

Report Title:	<b>Administration Report</b>
Contains Confidential or Exempt Information?	YES - Part I
Member reporting:	Councillor Sharpe, Chairman Berkshire Pension Fund and Pension Fund Advisory Panels
Meeting and Date:	Berkshire Pension Fund and Pension Fund Advisory Panels – 23 September 2019
Responsible Officer(s):	Kevin Taylor, Deputy Pension Fund Manager, Philip Boyton, Pension Administration Manager
Wards affected:	None

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## REPORT SUMMARY

1. This report deals with the administration of the Pension Fund for the period 1 April 2019 to 30 June 2019
2. It recommends that Members (and Pension Board representatives) note the Key Administrative Indicators throughout the attached report.
3. Good governance requires all aspects of the Pension Fund to be reviewed by the Administering Authority on a regular basis
4. There are no financial implications for RBWM in this report

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Panel notes the report and:

- All areas of governance and administration as reported
- All key performance indicators

Please note that Administration Reports are provided to each quarter end date (30 June, 30 September, 31 December and 31 March) and presented at each Panel meeting subsequent to those dates.

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

The Pension Panels have a duty in securing compliance with all governance and administration issues.

## 3. KEY IMPLICATIONS

Failure to fulfil the role and purpose of the Administering Authority could lead to the Pension Fund and the Administering Authority being open to challenge and intervention by the Pensions Regulator.

## 4. FINANCIAL DETAILS / VALUE FOR MONEY

Not applicable.

## **5. LEGAL IMPLICATIONS**

None.

## **6. RISK MANAGEMENT**

None.

## **7. POTENTIAL IMPACTS**

None.

## **8. CONSULTATION**

Not applicable.

## **9. TIMETABLE FOR IMPLEMENTATION**

Not applicable.

## **10. APPENDICES**

None.

## **11. BACKGROUND DOCUMENTS**

None.

## **12. CONSULTATION (MANDATORY)**

<b>Name of consultee</b>	<b>Post held</b>	<b>Date issued for comment</b>	<b>Date returned with comments</b>
Cllr. Julian Sharpe	Chairman – Berkshire Pension Fund Panel		
Rob Stubbs	Section 151 Officer		



