North East Scotland Pension Fund

nespf

Pension Administration Strategy

Quarterly Reporting March 2021

1. NESPF performance from 1st April to 31st March

1.1 Key administration tasks

Measuring performance is essential to evidence the efforts made by both the Pension Fund and Scheme employers to comply with statutory requirements and deliver a high-quality pension administration service. The Pension Fund aims to provide the information below within the agreed timescales shown.

Administration Task	Target	Completed cases during reporting period			Additional targets for completed cases during reporting period				Uncompleted cases during reporting period	
		Cases	Achieved	Percentage	+ 5 days	+ 10 days	+ 20 days	> + 20 days	Cases	Revised %
Notification of death in service	5 days	33	31	**93.9%**	97.1%	97.1%	97.1%	1	10	**72.1%**
Notification of retirement estimate	10 days	431	430	**99.8%**	99.8%	99.8%	100.0%	0	26	**94.1%**
Notification of retirement benefits	10 days	1504	1325	**88.1%**	94.4%	96.8%	98.2%	27	251	**75.5%**
Notification of deferred benefits	10 days	1529	1377	**90.1%**	92.1%	93.5%	94.0%	93	454	**69.4%**
Notification of refund	10 days	1338	1272	**95.1%**	97.2%	99.3%	99.7%	4	39	**92.4%**
Notification of transfer in value	10 days	54	43	**79.6%**	81.5%	83.3%	85.2%	8	17	**60.6%**
Notification of transfer out value	10 days	309	113	**36.6%**	41.0%	43.6%	49.5%	154	33	**33.0%**
		5198	4591	88.3%				287	830	76.2%

Completed cases during reporting period - reporting output is based on 5 and 10 day targets built into workflow cases for processing administration tasks as declared in the pension administration strategy:

- *The overall percentage of 88.3% for the year compared with 97% for 2019/20 shows the impact the pandemic and home working has had on performance despite introducing new working practices and following industry guidance.*

Additional targets for completed cases during reporting period - reporting output is based on adding 5/10/20 days to the 5 and 10 day targets built into workflow cases for processing administration tasks:

- *287 cases taking more than +20 days to complete compared with 62 during 2019/20 again shows the impact the pandemic has had on performance as it takes longer to process pension benefits when working from home.*

Uncompleted cases during reporting period - cases identified that were due to be completed and do not have a Reply Due date set in advance of the end of the reporting period:

- *The overall revised percentage of 76.2% for the year compared with 93.5% for 2019/20 again shows the impact of the pandemic plus 830 cases were reported as due to be completed compared with only 232 in 2019/20.*

Performance – additional information about performance achieved during pandemic:

- *Number of active member deaths was identical to previous year however deaths processed from all statuses increased by 140.*
- *Estimate percentage remained high although number of requests decreased by more than 500.*
- *Amount of retirals processed in 2020/21 was the third highest ever recorded after 2018/19 and 2019/20 evidencing increasing workload.*
- *Retiral revised percentage recovered from 61.9% at end of first quarter to 75.5% for the year.*
- *Refund volume and percentage remained consistent with previous year performance.*
- *Deferred and transfer performance suffered as the focus had to be on paying benefits.*

Guidance – guidance received for benefit administration during a pandemic from The Pension Regulator:

- *Priority should be processing and paying death and retirement benefits.*
- *Encourage members to use electronic communication such as online portals and emails.*
- *Legal validity of electronic signatures has been endorsed in a statement from government.*
- *Flexibility of additional time to issue transfer quotations.*

Actions – actions taken by NESPF to deal with challenges of the pandemic and increasing workload:

- *New working practices were introduced following guidance issued.*
- *Members were encouraged to use online benefit projectors rather than requesting estimates.*
- *Review of administration processes was carried out with scheme actuary to identify further efficiencies.*
- *Transfer out quotations made available online from March 2021.*
- *Bulk processing of deferred benefits expected to be ready for June 2021.*
- *Investigating making deferred retiral options available online later in the year.*

