

Agenda Item

| | | | |
|---|--|---------------|--|
| Subject | Quarterly Administration Update Quarter 4 2022-23 | Status | For Publication |
| Report to | Local Pension Board | Date | 27 April 2023 |
| Report of | Director | | |
| Equality Impact Assessment | Not Required | Attached | No |
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1 Purpose of the Report

- 1.1 To update Members on administration performance and issues for the period from 1st January 2023 to 31st March 2023.

2 Recommendations

- 2.1 Members are recommended to:
- a. **Comment on the content of the revised administration update and indicate any areas where they would like to receive further detail**
 - b. **Highlight any areas of administration where further assurance may be required**

3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

Customer Focus

To design our services around the needs of our customers (whether scheme members or employers). The report includes reference to feedback from our customers.

Listening to our stakeholders

To ensure that stakeholders' views are heard within our decision-making processes. The report includes information about the engagement with the employers in the scheme and how SYPA (South Yorkshire Pension Authority) can support them to complete their responsibilities.

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times. The report includes detail on the overall administration performance to ensure Members are able to scrutinise the service being provided to our customers.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report do not have implications for the Corporate Risk Register.

5 Background and Options

- 5.1 This report seeks to make Board Members aware of the main areas of administration performance and any topical issues relevant to the reporting period in question for the most recently completed quarter. A review of the format and presentation of all performance reporting across the organisation is about to commence and future reports will evolve to reflect the changes brought about by this review. Relevant Service Managers will be present at the meeting in order to answer any questions members may have.

Staffing

- 5.2 The following table is a summary of joiners and leavers for the administration service over the last three months.

| Starters | Comments |
|--|--|
| Apprentice Business Support Officer | Previous postholder moved to the Benefits Team |
| Benefits Team Leader x 2 (new roles following Organisational Resilience Review). | Internal appointments made |
| Senior Practitioners x 2 (as above) | Internal appointment made |
| Systems Development Team Leader | Internal appointment made |
| Leavers | Comments |
| Pensions Officer x 3 | 1 Retirement |
| Business Support Officer | |
| Support and Engagement Manager | |
| Vacancies in Administration | Comments |
| Business Support Officer | Offer made undertaking pre-employment checks |
| Customer Services Officer x 2 | Offer made undertaking pre-employment checks |
| Pensions Officers x 4 | Offers made to 4 candidates |
| Senior Practitioner | Interviews in hand following internal process |
| Senior Systems Officer x2 | Interviews in hand |
| Systems Officer x 2 | Interviews in hand |

- 5.3 The above table reflects the considerable degree of recruitment activity which has been taking place following the Organisational Resilience Review completed in the autumn. This has resulted in several internal promotions which have created consequential vacancies which have now been filled, although the successful candidates have yet to start. The vacant role of Assistant Director – Pensions is not included above as it forms part of the Senior Management Team and is being covered by an interim.

5.4 The level of Pensions Officer recruitment over the last 18 months or so does leave us with an imbalance of staff across the career grade. This places additional pressure on those staff at the top of the career grade. It must be accepted that our ability to influence this position in the short term is limited as it is likely to be counterproductive to progress people through the career grade too quickly. That does not mean that the pressure on this group is not a concern, and it is something that we will be keeping under review and seeking to mitigate over the coming months.

Sickness absence

5.5 In terms of sickness absence, the table below shows the annualised absence levels for the administration service for the last two years and the current year based on the year-to-date position together with the absolute levels of absence in days per FTE for the last two quarters.

5.6

| Average Days per FTE (Admin Service only) | 2020-21 | 2021-22 | 2022-23 YTD Annualised | 2022-23 Q4 | 2022-23 Q3 |
|---|-------------|-------------|------------------------|-------------|-------------|
| Short-Term | 1.50 | 3.27 | 3.76 | 0.77 | 0.99 |
| Long-Term | 3.00 | 5.48 | 3.72 | 0.81 | 0.31 |
| Total | 4.50 | 8.75 | 7.48 | 1.58 | 1.30 |

5.7 While there has been an increase in sickness in the quarter this is concentrated on long term cases which are being managed through the absence process. Significantly there has not been a spike in short term absence due to winter colds and flu which is encouraging. The lower level of sickness than in the previous year is again encouraging progress.

Case work performance

5.8 The data below summarises the performance of the administration service over the quarter measured against the performance standards agreed by the Authority. The table below shows the casework volumes for the last two quarters, compared with the previous quarter but also compared with the corresponding quarter for the previous year for comparison.