## **ADMINISTRATION REPORT**

**QUARTER 1 – 2019/20**

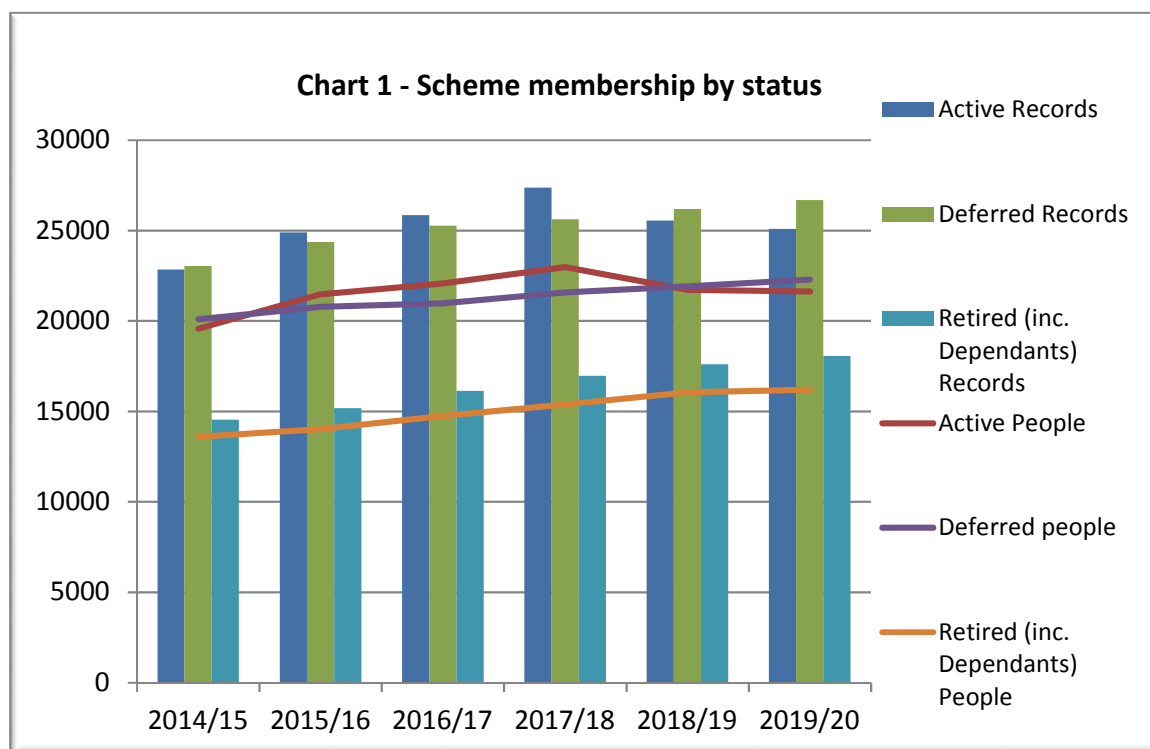
**1 April 2019 to 30 June 2019**

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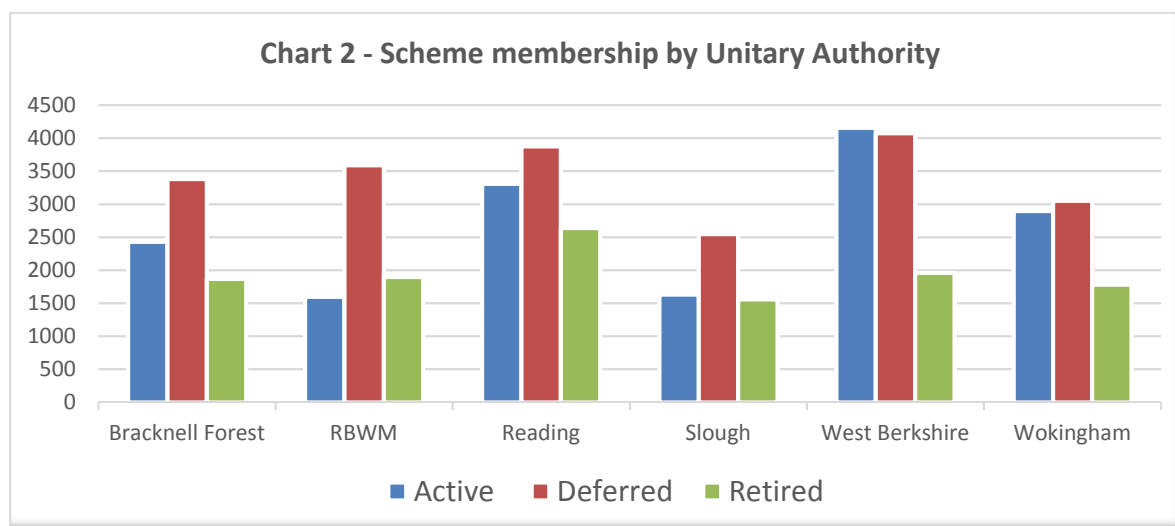
## 1. ADMINISTRATION

