

Pensions Committee

27 March 2019

Report title	Business Performance and Data Management	
Originating service	Pension Services	
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Report to be/has been considered by	Rachel Brothwood Tel Email	Director of Pensions 01902 551715 Rachel.brothwood@wolverhampton.gov.uk

Recommendation for decision:

1. The Committee is asked to approve the Fund's Service Plan 2019-2024.

Recommendations for noting:

The Committee is asked to note:

1. The Fund's Key Performance Indicators
2. The progress of the Fund in delivering its Digital Transformation Programme
3. The work ongoing to improve delivery of Data Management across the Fund as part of the review of the monthly submissions programme

1.0 Purpose

- 1.1 To update Committee on the work of the Fund to ensure ongoing review of service delivery which meets the standards and expectations of its members and employers.

2.0 Key Performance Indicators

- 2.1 The Fund's Key Performance Indicators continue to show improvement across all service areas of the Fund. A copy of the latest KPIs are attached at Appendix A.
- 2.2 This quarter the Fund has seen continued increase in the high volumes of benefit processing work following recent legislative changes and continued turnover of member and employer memberships as noted in the Pension Admin Report.
- 2.3 Following the recent changes and recruitment to the Finance team, there has been an improvement in the timeliness for the production of quarterly accounts. The team continue to develop with ongoing recruitment to fill key roles.
- 2.4 As noted in the Governance Update and Regulatory Update reports, there have been a number of changes to the administration and management of LGPS Funds which has seen an impact on the governance and administration costs of the Fund, which will continue to have an impact as we progress with our Service Development Project ensuring we are able to provide a high quality service responding to the needs of our Customers over the coming year and meeting our objective of investing to increase capacity.
- 2.5 The Fund continues to produce 2018 Annual Benefit Statements (ABS) for its members in line with our rolling programme of production. This quarter the Fund is reporting 83% of ABS produced for members which has surpassed the percentage produced in 2017 (79%). The rolling programme continues through to the end of the month with further runs scheduled to maximise the production of benefit statements.

3.0 Skills and Resources

- 3.1 This year the Fund has seen a number of changes in its governance and administration, noting the positive comments coming out of the AON review on the work of the Fund to develop its services and its continual cycle of review and ongoing improvement.
- 3.2 A key part of the Fund's ability to continue delivering a high quality service is in the resources and skills provided by our people and this year the Fund will continue to develop the breadth and depth of the resource it has through the launch of its People Development Framework, looking at the skills, qualifications and talent needed to be an effective and responsive workforce which include developing its graduate and trainee program, noted by AON in their review as being "sector leading"; as well as continuing to build on the existing skills through service specific training. Where needed, the Fund will source specialist skills to support and transform our services and systems to support the ongoing change and service development driven by our customers and the industry.

- 3.3 Noting the number of changes forthcoming in the industry, the Fund will also develop its Trustee and Pension Board training programme ensuring it is responsive to change and that Committee and Board are kept up to date with relevant changes, developing skills and knowledge to ensure the ongoing effective decision-making process.

4.0 Digital Transformation

- 4.1 Work continues to develop the Digital Transformation Programme at the Fund, with a number of areas progressing over the last quarter. The aim of the programme is to support the Fund to transform its business areas through the use of information and technology to drive business efficiencies and cost savings whilst improving the service we provide to our members. The associated development work is included in the Fund's budget for 2019/20.

4.2 Employer Hub

The Fund has been working in partnership with our software supplier, Civica, to develop a new portal for employers. The new portal is being designed to improve the reporting functionality, improve the user experience through design and efficiency, improve the processes for exchanging data and enhance performance monitoring enabling earlier issue resolution. As we work to specify and build the new functionality we continue to engage with the Employer Peer Group to keep them updated on the project and get their views on the development underway. A proof-of-concept workshop was held with employers in February to ensure the functionality meets requirements and to gather feedback. More in-depth testing will be undertaken during the summer, with an aim of implementing the new portal before the end of 2019/20.