5.9 Officers are currently reviewing how case-processing performance can be better presented to the Board, with a view to introducing these changes from Q1 of the 2023-24 reporting year.

| Category | Volumes | | | | Variance to comparators | |
|----------------|------------------|---------------|---------------|---------------|-------------------------|---------------|
| | Q4 Previous year | Q2 2022-23 | Q3 2022-23 | Q4 2022-23 | To Q4 Previous year | To Q3 2022-23 |
| Priority | 1,258 | 1,605 | 1,430 | 1,960 | 702 | 530 |
| Non-priority | 14,669 | 13,815 | 17,124 | 17,450 | 2,781 | 326 |
| Overall | 15,927 | 15,420 | 18,554 | 19,410 | 3,483 | 856 |

5.10 Overall completed case volumes increased, this is partly due to an overtime activity on Aggregation quotes which has seen them reduce to 400 from 2224. There have been slight increases to other non-priority casework types however they all seem with a reasonable variance when compared to last quarter.

5.11 The following tables highlight the levels of performance for both priority and non-priority casework in terms of our service standards.

| Priority Performance | | | | | | | | | |
|----------------------|------------|------------|------------|-----------------|------------|------------|------------|------------|-----------------|
| Q1 2021-22 | Q2 2021-22 | Q3 2021-22 | Q4 2021-22 | Overall 2021-22 | Q1 2022-23 | Q2 2022-23 | Q3 2022-23 | Q4 2022-23 | Overall 2022-23 |
| 88% | 76% | 86% | 67% | 70% | 82% | 82% | 71% | 56% | 54% |

| Non-Priority Case Performance | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| Q2 2021-22 | Q3 2021-22 | Q4 2021-22 | Q1 2022-23 | Q2 2022-23 | Q3 2022-23 | Q4 2022-23 |
| 72% | 74% | 73% | 71% | 65% | 71% | 69% |

5.12 Priority performance has reduced, the main reason for this was outstanding information on Retirement & Death cases which means staff were having to chase information which prolonged the end-to-end process. Priority cases are still being processed as a matter of urgency.

5.13 The table below provides a summary of performance against the transaction types. In Q3 performance levels for some subjects had remained static however a reduction in Death Payments which has continued in Q4 required further investigation as there is no obvious reason for this reduction in service levels other than completion of some older cases. Upon investigating this it appears there have been multiple cases where we were awaiting confirmation of payee bank details particularly including for non family beneficiaries such as charities. Retirements, Transfers In & Estimates have seen a positive improvement. Aggregation percentage has been impacted due to volume of older cases that have been completed during overtime.

| Case Type | Target Days | Q1 22-23 Volume | Q1 22-23 % on time | Q2 22-23 Volume | Q2 22-23 % on time | Q3 22-23 Volume | Q3 22-23 % on time | Q4 22-23 Volume | Q4 22-23 % on time |
|--------------------------|-------------|-----------------|--------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--------------------|
| Priority | | | | | | | | | |
| Retirements | 5 | 850 | 71% | 884 | 73% | 719 | 52% | 673 | 71% |
| Deaths - Acknowledgement | 5 | 286 | 90% | 294 | 83% | 154 | 85% | 554 | 97% |
| Deaths - Payment | 5 | 423 | 99% | 468 | 98% | 449 | 75% | 697 | 71% |
| Non Priority | | | | | | | | | |
| New Joiners | 10 | 2,132 | 99% | 1,989 | 91% | 4,284 | 89% | 2,426 | 99% |
| Deferreds | 20 | 1,014 | 72% | 957 | 56% | 1,204 | 57% | 1,083 | 58% |
| Refunds | 9 | 195 | 95% | 132 | 89% | 169 | 89% | 181 | 95% |
| Transfers In | 7 | 398 | 48% | 283 | 47% | 335 | 41% | 275 | 85% |
| Transfers Out | 5 | 299 | 66% | 319 | 66% | 351 | 72% | 152 | 59% |
| Divorce | 10 | 90 | 80% | 104 | 80% | 89 | 97% | 100 | 98% |
| General enquiries | 5 | 1,113 | 56% | 1,322 | 44% | 1,144 | 63% | 1,268 | 40% |
| Estimates | 5 | 1,469 | 78% | 1,090 | 76% | 1,484 | 60% | 1,265 | 83% |
| Aggregations | 20 | 1,025 | 62% | 871 | 36% | 1,182 | 79% | 2,384 | 19% |

5.14 Quarter 4 is the fourth full quarter where the functionality for deferred members to retire online was available via the member portal. The introduction of this new functionality allows us to provide a further breakdown of the performance in relation to different retirement types and this is shown in the table below.