### 1.1 Scheme Membership



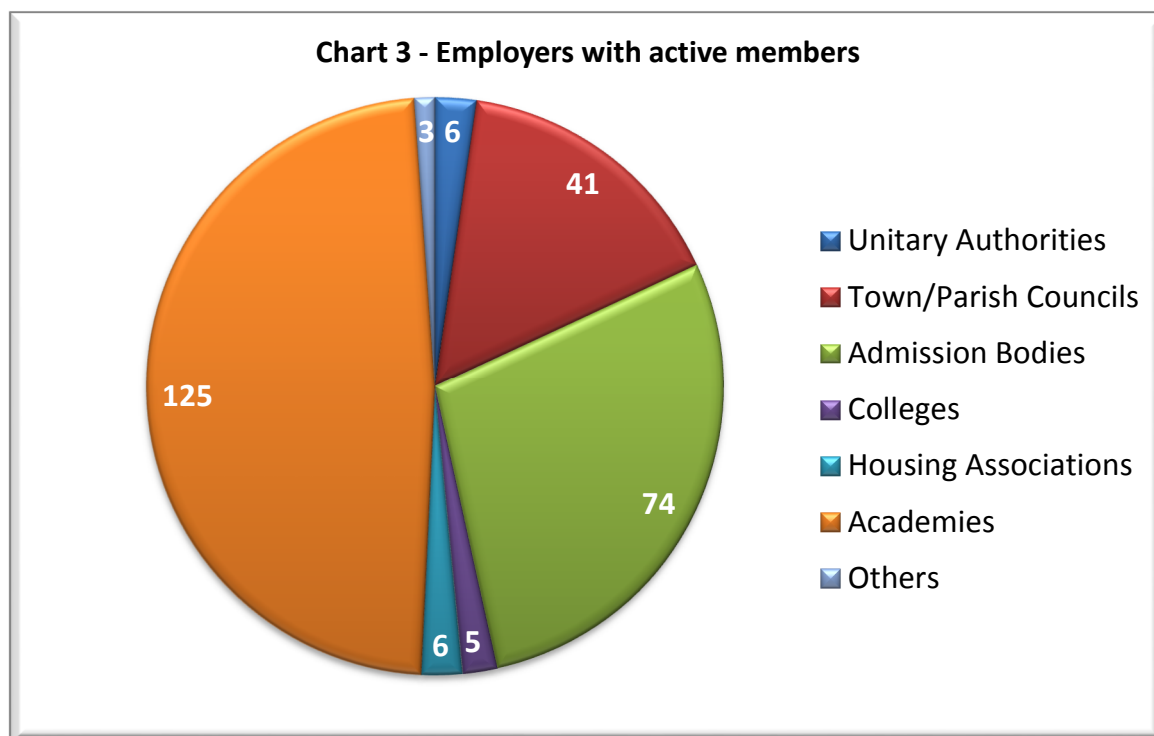
TOTAL MEMBERSHIP			
Active Records	25,094	Active People	21,637
Deferred Records	26,686	Deferred People	22,291
Retired Records	18,057	Retired People	16,197
<b>TOTAL</b>	<b>69,837</b>	<b>TOTAL</b>	<b>60,125</b>

### 1.2 Membership by Employer



Membership movements in this Quarter (and previous Quarter)						
	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	-221 -112	-57 -126	-346 -363	-230 -20	-188 -173	+171 -128
Deferred	-3 +33	-3 -10	+91 +15	+39 -3	+92 +117	+99 +103
Retired	+56 +26	+46 +70	+82 +41	+46 +19	+82 +53	+86 +42

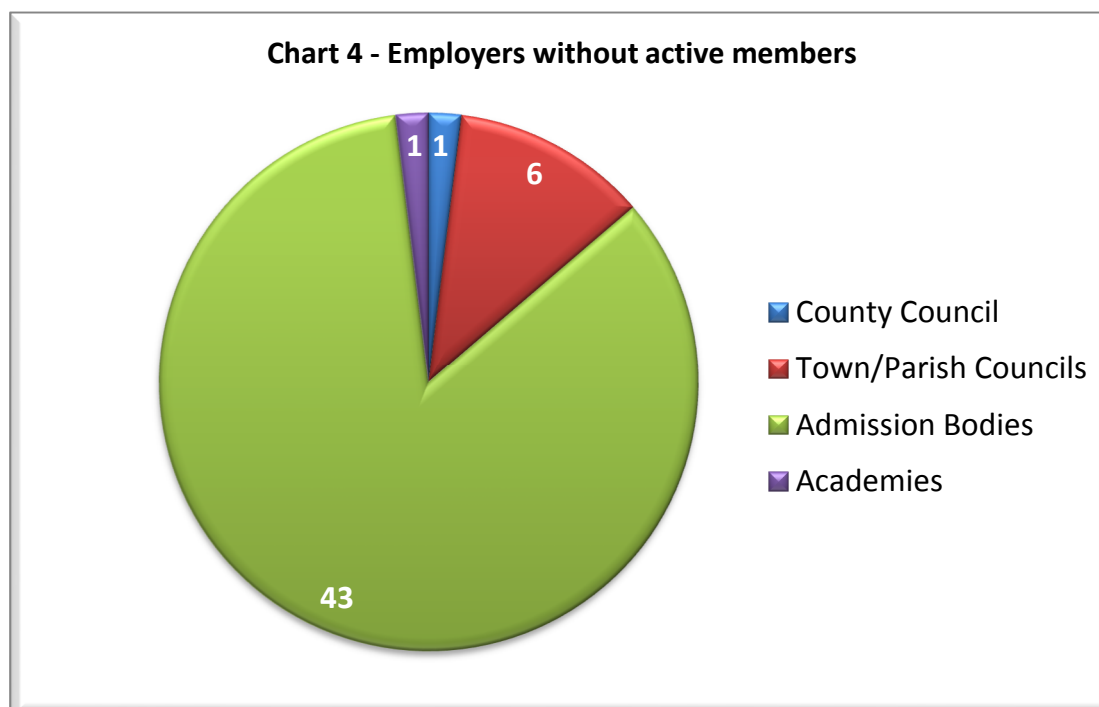
### 1.3 Scheme Employers



New employers since last report:

**Admission Bodies:** Regency Cleaning Services Ltd (Maiden Erlegh Schools Trust), VolkerHighways (Wokingham BC)

**Academies:** Claycots Primary School



**Exiting employers:** None

## 1.4 Scheme Employer Key Performance Indicators

Table 1A – i-Connect users Quarter 1 (1 April 2019 to 30 June 2019)					
Employer	Starters	Leavers	Changes	Total	Achieved
Bracknell Forest Cncl	158	107	124	389	98.5269%
RBWM	199	104	80	383	95.2596%
Reading BC	294	156	209	659	99.2643%
Slough BC	92	59	111	262	92.6573%
West Berks Council	350	204	304	858	98.5348%
Wokingham BC	119	53	101	273	99.6329%
Academy/ School	362	191	2445	2998	91.2679%
Others	135	78	349	562	93.7534%
<b>Totals</b>	<b>1709</b>	<b>952</b>	<b>2723</b>	<b>6384</b>	<b>96.1121%</b>

**NOTES:** Table 1A above shows all transactions through i-Connect for the first quarter of 2019/20. Changes include hours/weeks updates, address amendments and basic details updates.

The benefits of i-Connect are:

- Pension records are maintained in 'real-time';
- Scheme members are presented with the most up to date and accurate information through *mypension* ONLINE (Member self-service);
- Pension administration data matches employer payroll data;
- Discrepancies are dealt with as they arise each month;
- Employers are not required to complete year end returns;
- Manual completion of forms and input of data onto systems is eradicated removing the risk of human error.

### Exception report – less than 90% achieved

None

Table 1B Non i-Connect users Quarter 1 (1 April to 30 June 2019)						Trend	
Employer	Starters	Leavers	Total	This Quarter	Quarter <1	Quarter <2	Quarter <3
	In/Out	In/Out					
Bracknell	1/1	39/44	40/45	<b>47.06%</b>	38.84%	41.10%	38.05%
RBWM	0/0	19/69	19/69	<b>21.59%</b>	41.18%	51.13%	11.11%
Reading	0/0	21/199	21/199	<b>9.55%</b>	20.90%	6.01%	18.75%
Slough	0/0	8/36	8/36	<b>18.18%</b>	61.29%	56.32%	51.97%
W Berkshire	1/2	23/142	24/144	<b>14.29%</b>	14.55%	6.28%	24.62%
Wokingham	0/5	10/24	10/29	<b>25.64%</b>	71.05%	38.64%	19.64%
WBC Schs.	3/44	4/79	7/123	<b>5.38%</b>	13.49%	5.61%	6.29%
Academies	28/280	40/202	68/482	<b>12.36%</b>	23.32%	33.28%	18.35%
Colleges	4/12	3/17	7/29	<b>19.44%</b>	66.67%	37.84%	8.06%
Others	15/41	14/86	29/127	<b>18.59%</b>	51.20%	41.99%	27.78%
<b>Totals</b>	<b>51/388</b>	<b>181/898</b>	<b>232/1286</b>	<b>15.28%</b>	<b>28.95%</b>	<b>27.30%</b>	<b>19.33%</b>

