



**Havering**  
LONDON BOROUGH

## **LOCAL PENSIONS BOARD**

**Subject Heading:**

Pensions Administration and Legislation  
Update

**SLT Lead:**

Kathy Freeman  
Section 151 Officer

**Report Author and contact details:**

Caroline Guyon  
Pensions Projects and Contracts Manager  
caroline.guyon@havering.gov.uk  
01708 4323185

**Policy context:**

Local Government Pension Scheme  
Regulations 2013.

**SUMMARY**

This report reviews the performance of the Local Pensions Partnership Administration (LPPA) against the agreed service levels for the period October to December 2023.

It also provides an update on recent developments within the Local Government Pension Scheme (LGPS) regulatory environment.

**RECOMMENDATIONS**

It is recommended that members note the report.

**REPORT DETAIL**

**1. Administration Update**

1.1 From 1 November 2017, the London Borough of Havering delegated the pension administration service to Lancashire County Council who have engaged the Local Pensions Partnership Administration (LPPA) to undertake their pension portfolio. The Local Pensions Partnership was formed in 2016 through a collaboration between Lancashire County Council and the London Pensions Fund Authority and provides pension services to the Local Government Pension Scheme, Police and Firefighter Schemes

1.2 LPPA provide a quarterly performance report (attached as Appendix A) and interim monthly reports (attached as Appendix B, C and D).

1.3 LPPA continue to work to resolve process and performance issues following the migration to the Civica UPM pension administration system in November 2022.

1.4 Overall performance against SLA for Q3 is reported at 97.8%, The service is improving but is still falling below the SLA in some areas. LPPA are committed to improving performance and have introduced an Efficiency and Service Improvement Plan. Regular client meetings are held to discuss performance and challenge the service levels reported in line with the independent monitoring of completed cases by the Havering Pensions Team.

1.5 Looking at the 3 highest priority cases, members should note the following:

Case Type	SLA Target	Brought Forward	Received in Period	Completed	Carried Forward	Completed on time
Retirement (Active)	5 working days	97	114	148	63	95%
Retirement (Deferred)	5 working days	124	135	166	93	98.6%
Deaths	5 working days	153	170	171	153	93.1%

## **Local Pensions Board, 27 February 2024**

1.6 When looking at retirement satisfaction surveys, the results remain disappointing with a limited number of members responding. The table below provides the breakdown of the Q3 responses

Calendar Month	Satisfied	Neutral	Dissatisfied	Surveys Taken
October 23	33.3%	11.1	55.6%	9
November 23	60.0%	0.0%	40.0%	5
December 23	25%	75.0%	0.0%	4

1.7 LPPA received 8 complaints during Q3 and carried forward 11 complaints from Q2. 10 cases were upheld where the complaint is justified due to errors or omissions in processing, 2 case was not upheld and no error or omission had been made and 1 case was partially upheld where LPPA acknowledge part of the complaint is justified. 6 cases will carry forward to Q4.

1.8 Calls into the LPPA's helpdesk are now recorded at a client level with 823 calls being answered during the quarter. The majority of calls are answered in under 5 minutes with a small percentage having to wait over 15 minutes.

1.9 Helpdesk satisfaction levels are shown below:

Calendar Month	Satisfied	Neutral	Dissatisfied	Surveys Taken
October 23	58.3%	8.3%	33.3%	12
November 23	90.0%	0.0%	10.0%	10
December 23	80.0%	10.0%	10.0%	10

1.10 The report details the data quality and the Pension Regulator data scores for common and scheme specific data. Corrections have been made following the identification of a system related error that meant a drop in the Q2 scores. At the end of Q3 our common data score was 98.2% (previously 98.2%) and the scheme specific data score was 89.2% (previously 78.1%).

## **2. Legislation Update**

### **2.1 The McCloud Remedy**

2.1.1 The Regulations were laid on 8 September 2023, coming into force on 1 October 2023 to allow underpin protections to be extended to all members of the scheme who meet the relevant criteria.

2.1.2 Civica, who provide the pensions administration platform to LPPA, have installed the latest functionality to identify all McCloud eligible members, give the ability to process active retirements to include the provisional benefits and underpin amounts for those under age 65. LPPA will provide further information regarding the number of affected members in due course.

2.1.3 LPPA are validating the data held and will be contacting employers where they believe data is missing. Havering pensions team is confident the data held at a whole fund level regarding our members working hours is accurate and was reviewed as part of each year end process. There may be some instances where breaks in service are missing from member records which will need to be addressed where the data is still available. However these are expected to affect only a small number of members with minimal impact on their pension benefits.

## 2.2 The Pension Regulator's General Code of Practice

- 2.2.1 tPR's new General Code of Practice will come into force on 27<sup>th</sup> March 2024. The code contains new governance requirements and sets out tPR's expectations of how occupational pension schemes should be managed and the policies, practices and procedures that should be in place.
- 2.2.2 There are 5 areas within the new code: Governing Body; Funding and Investment; Administration, Communication and Disclosure and Reporting to tPR. There are multiple modules within each of these sections, including 2 new key points of focus of Cyber Controls and Pension scams. However most of the modules applicable to the LGPS were already within the Code of Practice 14.
- 2.2.3 The next step is for the team to assess our current position and make a clear action plan to address any identified areas of non-compliance or partial compliance.
- 2.2.4 Having pensions team are currently considering resources available from Hymans Robertson to assist with the gap analysis.

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

The Administering Authority must ensure the Shared Service Agreement is working efficiently, providing value for money and meeting the statutory requirements of the Fund via the monitoring of the work of LPPA.

### **Legal implications and risks:**

Having as the Administering Authority must ensure the Local Government Pension Scheme Regulations are adhered to however there are no specific legal implications within the report.

### **Human Resources implications and risks:**

There appear to be no HR implications or risks arising directly as a result of this report.

### **Equalities implications and risks:**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

**Local Pensions Board, 27 February 2024**

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. We will ensure that disabled people with sensory impairments are able to access the strategy.