| Retirement Case Type | Total Cases | Complete 0-5 Days | Complete 6-10 Days | Complete 11-15 Days | Complete 16+ Days |
|--|--------------|-------------------|--------------------|---------------------|-------------------|
| Quotations | | | | | |
| Active Members (inc. Flex) | 821 | 42 | 23 | 2 | 5 |
| Deferred Members (Online) | 311 | 39 | 16 | 5 | 8 |
| Deferred Members (Offline) | 129 | 7 | 9 | 24 | 86 |
| Total | 1,261 | 88 | 148 | 31 | 99 |
| Settlements | | | | | |
| Active Members (inc. Flex) | 327 | 40 | 26 | 10 | 61 |
| Deferred Members (Online) | 121 | 10 | 3 | 1 | 8 |
| Deferred Members (Offline and inc. Special Conditions) | 225 | 18 | 4 | 3 | 12 |
| Total | 673 | 68 | 33 | 14 | 81 |

* Special conditions in this context are members with a separate AVC fund (where retiring online is not possible) or those expressing an interest in trivial commutation.

5.8 The table above illustrates the service improvements available for deferred members if they use the online functionality and we will be continuing to promote this route for deferred members. The table also demonstrates that performance in processing active member retirements clearly needs to be an area of focus. These are pure extracts from the administration system and a more detailed investigation into the cases recorded as taking greater than 11 days above the target time of 5 days is currently being undertaken. A verbal update will be provided to the Board on the progress with these investigations in anticipation that further reporting might be helpful in future.

5.9 At the last meeting, members of the Board were provided with a summary of cases outstanding at the end of Quarter Three of 2022/23. The tables below update these to 31 March 2023. The first table shows a summary of cases in pending whilst we await information from third parties and the second table shows cases ready to be processed.

| Case Type | Volumes of cases pending (awaiting external parties) End Q4 Prev Year | Volumes of cases pending (awaiting external parties) End Q1 current year | Volumes of cases pending (awaiting external parties) End Q2 current year | Volumes of cases pending (awaiting external parties) End Q3 current year | Volumes of cases pending (awaiting external parties) End Q4 current year | Variance to prior reporting period |
|--------------|---|--|--|--|--|------------------------------------|
| Priority | | | | | | |
| All cases | 493 | 459 | 420 | 481 | 566 | 85 |
| Non Priority | | | | | | |
| All cases | 10,580 | 10,912 | 10,818 | 10,942 | 10,734 | 208 |

| Case Type | Volumes of cases to be processed/ in process | Volumes of cases to be processed/ in process | Volumes of cases to be processed/ in process | Volumes of cases to be processed/ in process | Variance to prior reporting period | Comments |
|---------------------|--|--|--|--|------------------------------------|-------------------------------|
| | End Q1 2022-23 | End Q2 2022-23 | End Q3 2022-23 | End Q4 2022-23 | | |
| Priority | | | | | | |
| Retirements | 42 | 75 | 87 | 65 | 22 | |
| Deaths | 91 | 96 | 66 | 42 | 24 | |
| Non Priority | | | | | | |
| New Joiners | 78 | 59 | 53 | 164 | 111 | |
| Deferreds | 809 | 1,575 | 1,532 | 2,047 | 515 | Linked to unprocessed leavers |
| Refunds | 13 | 13 | 25 | 15 | 10 | |
| Transfers In | 161 | 193 | 217 | 192 | 25 | |
| Transfers Out | 78 | 71 | 21 | 31 | 10 | |
| Divorce | 12 | 5 | 2 | 14 | 12 | |
| General enquiries | 120 | 90 | 199 | 206 | 7 | |
| Estimates | 408 | 456 | 442 | 385 | 57 | |
| Aggregations | 3,856 | 4,960 | 4938 | 3966 | 972 | Mainly settlements |
| Unprocessed Leavers | 1,159 | 1,534 | 2,026 | 2,565 | 539 | |

5.10 In relation to aggregations, the numbers of outstanding cases remain excessive and only slight progress has been made to reduce this backlog. The team have reduced Aggregation Quotes by 1800 cases however the active case data doesn't reflect this as more Settlements have been created because of doing the work. Aggregation quotes that were completed around this time last year are also auto un-pending after a 12-month period, this process creates a Settlement as the member hasn't responded to the quote during the 12 month period. The plan was to have all quotes completed by Feb 2023 however the team have had to re-direct its focus to addressing monthly data in preparation for Annual Benefit Statements.