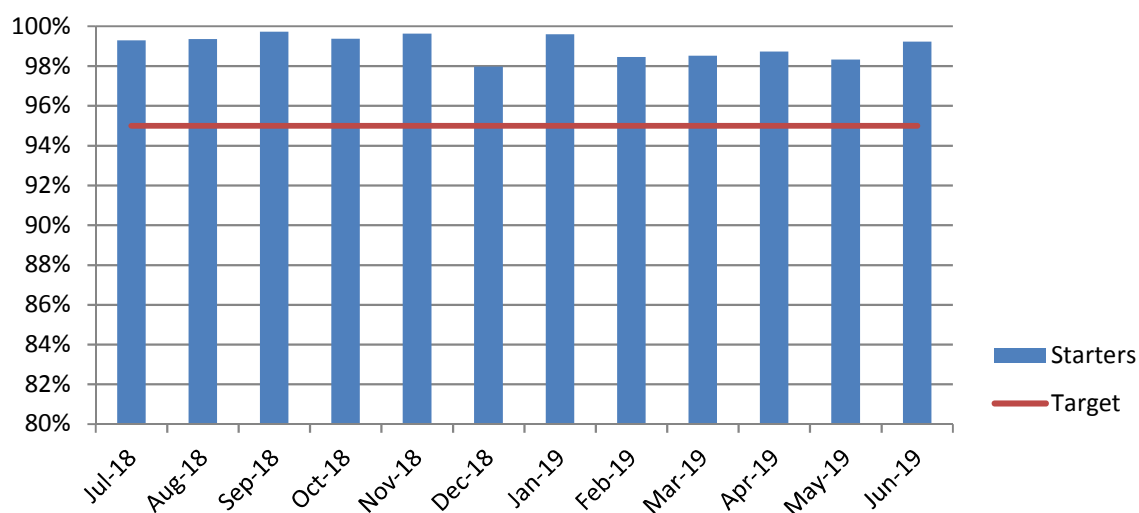
**NOTES:** Some employers listed in Table 8B above will also be listed in Table 8A. This is because not all employees of a scheme employer are paid through the scheme employer's payroll e.g. some non-teaching staff at Local Authority maintained schools may be paid via a third party payroll provider which is not an i-Connect user although those individuals are employees of the relevant Unitary Authority.

Details of starters and leavers only are recorded by the team. Other pension record changes may or may not have been received by the Pension Fund via payroll or from the scheme member direct. Experience tends to show that individuals may notify payroll of certain data changes but not always pensions and that payroll may not always forward information to the pension team.

Many missing data items are found through the year-end process which can be a long, labour intensive exercise for both the Pension Fund and the scheme employer. Employers using i-Connect do not have a year-end process to deal with as all data is uploaded and verified on a monthly basis.

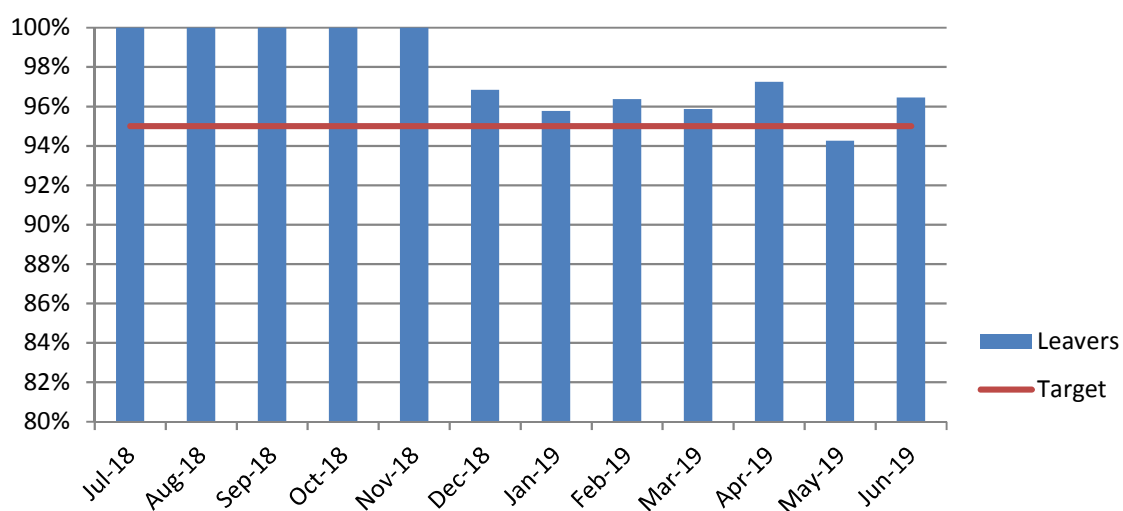
## 1.5 Key Performance Indicators

**Chart 5A - KPI 1 - Starters processed within 20 working days**



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Starters	99.29	99.35	99.73	99.37	99.63	97.97	99.6	98.46	98.51	98.73	98.32	99.22
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	848	462	364	478	1072	345	756	456	537	642	832	723

