business interruption*. Experience during the pandemic suggests that there are no new specific employer concerns, and it remains the case that no further requests for assistance in terms of ongoing contributions have been received from employers. On this basis the risk score has been reduced from 8 to 6.
- 5.5 Increase to risk P1 - *Failure to maintain a suitably qualified and experienced workforce which reflects the community which the Authority serves*. Increasing difficulties are being experienced in recruiting to fill vacant roles across the organisation. Further mitigations will be developed as part of the update to the HR Strategy. While these issues seem to reflect wider labour market trends, any solutions will need to be constructed within the constraints applying to the public sector. Consequently, the risk score has been increased from 9 to 12.
- 5.6 Further details and commentary regarding the review of the other risks, where scores have not changed, is provided in the risk register attached at Appendix A.

## 6. Learning from things that happen

6.1 Inevitably when dealing with the number of customers that we do things can go wrong and we try to ensure that we learn from these things. Equally we should celebrate where things go particularly well or where customers feel members of our team have gone the extra mile to help them. This section provides information on the various sources of feedback we receive.

	Received in Q2 2021/22	Received in Q1 2021/22	Received YTD 2021/22	Received in Previous Year: Full Year 2020/21
Complaints	5	8	13	17
Appeals Stage 1	4	0	4	8
Appeals Stage 2	0	2	2	8

6.2 A detailed report of complaints and action taken is provided to the Local Pensions Board for scrutiny.

6.3 Complaint levels returned to previous average following a spike in Quarter 1. Three of the five complaints were outside of SYPA control as they were a result of delays from employers or third-party providers.

6.4 One related to a delay in processing of an aggregation (joining of multiple LGPS records). Progress in resolving old aggregation cases (partly as a result of system issues identified with complex cases) has stalled so a dedicated project team will be set up as soon as the current round of recruitment of entry level pensions officers is completed - expected to be Quarter 4.

6.5 The second complaint was from a member who was incorrectly sent a quotation to transfer out of the scheme when her proximity to Normal Pension age prevented this. A process change has been made to prevent this recurring.

6.6 During the quarter, one appeal at Stage 2 was determined and rejected. This was an historic case dating back to the 1980's where the member had been successful in being credited with a refund of contributions at Stage 1 but was arguing for a retrospective transfer out of the LGPS at Stage 2 which was not upheld.

### *Breaches of Law and Regulation*

6.7 We are required to maintain a register of breaches, the detail of which is reported to the Local Pension Board at each meeting as part of their oversight role.

6.8 There was one breach recorded in the quarter. A member of staff had returned a document in respect of a deceased member to the incorrect next of kin. This was an individual handling error and a new check stage has already been introduced to the document return process to minimise this risk.

*Satisfaction Surveys*

- 6.9 A survey of members retiring during May to July 2021 showed that of the 91 respondents, 92% were satisfied with the service they received.
- 6.10 The percentage of members satisfied with the service they received from telephone contact with the customer centre was 93% based on 451 respondents.