Statutory Disclosure Reporting

5.11 The Board previously requested some additional information about reporting performance against statutory disclosure requirements. The time limits for statutory disclosures are less rigid but they often measure different time scales to those

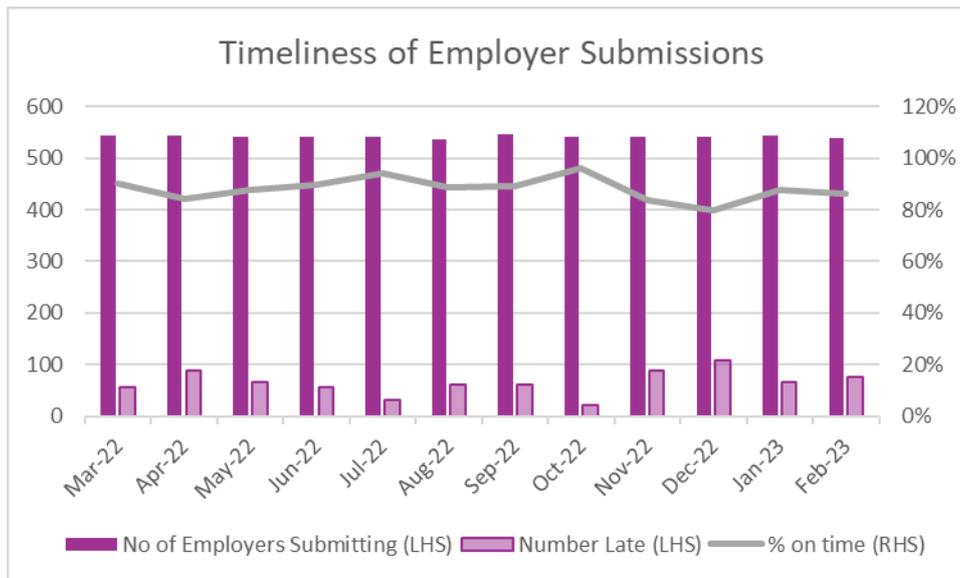
historically measured by SYPA. As mentioned previously, we have developed our reporting in this area and Appendix A shows the Quarter 3 and 4 report for the areas covered under the various disclosure regulations. The Appendix provides some level of assurance that statutory targets are generally being met in the main areas. In general terms this data shows high levels of compliance in areas that SYPA can control. This does give us some pointers as to areas where further engagement with, and training for, employers could be beneficial.

Conclusions in Relation to Casework Processing

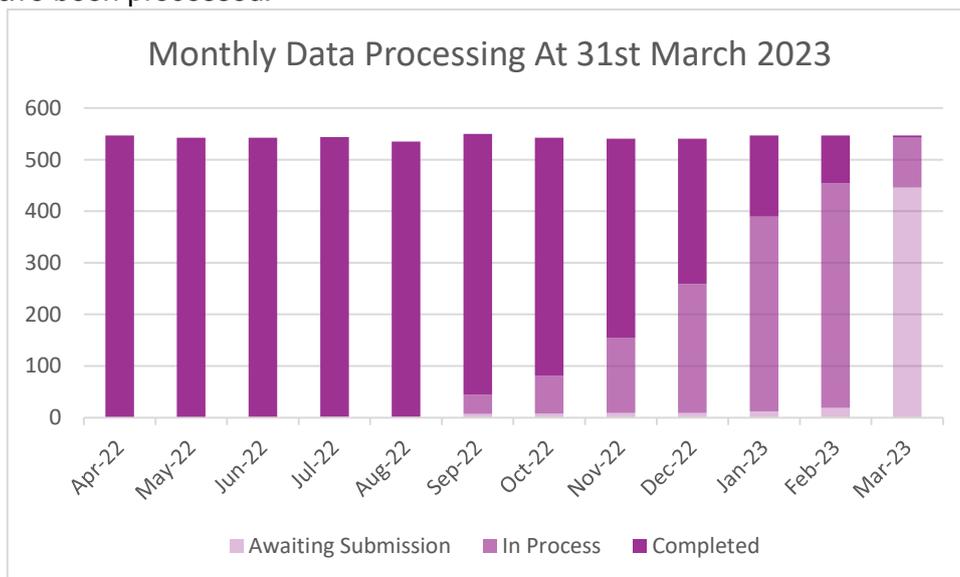
- 5.12 The position recorded above in relation to casework processing has in broad terms been on a declining trend against our performance standards for some time. In addition, it is clear from data reported elsewhere on the agenda in relation to complaints etc that the levels of outstanding work of various types, in particular aggregations, is now beginning to cause quality of service issues. The imbalance in the workforce in terms of levels of experience amongst Pensions Officers can also make it more difficult to resolve certain of the issues which emerge. None of this is to say that the Team are not working extremely hard but it is clear that their efforts will be in vain unless we can address the root causes of the various backlogs and stop them recurring. This is a significant piece of work which the Interim Assistant Director – Pensions will report on to the Authority at its June meeting.