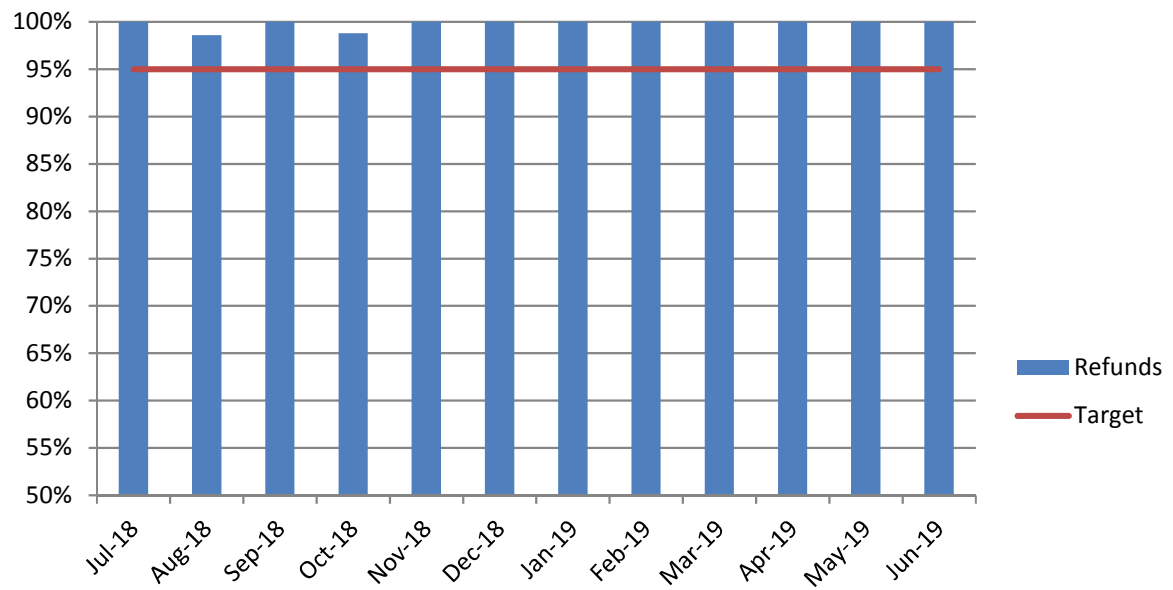
**Chart 5B - KPI 2 - Leavers processed within 15 working days**



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Leavers	100	100	100	100	100	96.83	95.76	96.37	95.86	97.24	94.26	96.45
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	458	548	635	566	428	379	637	606	652	673	694	582