4.3 Employer Web Trays

Following the initial pilot of this functionality in 2018, further enhancements were identified and raised with our software supplier. We are working closely with Civica to develop these enhancements and enable the pilot to continue. This functionality will enable queries with data to be raised with employers via the web portal and the process will be sent to the employers web-tray for action. It will enable the Fund to standardise the queries raised with employers to ensure consistency and enable the monitoring of the types of queries raised, supporting identification of requirements for further guidance for Fund staff and also employers.

4.4 Deferred Retirement Quotes Online

As previously reported to Committee, following the amendment to the regulations to allow deferred members to access their pension from age 55, the Fund has seen a significant increase in the number of requests for members. To support the management of this work, the Fund is developing a self-service facility for members. An initial design requirements meeting is due to take place in March, and a more detailed plan for implementation will be developed.

5.0 Data Management

- 5.1 As noted in the KPIs, the Fund has increased its production of Annual Benefit Statements by 6% to 83%, surpassing the total amount produced for the previous year in 2017. This is in part due to the ongoing programme of data cleansing currently being undertaken by the Fund and its employers following the launch of the monthly submission programme. To date, the Fund has received 97% of monthly files from employers for the 2018/19 year. The Fund continues to engage with employers on its data management programme.
- 5.2 As work begins in preparation for the 2019 valuation, good data management will be key to the discussions and assessments of employer liability in setting contributions for the next 3 years and work is underway to test the data held by the Fund in preparation for the data extract. The Fund is working with our software supplier, Civica, to develop the data reports to enable data testing prior to information being provided to our actuary, ensuring more accurate liability assessments for our employers.
- 5.3 Committee will recall the Fund recently undertook a microfiche digitisation exercise partly due to the changes in data protection law brought about by GDPR. That programme is now drawing to a close with all fiches having been digitised by the provider, the images are in the process of being uploaded to member records. This is a key milestone for the Fund in good data management and compliance with Data Protection Laws.
- 5.4 As we continue to develop our Data Management Framework, the Fund continues to undertake a review of the monthly submission project with specialist support being added to the Fund's data team to continue developing the data management programme with a focus on increasing automation of processing and a robust validation process at the point of upload by employers to increase processing speed and efficiency.
- 5.5 Significant work is currently being undertaken in assessing members records for who the Fund has been unable, to date, to produce an annual benefit statement for 2018, to target further improvement ahead for the 2019 exercise.
- 5.6 This together with a number of other projects (for example to enhance member tracing) are currently being scoped to inform review and update the Data Improvement Strategy to be presented to Committee in June.

6.0 Service Plan 2019-2024

- 6.1 In considering all of the above service developments and investment in Fund resource, the Fund has developed its Service Plan for 2019-2024 with specific focus on partnership working with our employers and stakeholders and investing in our resources, systems and people to ensure the Fund is responsive to change from legislation and regulators in the year to come.
- 6.2 A copy of the Service Plan 2019-2024 is attached at Appendix B for Committee's approval.

7.0 Financial implications

7.1 The continued change in both the administration and governance requirements of LGPS Funds together with increasing regulation continues to increase demands on the resources of Funds. The Fund is committed to developing its services for members investing in its resources to ensure records are kept up to date improving member and employer information through ongoing data cleansing initiatives.

8.0 Legal implications

8.1 The Fund has a duty to comply with statutory and regulatory requirements in the management and administration of the Fund and it is obligated to report matters of material significance to the Regulator where breaches of those standards are identified.

9.0 Equalities implications

9.1 The employee Training Policy has been written in compliance with the Equality Act and has been determined to not impact any one category of persons, being a fair and open policy for all.

10.0 Environmental implications

10.1 This report contains no equal opportunities implications.

11.0 Human resources implications

11.1 The Employee Training Policy complies with the HR policies of City of Wolverhampton Council

11.2 All posts are recruited to through a fair and open process.

12.0 Corporate landlord implications

12.1 This report contains no direct corporate landlord implications.

13.0 Schedule of background papers

13.1 None

14.0 Appendices

14.1 Appendix A - Key Performance Indicators

14.2 Appendix B - Draft Service Plan 2019-2024