Employer Performance

- 5.13 The submission of monthly data by employers is key to ensuring that member records are accurate and up to date and they generate the values used in the direct debits for the collection of contributions due from employers. Given the importance of this data it is extremely important that employers make their data submissions on time. The data on the timeliness of submissions has been reviewed and restated following an internal review of data quality. This now looks at data being submitted in time for the Finance Team to issue the Direct Debit instructions without having to resort to estimation which is the crucial timescale within the data collection process. This provides a less favourable, although more realistic picture than that previously reported. While the apparent deterioration in performance is clearly not desirable, this analysis has allowed us to develop a range of targeted work with employers who are having difficulty making monthly submissions. The data below covers the last 12 months for which data are available given that this data is always a month in arrears (i.e., March 2023) data will be collected in April and will be reported in the next quarter.



5.14 Contribution collection is dealt with later in this report. However, the rate at which we process the data submitted by employers is also important and the graph below shows the position at 31st March in relation to files relating to 2022/23 (all files for 2021/22 have been processed).



5.15 The above chart shows considerable progress being made when viewed against the position at the beginning of the calendar year, with on average 137 files being cleared every week since January when additional management resources were deployed to oversee the processing of these files. It should be noted that the older files still awaiting submission are concerned with new admission arrangements which have taken longer than usual to process and should not necessarily be seen as an employer issue. The rate of progress in processing these files has been increasing in recent weeks and a more formalised approach to engaging with employers to resolve data issues within the files is paying dividends. Completion of this work for 2022/23 during the first couple of months of the new financial year is crucial to the delivery of the Annual Benefit Statement process in line with our planned timescales.

Individual Query Employer Reporting

5.16 Appendix B provides details of the “top 10” employers in terms of queries and shows how they have performed over the year. It is extremely encouraging to note the significant improvement in performance by both Rotherham and City of Doncaster Councils over the course of the year. While Sheffield has more outstanding queries at the end of this quarter than previous quarters given the significantly larger size of their payroll this does not appear disproportionate. However, the numbers of Capita and EPM queries are linked to Sheffield as these are largely related to Sheffield LEA schools. All three of these providers are identified for a degree of focus but some further work is required to improve the process of ensuring queries are directed to the correct payroll provider where more than one provider relates to a single employer. The appearance of Greenacres Academy on the list is a concern given that it is an individual school although a number of other schools in the same Multi-Academy Trust are just outside this “top 10”, and the Trust has been identified as requiring enhanced engagement and monitoring.

5.17 Overall, given the scale of the Fund’s membership and the overall number of employers, the fact that 22 outstanding queries rates a “top 10” position represents encouraging progress.

Contribution Payments

5.18 The use of direct debits to collect contributions due to the Fund has been an important administrative improvement and the table below shows employer payment performance over the last three months for which data is available. Payments in relation to March will be collected in April and reported in the next quarterly report. The 9 BACS payments received late in February relate to one contractor who was 3 days late. This employer has consistent issues in terms both of timely payment and timely submission of data and the Interim Assistant Director – Pensions is engaging directly with this organisation. The outstanding payments relate to admission agreements in progress and the completion of these agreements is being progressed as a matter of urgency.

| | Dec Payment received Jan No. | Jan Payment received Feb No. | Feb Payment received Mar No. |
|-------------------------------------|--|--|--|
| Employers paid by direct debit | 512 | 513 | 512 |
| Employers paid on time by BACS | 18 | 9 | 16 |
| Payment received late by BACS or DD | 0 | 9 | 0 |
| | | | |
| Payment outstanding | 9 | 10 | 10 |

Scheme Member Engagement – Customer Satisfaction – Retirement Survey

5.19 The Authority is always keen to improve engagement with our scheme members and to measure the levels of satisfaction with our service. Each month surveys are issued to members who have recently retired to understand their experiences. The table below shows the overall satisfaction levels from respondents to the survey issued to members who retired in November and December 2022, and January 2023 who provided an email address.

| Q. Overall, how satisfied are you with the service you receive from us? | | Compared to last quarter | |
|---|---------------|--------------------------|---|
| Very Satisfied | 50% | Up 1% | ▲ |
| Satisfied | 42% | | |
| Dissatisfied | 7% | Down 1% | ▼ |
| Very Dissatisfied | 1% | | |
| Total number of respondents | 74 out of 418 | | |

5.20 The percentage of members in the green category remains above 90%, which is encouraging. However, some further analysis was carried out into the 6 members who were dissatisfied to identify the root causes. The following comments were made:

- Keep the member updated so we don't have to chase information.
- Clerical error meant that payment of benefits was delayed for 2 months.
- Not kept informed of progress.
- Difficult to get through on the phone and live chat always busy.

5.21 Actions and comments following feedback.

- Our processes are currently being updated to include a new step whereby when a case is placed on hold due to requiring further information to progress the case, a notification will be issued to keep the member informed.
- Following a piece of work by the Director on Organisational Resilience and Sustainability, authority was given to recruit a further Customer Services Officer in 2023/2024 helping to reduce waiting times on both the telephone and live chat.

