

Pensions Administration Benchmarking Club 2017

IMPORTANT

Please do not enter any comments or data outside the cells provided or within the return e-mail, as these are processed automatically and your comment will not be seen. If you wish to make any comments, please enter these in the boxes below. Change of contact details should be e-mailed separately to Benchmarking@cipfa.org.

Throughout this questionnaire, please do not leave blank any box that requires numeric data:

- if figures are unavailable, please replace "." with "na"
- do not enter other symbols such as "-", as these are ambiguous
- if your answer is "0", please overwrite "." with "0"
- only enter zero if this is the true figure or if the figure is too small to be material

If you do not have figures for the exact categories on the questionnaire, you should make an attempt to estimate the split, as we cannot use figures that are bracketed together and cut across two or more boxes.

Our aim is to produce Benchmarks that are reasonably accurate, but they cannot possibly be precise to the nearest penny. Therefore, members should bear in mind that we are looking for their best estimates throughout the questionnaire, and they should not spend unreasonable amounts of time and effort on obtaining absolutely precise figures.

COMMENTS

Please include here any thoughts regarding difficulties completing the questionnaire or other general points about your service that you feel would be of interest to other members. Please **do not** use these cells to update contact information.

[Please click this link to access the Responsibilities sheet](#)

1. SERVICE DELIVERY

[Go to Guidance -->](#)

Please read the guidance notes on this section.

To what extent is your Pensions Administration function outsourced during the period being benchmarked and what percentage of the function was delivered by each method?

(a) IN-HOUSE delivery

-- Select ---

% Delivered

..

(b) OUTSOURCED to a Shared Service Arrangement (SSA)

(with other LA's and/or with other public sector organisations)

-- Select ---

% Delivered

..

Name(s) of SSA partner(s)?

1	
2	
3	
4	
5	

(c) OUTSOURCED to an External Contractor

(inc. legal entities partly/wholly owned by your organisation)

-- Select ---

% Delivered

..

Name(s) of External Contractor(s)?

1	
2	
3	

Total % Delivered should equal 100%

% Delivered

..

(d) Comments regarding your service delivery

(include outsourced projects from part c above)

2. FTE STAFF

[Go to Guidance -->](#)

	2016/17 FTE	2015/16 FTE
Total Staff in Pensions Administration Section
Staff not working on LGPS administration		
- staff mainly devoted to systems development
Payroll staff
Communications staff
Staff performing "employing authority work"
Staff working on "non-LGPS" schemes
Staff performing other non-administering authority work
Total staff to be excluded from FTE count
Total LGPS administration staff

3. LGPS ADMINISTRATION SECTION

(a) LGPS Administration Section Costs analysis

[Go to Guidance -->](#)

The way the LGPS Administration cost is established, is to start with the total cost of your Pensions Administration section, and then to identify and deduct any costs attributable to "employing authority" work, to administering non-LGPS pension schemes, or to any other non-qualifying activities. The remaining balance is the cost that will be carried forward to be added to other relevant costs - the combined total being the Pension Administration costs and the Oversight and Governance costs to be benchmarked.

2016/17 £'000

LGPS ADMIN SECTION COSTS

	[1]	[2]	[3]	[4]	[5]
	TOTAL COSTS	activities to be excluded			= [1]-[2]-[3]-[4] LGPS ADMIN from Admin Section
		other_non- LGPS schemes	work_for employing authority	other_non-LGPS work	
Direct Costs					
Staff - administration
Staff - payroll (if any)
Payroll
Communications - employers
Communications - members
Actuaries - triennial valuation
Actuaries - other (gross)
External audit
Total Direct Costs
Indirect Costs					
Other running costs
IT - pensions admin
IT - all other
Accommodation
Other central charges
Total Indirect Costs
Outsourcing Costs
Gross Cost
Income					
Income - Members
Income - Employers
Income - Other
Total Income
Net cost

(b) Income and Charging

Please indicate the services for which you may make a charge and where applicable the standard charge.