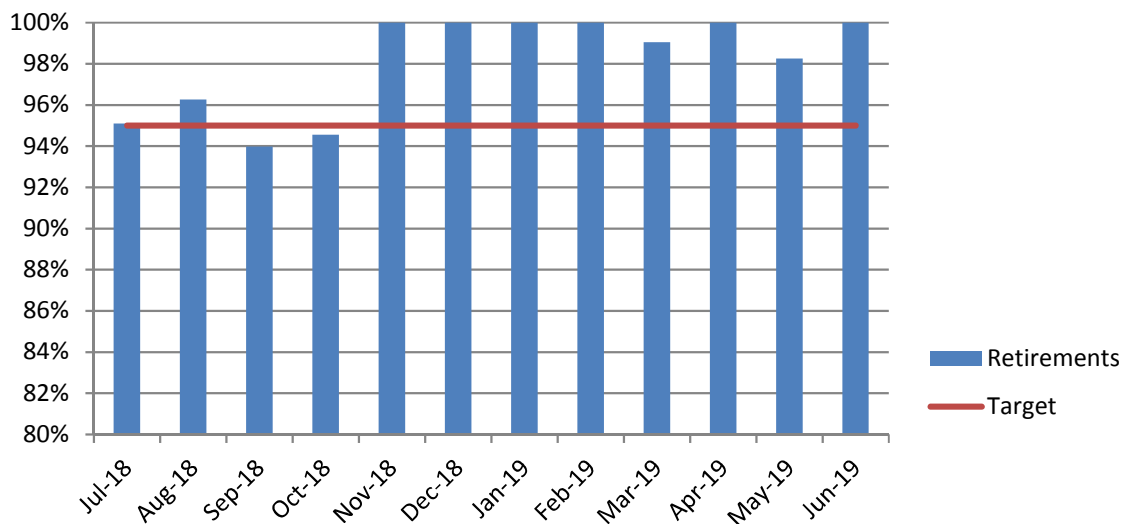


**Chart 5C - KPI 3 - Refunds processed within 10 working days**



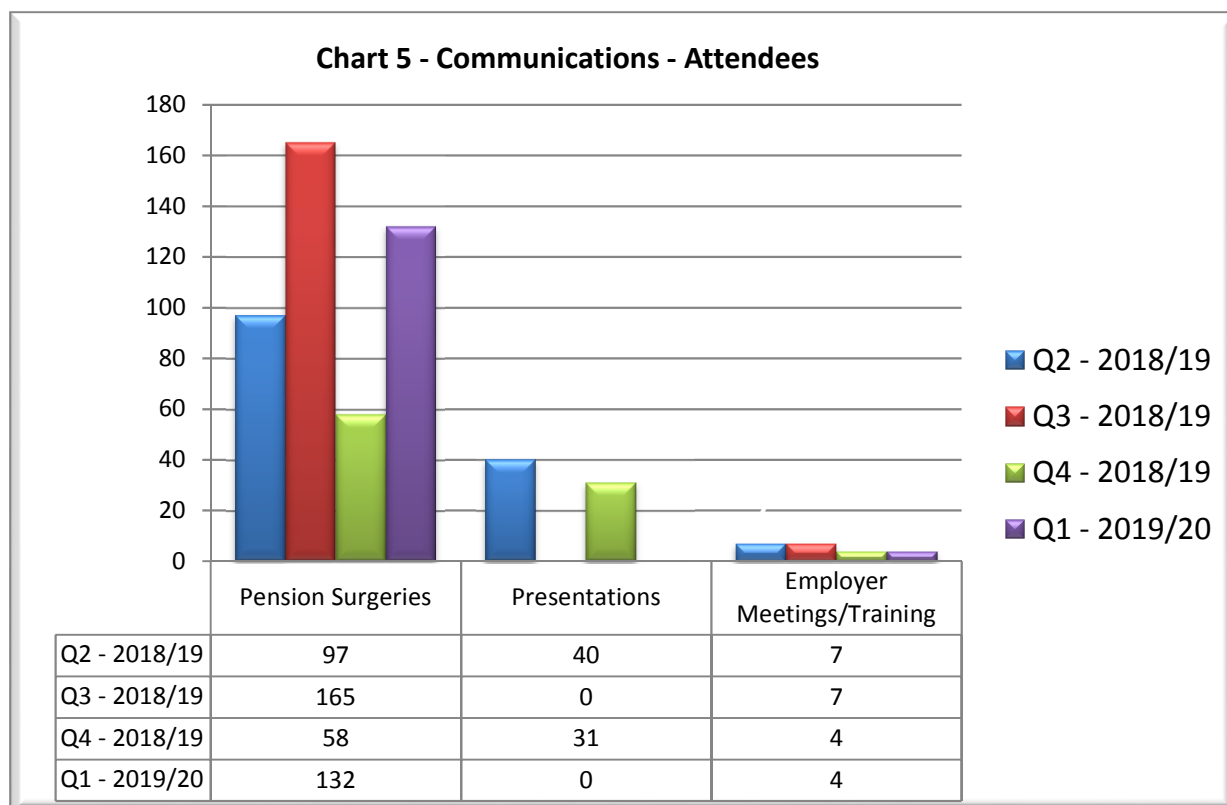
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Refunds	100	98.59	100	98.78	100	100	100	100	100	100	100	100
Target	95	95	95	95	95	95	95	95	95	95	95	95