1.2 Previous years comparison
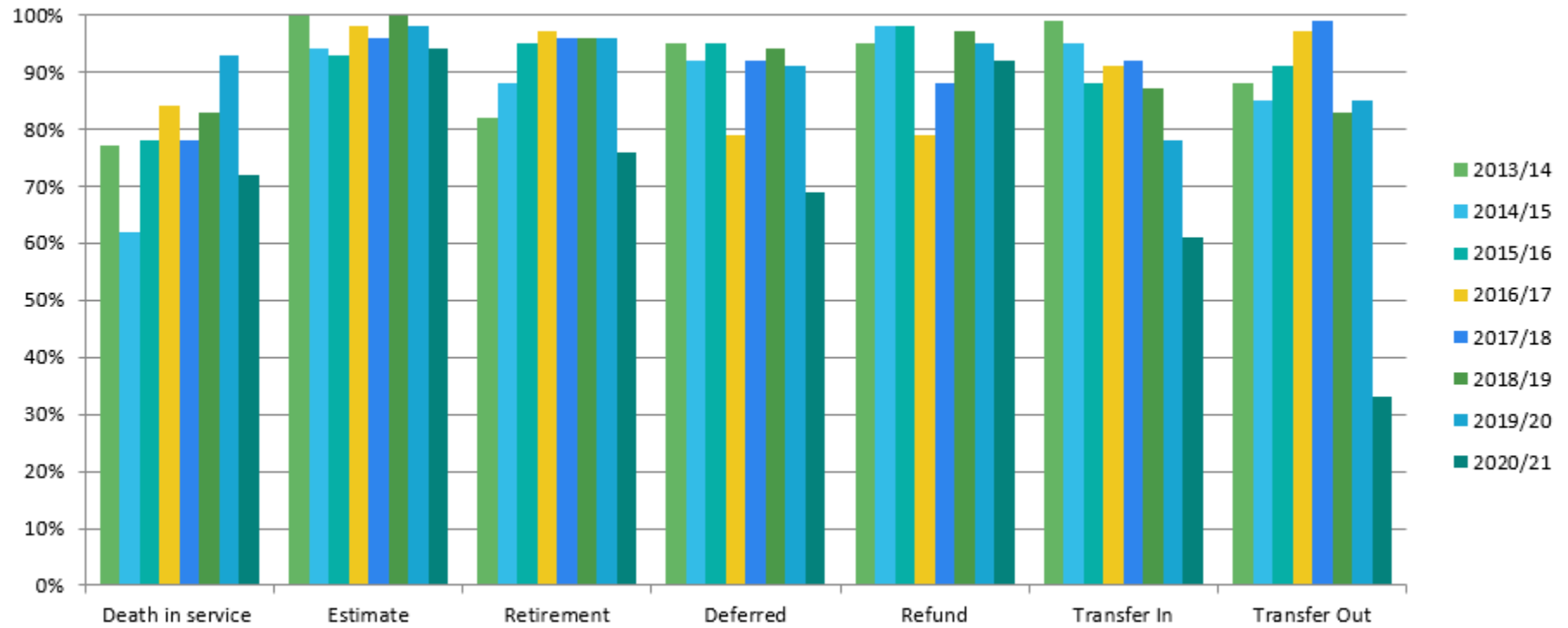
2. Employer performance from 1st April to 31st March 2021

2.1 Policy on discretions received (85%)

Each Scheme emloyer is required under regulation 58 of the Local Government Pension Scheme (Scotland) Regulations 2018 to prepare a written statement of its policy on how it will exercise various discretions provided by the Scheme. This 'discretions policy' must be kept under review by employers and revised as necessary.

Employers			
Aberdeen City Council	Aberdeen Cyrenians	Aberdeen Endowments Trust	Aberdeen Foyer
Aberdeen Heat and Power	Aberdeen Performing Arts	Aberdeen Sports Village	AIYF
Aberdeenshire Council	Aberlour	Archway	Bon Accord Care
Bon Accord Support	Outdoor Access Trust for Scotland	Fersands and Fountain	First Aberdeen
Forth & Oban (City)	Fraserburgh Harbour	Grampian Valuation Joint Board	Home Start Aberdeen
Inspire	Mental Health Aberdeen	Moray College	NESTRANS
North East Scotland College	North East Sensory Services	Osprey Housing	Pathways
Peterhead Port Authority	Printfield Community Project	Robert Gordons College	Robert Gordon University
Sanctuary Scotland	Scottish Fire and Rescue	Scotland's Lighthouse Museum	Scottish Police Authority
Scottish Water	Sport Aberdeen	St Machar Parent Support Project	Station House Media Unit
The Moray Council	Visit Scotland	Xerox	

2.2 Signed PLO statements received (46%)

Following the revision of the NESPF Pension Administration Strategy in April 2018 each Scheme employer must designate a named individual to act as a Pension Liaison Officer, the main contact regarding any aspect of administering the Local Government Pension Scheme (LGPS).

