

Pension Administration Strategy



Quarterly Reporting | September 2019

1. NESPF performance from 1st April to 30th September

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 | Completed cases during reporting period | | | | Additional targets for completed cases during reporting period | | | | Uncompleted cases during reporting period | |
|-------------------------------------|---|-------|----------|--------------|--|-----------|-----------|-------------|---|--------------|
| | Target | Cases | Achieved | Percentage | + 5 days | + 10 days | + 20 days | > + 20 days | Cases | Revised % |
| Notification of death in service | 5 days | 17 | 15 | 88.2% | 94.1% | 100.0% | | 0 | 0 | 88.2% |
| Notification of retirement estimate | 10 days | 583 | 582 | 99.8% | 100.0% | | | 0 | 9 | 98.3% |
| Notification of retirement benefits | 10 days | 1005 | 983 | 97.8% | 98.4% | 98.9% | 99.5% | 5 | 18 | 96.1% |
| Notification of deferred benefits | 10 days | 570 | 558 | 97.9% | 97.9% | 97.9% | 97.9% | 12 | 19 | 94.7% |
| Notification of refund | 10 days | 456 | 454 | 99.6% | 99.8% | 99.8% | 99.8% | 1 | 48 | 90.1% |
| Notification of transfer in value | 10 days | 29 | 26 | 89.7% | 92.9% | 96.4% | 96.4% | 1 | 4 | 78.8% |
| Notification of transfer out value | 10 days | 206 | 169 | 82.0% | 90.2% | 94.1% | 98.5% | 3 | 3 | 80.9% |
| | | 2866 | 2787 | 97.2% | | | | 22 | 101 | 93.9% |

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:

- *For the first time in seven years of reporting more than 500 retirements were processed during the second quarter.*

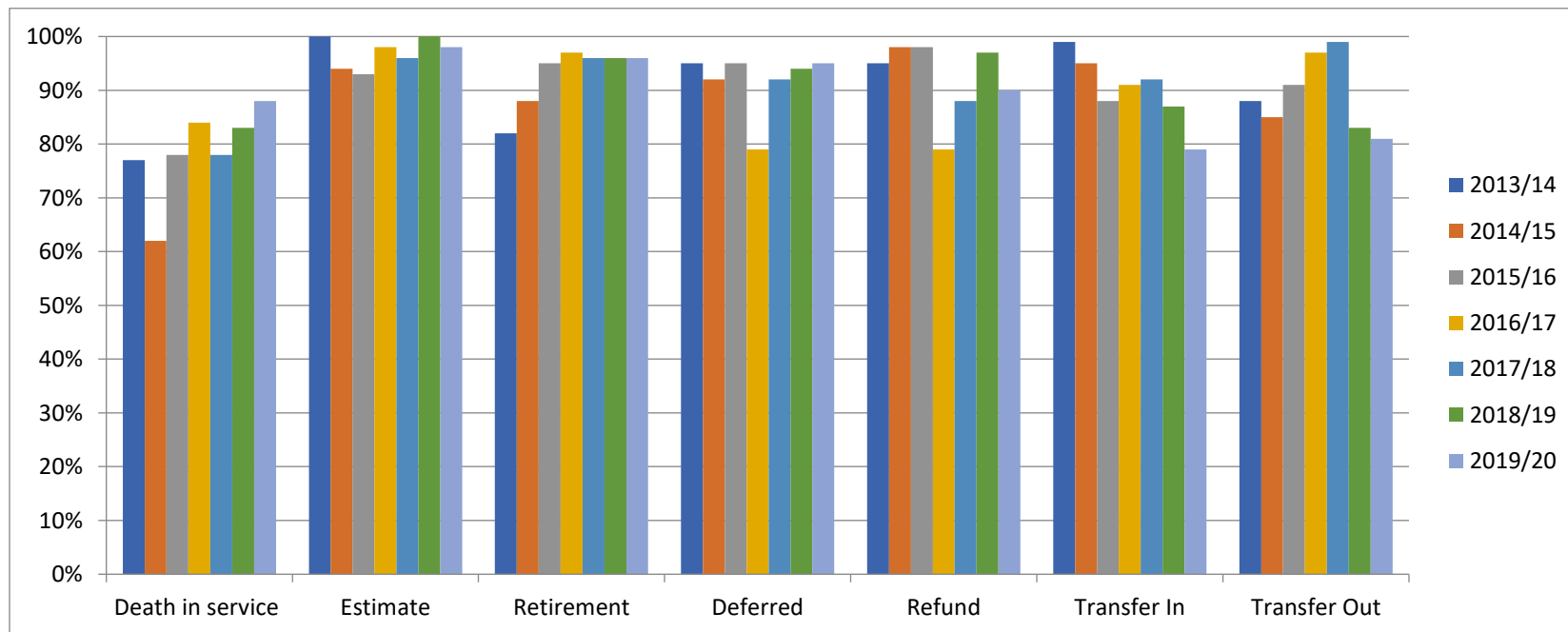
Additional targets for completed cases during reporting period - reporting output is based on adding 5/10/20 days to the 5 and 10 day targets built into workflow cases for processing administration tasks:

- *100% achieved for death in service and retirement estimates within 15 days*
- *22 completed in over 30 days, this amounts to less than 1% of completed cases.*

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:

- 101 cases were identified and contributed to the Revised Percentages
- 64 were identified in the first quarter which reduced to 37 in the second quarter
- A sample check revealed that most were awaiting further information from members, employers or third parties but the Reply Due date had not been advanced.

1.2 Previous years comparison



2. Employer performance from 1st April to 30th September

2.1 Policy on discretions received (85%)

Each Scheme employer 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 | Middlefield Community Project | 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 |
| Middlefield Community Project | 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 (382,828)

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) | 2244 |
| Amendments (address, personal details, hours and absence) | 11223 |
| Leavers (exit and opt out) | 2091 |
| Contributions (employee, employer and additional) | 121707 |
| Salary | 121348 |
| Cumulative CARE Pay | 116303 |
| Works address | 7912 |

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 2019) |

| 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 | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | |
| 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 | Online Return | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | | |
| Mental Health Aberdeen | Online Return | | | | | | | | | | | | | |
| Middlefield Community Project | 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 | | | | | | | | | | | | | |
| North East Scotland College | ALCARE | | | | | | | | | | | | | |