		Standard unit charge (£)	2016/17 Total Income (£)
Members			
Divorces/Pension Sharing Orders	-- Select --	..	..
Duplicate pay slips	-- Select --	..	..
Re issue of P60 information	-- Select --	..	..
<u>More than one transfer request in 12 month period</u>	-- Select --	..	..
<u>Other</u>	-- Select --	..	..
Total Members		..	..
Employers			
Pension Fund Admin Strategy Work	-- Select --	..	..
<u>Other Employers Work</u>	-- Select --	..	..
Total Employers		..	..
Other Income			
Advertising	-- Select --	..	..
Other	-- Select --	..	..
Other Total		..	..
Total Income			..

If you have entered "Other Income" figures please give details here.

(c) Admin of Other Schemes

Admin of other LGPS schemes	-- Select --
Admin of police scheme	-- Select --
Admin of fire scheme	-- Select --
Admin of teachers scheme	-- Select --
Admin of teachers' compensation	-- Select --
Admin of other schemes	-- Select --

If you have selected yes for "admin of other LGPS schemes" or "admin of other schemes", please give details here.

4. LGPS Management Expenses Analysis

(a) LGPS Management Expenses Summary Go to Guidance -->

LGPS ADMINISTRATION COSTS	<i>From 4b</i>	..
LGPS OVERSIGHT and GOVERNANCE EXPENSES	<i>From 4c</i>	..
LGPS INVESTMENT MANAGEMENT EXPENSES		..
Total LGPS MANAGEMENT EXPENSES		..

(b) LGPS Administration Costs analysis

2016/17 £'000

	[6]	[7]	[8]=[6]+[7]
	LGPS ADMIN from Admin Section	LGPS ADMIN from elsewhere	TOTAL LGPS ADMIN COSTS
LGPS Admin Costs			
1 Staff Costs
2 IT Costs
3 General Costs
4 Other Costs
Gross LGPS Admin Costs
Gross LGPS Admin Income
Net LGPS Admin Costs

(c) LGPS Oversight & Governance Expenses Analysis

2016/17 £'000

	[9]	[10]	[11]=[9]+[10]
	LGPS "O & G" from Admin Section	LGPS "O & G" from elsewhere	TOTAL LGPS "O & G" EXPENSES
LGPS Oversight & Governance Expenses			
1 Staffing costs: selection, appointment, performance management and monitoring of external fund managers
2 External costs: selection, appointment, performance management and monitoring of external fund managers
3 Costs of investment advisory services (strategic allocation, manager monitoring, selection etc.)
4 Costs of independent advisors to the pension fund
5 Costs associated with the operation and support of the pensions committee, pension board or other oversight body
6 Costs of governance and voting services
7 Staff costs and/or external costs associated with statutory or non-statutory internal or external reporting (annual reports and accounts etc.)
8 Costs of legal services in connection with investment management
9 Costs of actuarial services
10 Costs of tax advisory services
11 Costs of internal audit
12 Costs of external audit
13 Costs of accountancy services
14 Costs of banking services (non-custody)
15 Costs of transition management services
Total LGPS Oversight & Governance Costs

(d) CROSS CHECK on allocation of Admin Section costs

CROSS CHECK on allocation of Admin Section costs

Net LGPS Admin Costs
 Total LGPS Oversight & Governance Costs
Net cost from LGPS Admin Section

[6]	[9]	[12]=[6]+[9]
LGPS ADMIN from Admin Section	LGPS "O & G" from Admin Section	TOTAL COSTS from Admin Section
..		
	..	
		..

Net cost from LGPS Admin Section

[5]
LGPS ADMIN from Admin Section
..

Difference = [12] - [5]

..