Pension Liaison Officers			
Aberdeen City Council	Aberdeen Cyrenians	Aberdeen Endowments Trust	Aberdeen Foyer
Aberdeen Heat and Power	Aberlour Childcare Trust	Alcohol & Drugs Action	Archway
Bon Accord Care	Bon Accord Support	Outdoor Access Trust for Scotland	Fraserburgh Harbour
Moray College	North East Scotland College	North East Sensory Services	Pathways
Peterhead Port Authority	Printfield Community Project	Robert Gordons College	Scottish Fire and Rescue
Scottish Water	Sport Aberdeen	St Machar Parent Support Project	Visit Aberdeenshire
Xerox			

2.3 Quantity of data received (955,185)

All Scheme employers are now required to provide monthly data using I-Connect, by way of a monthly file extracted from the payroll system or by completing electronic forms for individual members.

I-Connect events processed	Total
Starters (new start and opt in)	3,723
Amendments (address, personal details, hours and absence)	20,923
Leavers (exit and opt out)	2,796
Contributions (employee, employer and additional)	311,294
Salary	311,218
Cumulative CARE Pay	299,893
Works Address	5,338

2.4 Quality of data received

The quality of data received from Scheme employers is assessed and checked by the Employer Relationship Team (ERT). Red, Amber and Green flags will be used to assess the quality of the data. The Pension Fund will seek, at the earliest opportunity, to work closely with Scheme employers in identifying areas of unsatisfactory performance and provide the necessary training and development for improvement.

Since the introduction of the requirement to provide monthly information in this format the quality of the data received through i-Connect has been of a very high standard. This allows the Fund to provide accurate and up to date information to members, meet the requirements of The Pension Regulator and improved the accuracy of the financial information held for the valuation of the Fund.

Green	I-Connect events processed and validated by ERT
Amber	I-Connect events processed however missing or incorrect data identified by ERT
Red	I-Connect events not processed
Blank	Data not provided (as at 2021)

* Moved to another LGPS for administrating or employer has terminated from the fund

Employer	Submission	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Aberdeen City Council	Extract File												
Aberdeenshire Council	Extract File												
Bon Accord Care	Extract File												
Bon Accord Support	Extract File												
Grampian Valuation Joint Board	Extract File												
Moray Council	Extract File												
NESTRANS	Extract File												
Police Scotland (Aberdeen)	Extract File												
Robert Gordon University	Extract File												
Moray College	Extract File												
North East Scotland College	Extract File												
Scottish Water	Extract File												
Scottish Fire and Rescue Service	Extract File												
Sport Aberdeen	Extract File												
Aberdeen Endowments Trust	Online Return												
Aberdeen Cyrenians	Online Return												
Aberdeen Foyer	Online Return												
Aberdeen Heat and Power	Online Return												
Aberdeen Performing Arts	Online Return												

Organisation	Type											
Aberdeen Sports Village	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Aberlour Child Care Trust	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Archway	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
City Moves Dance Agency	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Alcohol & Drugs Action	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Fersands and Fountain	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
First Aberdeen	Extract File											🟩
Forth and Oban (City)	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Forth and Oban (Shire)	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Fraserburgh Harbour	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Homestart Aberdeen	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Homestart NEA	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
ID Verde	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Inspire	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Inspire Catering Scotland LLP	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	*	*	*	*
Mental Health Aberdeen	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
North East Sensory Services	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Osprey Housing	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Outdoor Access Trust Scotland	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Pathways	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Peterhead Port Authority	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Printfield Community Project	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Police Scotland (Glasgow)	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Robert Gordon College	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Robertson FM City	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Robertson FM Shire	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Sanctuary Scotland	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
SCARF	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Scotlands Lighthouse Museum	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
St Machar Parent Support Project	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Station House Media Unit	Online Return	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Visit Scotland	Online Return	🟩	🟩	🟩	🟩	*	*	*	*	*	*	*
Xerox	Online Return	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