

By: Director of Finance
To: Superannuation Fund Committee – 6 June 2008
Subject: **PENSIONS ADMINISTRATION**
Classification: Unrestricted

Summary: To advise members of achievements against Key Performance Indicators and other Administration Issues

FOR INFORMATION

INTRODUCTION

1. Members are provided with Key Performance Indicators (KPI) results on a 6 monthly basis.

KEY PERFORMANCE INDICATORS

2. Attached at Appendix 1 are our results against KPI targets compared to the previous two 6 month periods (6 months to October 2007 and 6 months to May 2007). A monthly analysis for the last 6 months is included in Appendix 2.
3. With the exception of dependant benefits, in which 11 cases were only marginally out of our turnaround time, we have achieved the target of 95% in the other key areas.
4. These achievements have been in an extremely difficult period for the section.
5. There was considerable work to be undertaken in the lead up to the introduction of the new scheme, on 1 April 2008. Members are aware that we still await clarification in relation to a number of significant areas including the 85 year rule and ill health. Production staff had to be used to answer numerous calls from members in the months leading up to 1 April 2008.
6. The number of estimates being prepared has been increasing, particularly, in November 2007 and April 2008. In these two months we received no less than 392 requests for estimates.
7. We have previously advised members of the extra work now necessary following changes to HMRC rules. This has been noted as a serious concern in the Industry Press over the last few weeks.

NEW LOOK LGPS

8. The new scheme was introduced on 1 April 2008, despite, a number of key areas are yet to be finalised. In addition, essential GAD factors, necessary to complete calculations, have yet to be received.

Difficulties are still existing in relation to the following areas:-

- Ill Health Benefits – clarification is awaited in relation to definitions contained in the regulations
 - Flexible Retirement – clarification is needed as to the application of partial drawdown
 - 85 Year Rule – no decision on levels of long term protection
9. The process of introducing the new regulations has been the subject of serious criticism by the Local Government Employers Association. The quality of drafting of the regulations has also been severely criticised by the parliamentary body that reviews statutory instruments.

AXIS 'EMPLOYER' INTERNET

10. Following members agreement at the last meeting to the piloting of the above software, meeting with our IT Department have commenced, to implement the necessary connectivity, before pilot trials commence with selected employers.

RECOMMENDATION

11. Members are asked to note the content of this report.

Patrick Luscombe
Pensions Manager
Extension 4714

**Achievements against Benchmark Targets
And Performance Indicators**

Case Type	Target Time	6 months to April 2007		6 months to October 2007		6 months to April 2008	
		Number	% in target	Number	% in target	Number	% in target
Calculation and payment of benefit award	20 days from receipt of paperwork	662	98%	803	99%	731	96%
Calculation and payment of dependant benefit	15 days from receipt of paperwork	158	99%	165	100%	170	91%
Provision of benefit estimate	20 days from receipt of paperwork	1063	94%	1077	97%	951	95%
Reply to correspondence	Full reply within 10 days	578	95%	558	98%	607	95%

Appendix 2

Detailed Results for the period 6 months to April 2008

Case Type	Target Time	November 2007		December 2007		January 2008		February 2008		March 2008		April 2008	
		No.	% in target	No.	% in target	No.	% in target	No.	% in target	No.	% in target	No.	% in target
Calculation and payment of benefit award	20 days from receipt of all paperwork	115	99% (1)	93	95% (4)	117	95% (6)	138	96% (6)	84	99% (1)	184	92% (14)
Calculation and payment of dependant benefit	15 days from receipt of all paperwork	35	86% (5)	16	100% (-)	26	93% (2)	35	83% (6)	27	100% (-)	31	90% (3)
Provision of benefit estimate	20 days from receipt of all paperwork	163	99% (2)	106	97% (3)	166	93% (11)	146	97% (4)	141	95% (7)	229	91% (20)
Reply to correspondence	Full reply within 10 days	65	97% (2)	46	100% (-)	95	82% (17)	112	98% (2)	110	95% (5)	179	96% (7)

* Numbers in brackets are cases outside target time