5. WORKLOAD

(a) LGPS Employers

[Go to Guidance -->](#)

		[13] as at 31/03/16	[14] Number Admitted	[15] Changes +/-	[16] Number Leaving	[17]=[13]+[14]+[15]-[16] as at 31/03/17
(i) Scheduled	Schedule 1					
	Local Authorities	..		..	..	..
	Academies	..		..	..	..
	Others - active	..	..	..	..	..
	Others - defunct	..	..	..	..	..
	Schedule 2					
Town and Parish Councils	..	..	..	..	..
Others - active	..	..	..	..	..
Others - defunct	..	..	..	..	..
Total Scheduled		..	..	..	..	..
(ii) Admitted	Admission	..	..	..	..	..
	Others - active	..	..	..	..	..
	Others - defunct	..	..	..	..	..
	Total Admitted	..	..	..	..	..

(b) LGPS Members

Go to Guidance -->

Number as at 31/03/17

	Total	50:50
Active Staff - full-time
Active Staff - part-time
Active Staff - No. of Elected Members	..	
Sub-total
Deferred - Staff	..	
Deferred - No. of Elected Members	..	
Pensioners	..	
Dependants	..	
Frozen refunds	..	
Leavers unprocessed/in progress	..	
Total	..	

(c) LGPS Members - Starters and Leavers

Go to Guidance -->

	Number of LGPS members in 2015/16	Number of LGPS members in 2016/17
Joining
Retiring
Deaths
Transferred out
Deferred
Opted Out of auto enrolment

(d) LGPS Members Retiring

Go to Guidance -->

	Number of LGPS members in 2016/17			Of which Active:		
	Active	Deferred	Total	Tier 1	Tier 2	Tier 3
<u>Incapacity</u>			
<u>NRD</u>	
<u>Pre-NRD</u>			
<u>Post-NRD</u>			
Redundancy / efficiency			
Flexible			
Total			

as in 5(c)

No. of retirements given above that have commuted pension to a lump sum

(e) AVCs, ARCs, APCs and Added Years

Go to Guidance -->

	Number contributing at 31/03/17
AVC	..
ARC/APC	..
Added years	..

(f) Other Measures of Workload (2016/17)

[Go to Guidance -->](#)

In 2016/17	Number of bulk transfers	Number of quotations provided	Number of actual events processed
TUPE - in
TUPE - out
<u>Academies</u>
Other Transfers - in	
Other Transfers - out	
Other Transfers - intra	
Retirements - Normal	
- Incapacity / Ill-Health	
- Redundancy / Efficiency	
- Flexible	
- All Other	
Link ups	
Concurrent employments	
Divorce cases	
Refunds	
Deaths in service	
Deaths of pensioners	
Frozen refunds	
Preserved benefits	
Single Status / Job Evaluation	
<u>Member Estimates</u>	
Number of:			
New starters			..
Changes to member details			..
If you are planning to implement EDI with employers' payrolls, what software will you be using?			..
		Total	..
			..

6. STAFFING

(a) Pay-band

[Go to Guidance -->](#)

Please match to Section 2 definition, e.g. just administration and head of service administration apportioned here.

	FTE staff 31/03/17
under £20k	..
£20-25k	..
£25-30k	..
£30-40k	..
£40-50k	..
£50-75k	..
over £75k	..
Total	..

total should equal Q2 (+ or - 5%)

CROSS CHECK: Total FTE as given in section 2

(b) Pensions Experience

Go to Guidance -->

In these questions count all staff at 31st March 2017, not simply those attributable to LGPS, i.e. your total pensions section FTEs.

	FTE staff 31/03/17
< 1 year	..
1-5 years	..
5-10 years	..
10-15 years	..
>15 years	..
Total	..

total should equal 6a (+ or - 5%)

(c) Staff Qualifications

Go to Guidance -->

In these questions count all staff at 31st March 2017, not simply those attributable to LGPS with specific pensions qualifications. Please refer to guidance notes.

	FTE staff 31/03/17
as at 31/03/2017	
Qualified	..
Part Qualified	..
None	..
Total	..

total should equal 6a (+ or - 5%)

Number in training as at 31/03/2017

Other professional qualifications that you consider relevant to the job:

(d) Staff Turnover

	FTE staff
Staff at 1/04/2016	..
+ Staff joining Pension section	..
+/- Change hours	..
- Staff leaving Pension section	..
Staff at 31/03/2017	..