**Chart 5D - KPI 4 - Retirements processed within 5 working days**

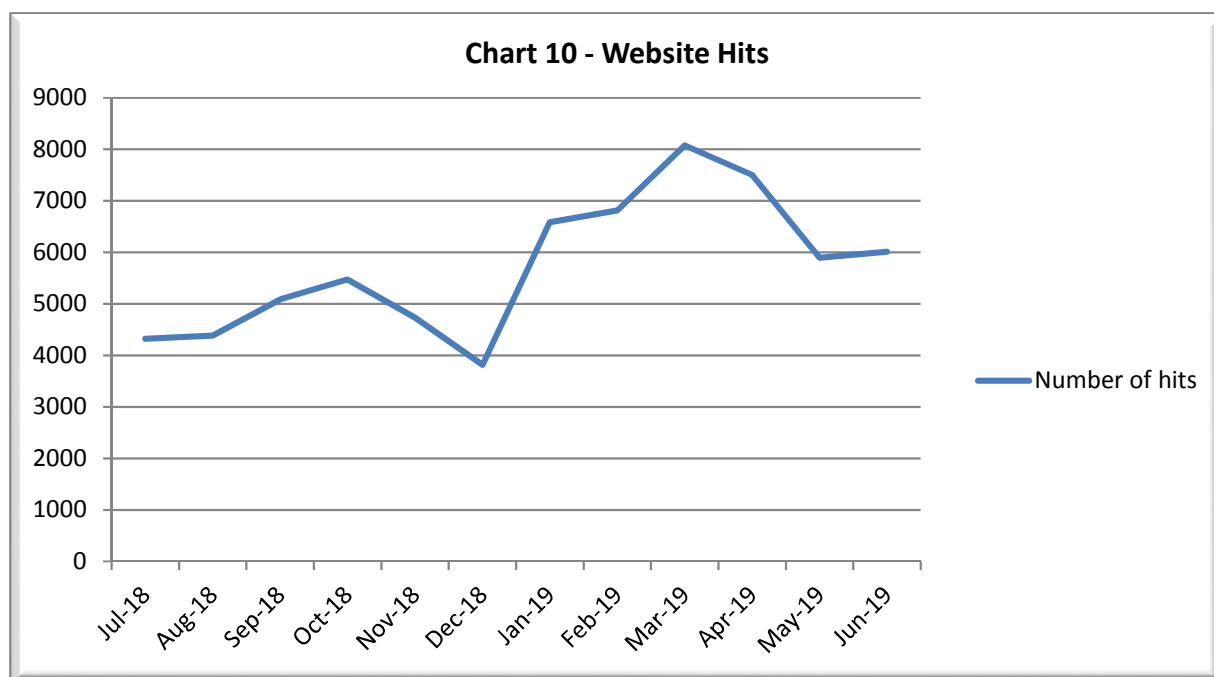


	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Retirements	95.1	96.26	93.97	94.55	100	100	100	100	99.04	100	98.25	100
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	102	107	116	110	116	68	84	115	104	125	114	98

## 1.6 Communications



## 1.7 Website Hits



## 1.8 Stakeholder Feedback

As part of the Pension Fund's aim to achieve Pension Administration Standards Association (PASA) accreditation it is a requirement to report to Members the comments and complaints received from scheme employers and their scheme members on a periodic basis.

There is no feedback to report.

## 2 SPECIAL PROJECTS

### 2.1 *Year End 2019*

Officers are pleased to report the reconciliation and issue of Annual Benefit Statements in respect of active contributors and deferred pensioners was completed ahead of the statutory deadline of 31 August 2019.

In total 275 scheme employers were required to provide Officers with a Year End File by 30 April 2019. This was achieved by 248 scheme employers with the remaining 27 scheme employers providing their file by no later than 23 May 2019.

Officers made available Annual Benefit Statements to all scheme members of the total 275 scheme employers by 4 July 2019. Annual Benefit Statements have been made available over one month earlier than during 2018 when they were made available by 14 August 2018. This is testament to the ever increasing popularity of i-connect among scheme employers which enables them to provide the Administration Team with scheme member data electronically on a monthly basis rather than a full 12 month reconciliation exercise immediately following the end of the scheme year.

### 2.2 *Valuation 2019*

Following the successful completion of Year End 2019, as described above, Officers were able to focus on producing the scheme member data extracts required by the Pension Fund's Actuary, Barnett Waddingham. These extracts will contribute towards the calculation of all scheme employer contributions rates payable for three scheme years beginning 1 April 2020. Following six provisional data runs, used by Officers to identify and correct errors, final data extracts were submitted on 27 June 2019.

The feedback received from the Actuary so far has been that the quality of data provided is of an excellent standard.

### 2.3 *Data Quality Exercise*

The Pensions Regulator (tPR) expects all UK pension schemes to measure the presence and accuracy of the data they hold, and put plans in place to resolve issues where they find them.

Since Officers received the results of the first data cleanse from heywood's, the provider of the Pension Fund's *altair* pension administration software, efforts have been on going to improve the results in respect of Common and Scheme Specific data in readiness for the next data cleanse.

The second data cleanse was scheduled for October 2019 but with the early completion of Year End 2019 and Valuation data already submitted to the Actuary, Officers asked heywood's to perform the second data cleanse during August 2019.

The results remain outstanding but a reminder of the respective scores received during the first data cleanse in October 2018 are shown below:

<b>Data Item</b>	<b>Pass rate</b>	<b>Member records without a single failure</b>
Common	98.85%	91.3%
Scheme Specific	97.58%	86.1%

Officers will report the results of the second data cleanse at the earliest available opportunity.