

meeting

## **PENSIONS ADMINISTRATION SUB - COMMITTEE**

date

**3 FEBRUARY 2011**

agenda item number **6**

### **REPORT OF THE SERVICE DIRECTOR (HUMAN RESOURCES)**

#### **PENSION OFFICE PERFORMANCE MONITORING**

#### **1. Purpose of the Report**

- 1.1 The purpose of this report is to provide a quarterly update to the Sub-Committee on the customer service standards applied within the Pensions Office with effect from 1<sup>st</sup> November 2010.

#### **2. Information and Advice**

- 2.1 At the meeting of the Sub-Committee on 8 July 2010, a report was presented on the customer service standards and performance monitoring regime to be introduced within the Pensions Office with effect from 1 November 2010. The attached Appendix A notes the Customer Service Standards. It was proposed that performance of the Pensions Office against the customer service standards be reported to the Sub-Committee on a quarterly basis.
- 2.2 An analysis has been undertaken of the performance for the period of 1 November and 31 December 2010, in regard to 'Pension Procedures – Customer Service Standard – What we will do', and is as noted in Appendix B. It can be seen that the target set for processing has been met for all work groups at 100%, except retirements, where 87% of retirements have been processed and paid within one month of retirement. Of the 20 retirements that were processed outside of the 30 days, 19 were related to where there was a delay in the employer notifying the Pensions Office of a retirement, or where the retiring member had delayed returning the 'Retiring Member Pack' (Application for Pension Benefits). Unfortunately, 1 retirement was processed after the 30 day period (33 days).
- 2.3 All employers have been contacted to ensure that they notify the Pensions Office in a timely manner of members who are retiring.
- 2.4 The performance monitoring for the period 1 January to 31 March 2011 will be reported to the next meeting of the Sub-Committee scheduled for 5 May 2011

- 2.5 It should be noted that from 4 October 2010, 5 staff members from the Pensions Office were seconded as the Pensions Estimate Team, to support the newly established Vacancy Management Team, in terms of processing redundancy estimates. This was in response to the voluntary redundancy exercise organised by Nottinghamshire County Council. They were further supported by 4 members from the office for the period 25 October to 30 November, to meet a strict deadline in relation to calculating and sending estimates to employees who had expressed an interest in voluntary redundancy. To date, 2228 redundancy estimate calculations have been undertaken and subsequent estimate letters sent to employees of the County Council. Of all the redundancy estimate letters provided to employees, approximately 85% were sent to the employee's work e-mail addresses, thus saving costs on resources and postage.
- 2.6 It can be reported that the following initiatives are taking place in order to progress the Pensions Office to become more efficient, meet all established customer standards, and ultimately provide an ongoing improved customer service to the members of the Fund:
- a) Work is underway in reviewing the procedures/processes used within the Pensions Office, and to apply the 'Systems Thinking' concept to pensions administration. This will lead to a 're-engineering' of all procedures/processes, and streamline the function to become more efficient. This will also lead to a re-organisation of the Pensions Office;
  - b) From 19 January 2011, all correspondence from the Pensions Office to officers within the County Council is being sent by e-mail. This initiative will in due course be extended to correspondence sent to employers, and to members, as appropriate, within the Fund;
  - c) A working group has been established with the Pensions Section of Nottingham City Council (2<sup>nd</sup> largest employer in the Fund), to review working arrangements with the Pensions Office. It has been agreed, that the City Council's Pension Section subject to audit approval, will commence from April 2011 to directly input information into the Fund's pensions administration system, in order for the pensions administration work to be progressed. This will negate the need to send paper instructions to the Pensions Office, and hence reduce the level of administration resources required;
  - d) From May 2011, all pension payments will be processed via direct input on a database and subsequent interface with the County Council's financial system. This will again negate the need to send a paper instruction to the Payments Section (Finance & Trading) in order for a payment to be made. It will further assist in payments being made in a timely manner to a payee, member, another fund/administering authority, or to another pension provider.

- e) The Pensions Office is also involved in the Business Management System programme to ensure that the appropriate links and interfaces are developed between the AXIS system and the SAP system.

The ongoing work and progress on the above initiatives will be reported to the Sub-Committee on 5 May.

### **3. Statutory and Policy Implications**

- 3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, crime and disorder and those using the service and where such implications are material they have been described in the text of the report.

### **4. Recommendation**

- 4.1 The Pensions Administration Sub - Committee is recommended to note the contents of the report.

**M TOWARD  
SERVICE DIRECTOR (HUMAN RESOURCES)**

### **Background Papers Available for Inspection**

Report to Pensions Administration Sub-Committee on 8 July: Pensions Office Customer Service Standards and Performance Monitoring

### **Electoral Division(s) and Member(s) Affected**

All