(e) Absence

Go to Guidance -->

	Avg. days per FTE
What is your best estimate for the average number of days absent per FTE in the last 12 months?	
Long-term sick (periods of sickness over 20 working days)	..
Short-term sick (periods of sickness of 20 days or less)	..
Total Sickness Absence	..
Other long term absence (e.g. maternity, paternity, compassionate leave etc.)	..

7. COMMUNICATIONS

(a) Active Members

[Go to Guidance -->](#)

Do you use:

		No. in 2016/17	Via workplace	To home	Self service
Newsletters	-- Select --	..	-- Select --	-- Select --	-- Select --
Presentations/Road-shows	-- Select --	..	-- Select --	-- Select --	-- Select --
Clinics	-- Select --	..	-- Select --	-- Select --	-- Select --
<u>Pensions Saving Statements</u>	Yes	..	-- Select --	-- Select --	-- Select --
Annual Benefit Statements*	Yes	..	-- Select --	-- Select --	-- Select --
Dedicated helpline	-- Select --				
AGM	-- Select --				
Dedicated website area	-- Select --				
<u>Social Media</u>	-- Select --				

How do you notify/send?

*What % of the Annual Benefit Statements for 31/03/16 sent by the statutory deadline?
(Statutory deadline 31/08/2016)

%
..

*Will the Annual Benefit Statements for 31/03/17 be sent by the statutory deadline?
(Statutory deadline 31/08/2017)

-- Select --

(b) Deferred Members

[Go to Guidance -->](#)

Do you use:

		No. in 2016/17	How do you notify/send?	Self Service
Newsletters	-- Select --	..	-- Select --	-- Select --
Presentations/Road-shows	-- Select --	..	-- Select --	-- Select --
Clinics	-- Select --	..	-- Select --	-- Select --
<u>Pensions Saving Statements</u>	Yes	..	-- Select --	-- Select --
Annual Benefit Statements*	Yes	..	-- Select --	-- Select --
Dedicated helpline	-- Select --			
AGM	-- Select --			
Dedicated website area	-- Select --			
<u>Social Media</u>	-- Select --			

*When were Annual Benefit Statements for 31/03/16 sent?

Date
--please select--

*When will the Annual Benefit Statements for 31/03/17 be sent?

Date
--please select--

(c) Pensioners

Do you use:

		No. in 2016/17	How do you notify/send?	Self Service
Payslips/year-end statements		..	-- Select --	-- Select --
Newsletters	-- Select --	..	-- Select --	-- Select --
Presentations/Road-shows	-- Select --	..	-- Select --	-- Select --
Clinics	-- Select --	..	-- Select --	-- Select --
Dedicated helpline	-- Select --			
AGM	-- Select --			
Dedicated website area	-- Select --			
<u>Social Media</u>	-- Select --			

How often do you send payslips?

--please select--

(d) Employers

Do you use:

		No. in 2016/17
Newsletters	-- Select --	..
Presentations/Conferences	-- Select --	..
User-groups	-- Select --	..
Training	-- Select --	..
Dedicated helpline	-- Select --	
AGM	-- Select --	
Dedicated website area	-- Select --	

(e i) Self Service - Members

Do you provide:

All Members		
Contact details	-- Select --	
Dependants details	-- Select --	
Pensioners		
Bank Details	-- Select --	
Payslips	-- Select --	
Year-end statements	-- Select --	
Active/deferred members		
Annual Benefit Statements	-- Select --	
Generate own estimates	-- Select --	

(e ii) Self Service - Employers

Do you provide:

		No of employers with access	No of their employees with access	Are you using them?
Members records	-- Select --	..	..	-- Select --
Employers records	-- Select --	..	..	-- Select --
Casework progress	-- Select --	..	..	-- Select --
Electronic data interface (EDI)	-- Select --	..	..	-- Select --
Generate estimates for member	-- Select --	..	..	-- Select --
Generate redundancy estimates	-- Select --	..	..	-- Select --