Scheme Member Engagement – Customer Centre – Telephone Calls

5.22 Members of the Board will be aware that the Customer Centre exists to provide a single point of contact for scheme members and employers. Feedback for the Customer Centre continues to be positive overall and has seen a rise in satisfied members over the last quarter. A survey was issued to 3,158 members, with an email address, who had contacted us by phone over the months of November and December 2022 and January 2023 to ask about their experience of our service delivery and for ideas on service improvements. The results of the survey are shown below.

| Q. Overall, how satisfied are you with the service you receive from us? | | Compared to last quarter | |
|---|------------------|--------------------------|---|
| Very Satisfied | 62% | Up 8% | ▲ |
| Satisfied | 27% | | |
| Dissatisfied | 7% | Down 8% | ▼ |
| Very Dissatisfied | 4% | | |
| Total number of respondents | 296 out of 3,158 | | |

5.23 The percentage of members in the green category has increased over the last quarter to 89%. The 11% who were dissatisfied represents 32 members and the following are some comments made:

- Reply to emails quicker.
- Didn't get what I asked for so was disappointed.
- Member wasn't happy with the length of time it took to complete the aggregation of benefits.
- Have more call handlers.

- 5.24 Actions and comments following feedback.
- This quarter included the Christmas period when the office was closed for a week. This unfortunately resulted in the response times taking longer than our usual timescales.
 - Member wanted to access 25% of his pension after turning 55. Unfortunately, the scheme regulations don't allow for members to draw down on their pension, this is known as flexible drawdown offered by money purchase schemes.
 - Aggregation cases were stockpiled when we first moved to a new administration system and a new scheme was introduced in 2014, when we were awaiting guidance on how to process cases. Since that time, we have been slowly working through a backlog of cases.

Scheme Member Engagement – Customer Centre – Emails

- 5.25 Email is an important channel for many of our members and, since October 2020, we have been monitoring customer satisfaction levels with our email responses by embedding “click face” surveys into our email signatures. The table below shows the overall satisfaction levels for November and December 2022 and January 2023.

| Q. Overall, how satisfied are you with the service you receive from us? | | Compared to last quarter | |
|---|-----------------------------|--------------------------|--|
| Excellent | 57% | Down 2% |  |
| Good | 20% | | |
| Ok | 14% | Up 2% |  |
| Poor | 9% | | |
| Total number of respondents | 44 out of 3,827 emails sent | | |

- 5.26 Unfortunately, as always in this area, the response rates are low and not all members provide further information. However, from the 4 members who rated the service as poor, 3 members left details and we were able to contact them separately. The following issues were highlighted:
- A Councillor member was invited to use the retire online facility when in fact the online quote facility isn't available to Councillors as the Councillor Scheme has a different set of rules to the main scheme.
 - Member has 3 employments and was frustrated that we had processed a retirement quote for only 2, however the 3rd employment was on hold due to querying further information with the employer.
 - It took 2 weeks to reply to a member's query with regards to Lifetime Allowance.

- 5.27 Actions and comments following feedback.
- The relevant diary process has now been updated to ensure councillor members no longer appear on the retire online report.
 - This quarter included the Christmas period when the office was closed for a week. This unfortunately resulted in response times for emails taking longer than our usual timescales.

Scheme Member Engagement – New Joiner Survey

- 5.28 As part of our wider engagement with scheme members, we wanted to gain some insight into how members who have recently joined the pension scheme rated our service. A survey was issued to 1,085 members who had joined the scheme in November and December 2022 and January 2023. The new joiner survey specifically

asks about the welcome email/letter, including registration of the online portal. The results of the survey are shown below.

| Q. Overall, how satisfied are you with the service you receive from us? | | Compared to last quarter | |
|---|-------------------------------|--------------------------|---|
| Very Satisfied | 16% | Up 15% | ▲ |
| Satisfied | 47% | | |
| Dissatisfied | 26% | Down 15% | ▼ |
| Very Dissatisfied | 11% | | |
| Total Number of Respondents | 38 out of 1,085 emails issued | | |

5.29 Although the percentages in the green category aren't yet as high as we would want to see, it is encouraging that the figures are heading in the right direction since measures were implemented to treat new starters as priority and issue welcome letters/emails in a timely manner. The following comments were made:

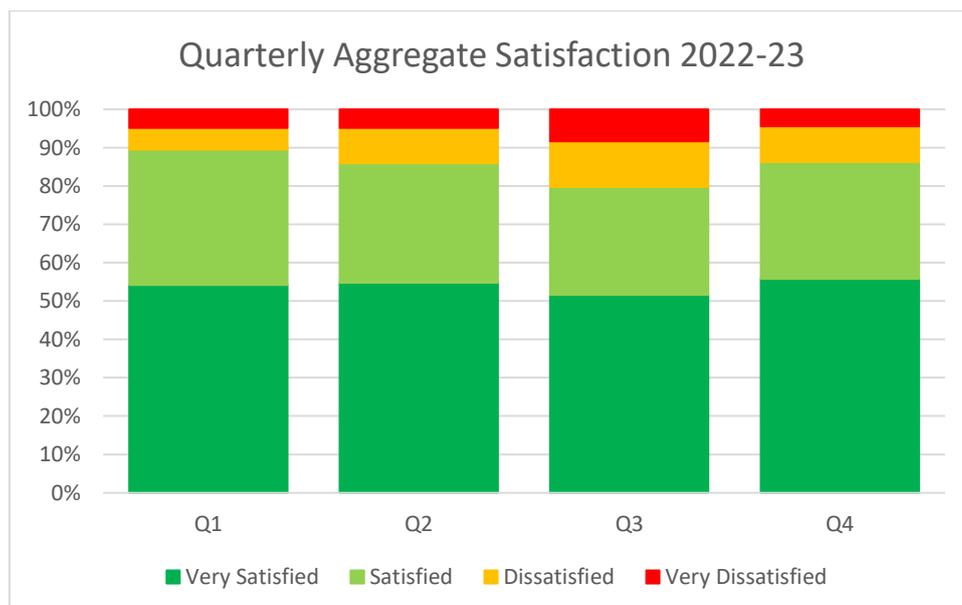
- Information around previous pension rights isn't clear in the email and on the form.
- I don't seem to have any details about how it works, is it DBS, contribution rates, AVC options, investment risk.

5.30 Action and responses following feedback.

- Welcome notifications have been updated to ensure the wording is clear and concise and the instructions are consistent.
- The welcome notification signposts members to the new starter guide on our website. However, the comments have been taken on board and we will look at how this can be made clearer.

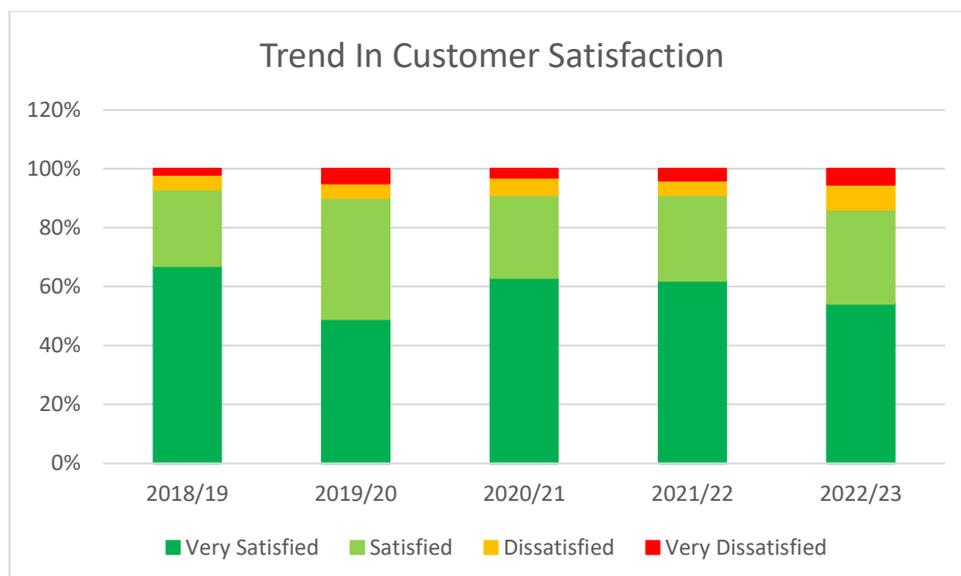
Overall Customer Satisfaction

5.31 It is possible to discern some trends in customer satisfaction from analysing this data at aggregate level, rather than looking at each of the individual surveys over the last year as shown in the chart below:



5.32 What this shows is that there has been something of a decline in the overall level of satisfaction during the year, although it may be recovering slightly in the most recent

quarter. However, looked at over the longer term (the last 5 years for which comparable information is available) the trend to a reduction in the green categories is perhaps more pronounced as shown below:



- 5.33 While there is some variability over time, there is a clear trend of increasing dissatisfaction. The sample size from which this data is derived is consistently between 1% and 1.5% of the total Fund membership and is therefore likely to be statistically significant. As indicated earlier in this report, this trend coincides with an overall fall off in case processing performance and it is not unreasonable to conclude that there is some connection between the two. Thus, the delivery of the programme of activity outlined above is designed to address the broad trends in customer satisfaction identified here while continuing the smaller scale responses to each of the surveys which are identified each quarter.