8. IT ARRANGEMENTS

Go to Guidance -->

Please select the description that best fits your 2016/17 IT Arrangements for pensions administration --please select--

Local facilities: dedicated to and run by the Pensions section

	System used:
Pension Software	--please select--
DIPS/Scanning	--please select--
Workflow	--please select--
Task Management	--please select--
Call centres/CRM Software	--please select--
Pension Payroll	-- please select --
Main Employer's Payroll	-- please select --

9. PERFORMANCE & INDICATOR MEASURES

Go to Guidance -->

Industry Standard Performance Indicators

The LGPC has set a series of National Performance Indicators and we have included these as a way of looking at the quality of service that you provide. Each of the indicators are set out below, along with the recommended target and we want you to state the level of compliance in percentage terms. Please then give us your own authority target for each PI even if this is the same as the LGPC default. If you do not measure a particular indicator please populate the cells with na. Guidance on measuring performance is provided in the guidance notes.

Performance Indicator <small>(from point at which all required information has been received)</small>	Local KPI Target	Achieved (%)	Authority Target	Achieved (%)
Letter detailing transfer <i>in</i> quote
Letter detailing transfer <i>out</i> quote
Process and pay refund
Letter notifying estimate of retirement benefits
Letter notifying actual retirement benefits
Process and pay lump sum retirement grant
Initial letter acknowledging death of active/deferred/pensioner member
Letter notifying amount of dependant's benefits
Calculate and notify deferred benefits

Please do not enter % signs above

10. TEXT QUESTIONS

(a) BUDGETARY PRESSURES

[Go to Guidance -->](#)

In response to budgetary constraints, what changes have you made or plan to make (in the short-term or long-term) in delivering your service:

(i) Internal delivery structures - including use of agency staff and consultants.

(ii) Alternative methods of delivery - including via shared services and use of external contractors (including other pension funds).

(b) EMPLOYER CHANGES

(i) Please describe any major issues arising specifically within the last 12 months when bodies exited or closed the scheme e.g. costs involved, funding deficits etc.

(ii) Please describe any major issues arising specifically in the last 12 months when bodies joined the scheme e.g. bonds, guarantees, academies etc.

(c) REDUNDANCY ESTIMATES

Do you have a strategy for providing redundancy estimates, if so do you charge for it?

(d) MAINTANACE OF EMPLOYER RECORDS

(i) What issues have you experienced in maintaining your records of scheme employers?

(ii) Do you have a strategy in place to regularly check employer's records?

(iii) Any other employer issues?

(e) EMPLOYER COMPLIANCE

Have you charged any cost / charges onto employers? If so give details. Do you have any formal charging schedule?

(f) CUSTOMER ACCESS DEVELOPMENTS

Please describe any new initiatives to improve customer access that your authority has developed in the field of Pensions Administration e.g. e-initiatives, customer satisfaction surveys etc.

(g) FREEDOM AND CHOICE

What measures or processes did you put in place for Freedom and Choice and what were the impacts?

(h) PENSIONS REGULATOR - DATA QUALITY

What steps have you taken to clean your data to meet the Pensions Regulator's standard?

(i) TPR CODE 14

Are you confident that you will meet the requirements of (TPR) code 14? If not, how will you prioritise resources to at least partially meet the requirements?

(j) GMP RECONCILIATION

i. What plans have you got in place to deal with this?

ii. Do you have any timelines in mind?

(k) EXAMPLES OF GOOD PRACTICE

If your Pensions service has developed any particular examples of good practice that you would be willing to share with other members of the club, please describe these.

Examples of good practice could include cost-saving measures, improvements in the output of the system (e.g. useful reports), or improvements in customer service.

Comments/Feedback

With each exercise we seek to improve the quality of guidance and definitions supplied in the questionnaire. Please detail any questions where you felt the guidance was unclear or could be improved.

If you have any comments either about the content or ways we can improve the exercise please enter here.

Next year we will hope to further improve the content included in this year's exercise. If there are any questions or areas of audit that you feel we should add to the exercise please specify below.