Member Engagement – Online Portal

- 5.34 We continue to encourage all scheme members (regardless of status) to sign up to use the online portal which was enhanced and expanded in 2019. There was a total of **1,843** new registrations in the quarter to the end of March 2023 taking the total number of registrations to **84,363** or around 49 % of the total membership, as shown in Appendix C. In addition, sessions where members are invited to bring their devices are held at Oakwell House to further encourage online sign up and help them fully exploit the available facilities.

- 5.35 Although the numbers registered to engage with us online are not as high as we would wish, as a proportion of the scheme membership overall, evidence from other funds does suggest that our levels of registration are at least comparable with the percentage of members signed up to use online services within the LGPS (Local Government Pension Scheme) more widely.

Other Engagement Activity

- 5.36 Over the quarter, the Engagement Team have continued to deliver a wide range of activity in support of members and employers. This has included delivery of:
- 7 Employer training sessions
 - 4 Virtual employer presentations
 - 2 'In person' employer presentations
 - 2 Hybrid 'Planning for Retirement' sessions

- 3 days of 1:1 information service appointments at employer premises
- 2 Home visits
- 2 Employer 'Focus Group' sessions
- 7 individual 1:1 Sessions

5.37 In addition to this, there has been a considerable focus on addressing specific employers who have been identified as having problems either with data submission or other issues. These are being addressed both with specific training and the addition of more information to the employer pages on the website and a structured escalation process to invoking the penalty notice process. Two further employers have been brought on to direct debit payment this quarter leaving only one employer who is not paying by this method and who is being followed up by the Interim Assistant Director – Pensions.

5.38 The Team has identified a number of future areas of work, in particular to improve the ill health retirement process making full use of UPM, to provide greater visibility around employers' performance in addressing queries and to develop process improvements which will make it easier for employers to respond to queries.

Annual Benefit Statements (ABS and Pensions Saving Statements (PSS)

5.39 The issue of Annual Benefit Statements by the end of August is a key task for the Pensions Service as is the associated issuing of Pension Savings Statements for tax purposes. The ABS project has already kicked off and regular highlight reports are now being provided to the Senior Management Team. There are challenges with the delivery of this project, caused by the need for an unexpected software update due to the new regulations changing the annual revaluation date for benefits in the scheme. While this change is welcome for many reasons, not least in reducing the number of members likely to trigger the annual allowance, the need to issue a software update at very short notice does increase risk in this area as reflected in the Corporate Risk Register. The new software is due for delivery in April and, subject to this happening and installation and testing being successful, there should not be an impact on the overall timescale.

5.40 In relation to Pension Savings Statements, work is being undertaken to ensure that tools are available to enable the Benefits Team to undertake most of this work and a plan for delivery of this project will be put in place once the delivery timescale for Annual Benefit Statements is clear. In addition, the resolution of a number of historic complex queries has been outsourced to Hymans Robertson. Resolving these queries prior to this year's process will provide a solid baseline from which the Team can work.

Triennial Valuation

5.41 The valuation process was completed within the required timescales and a report on the outcomes of the process appears elsewhere on the agenda for this meeting.

Conclusion

5.42 This will be the last report to the Board in this format. A more concise and less labour intensive "dashboard" is being developed and will be provided from Q1 of the new financial year.

5.43 The Pensions Service faces several challenges and has done for some time. These are now beginning to impact on the quality of customer service. This is not a situation which can be allowed to continue and the plan currently being developed by the Interim Assistant Director – Pensions is intended to both address these challenges and ensure that they do not recur.

6 Implications

6.1 The proposals outlined in this report have the following implications:

| | |
|-----------------|---|
| Financial | The programme of improvement activities outlined in this report is likely to require additional resources which will need to be approved by the Authority in line with the appropriate procedures. |
| Human Resources | Attention needs to be paid to achieving a better balance of experience across the Pension Officer group and developing significantly improved levels of technical knowledge across the Pensions Service and this is likely to require investment in a more structured approach to training within the career grade. In addition, the capacity planning exercise currently underway is likely to result in the need for further recruitment which could exacerbate this imbalance in the levels of experience across the workforce in the short / medium term which will require careful management. |
| ICT | A significant degree of focus in terms of ICT development resources on addressing root causes of some of the systems challenges the service faces is likely to be required and this may require some one-off investment to expedite delivery. |
| Legal | None |
| Procurement | None |

George Graham
Director

| Background papers | |
|-------------------|---------------------|
| Document | Place of Inspection |
| None | |