



# **Teesside Pension Fund**

## **Performance Delivery Report**

2022-2023

# Contents

01 Overview

02 Member Movement

03 Member Self Service

04 Pension Regulator Data Scores

05 Customer Service

06 Completed Cases Overview

07 Completed Cases by Month

08 Complaints

# 01 Overview

## Regulations and Guidance

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Government confirms academy guarantee will continue

The Government confirmed on 21 July 2022 in a written ministerial statement that it will continue to provide the academy guarantee. The annual ceiling will also increase to £20 million.

Technical consultation on resolving low earners tax relief anomaly

On 20 July 2022, H M R C launched a technical consultation on draft legislation that aims to resolve the tax relief anomaly. The consultation closes on 14 September 2022. The proposed changes will be included in the next Finance Bill. The legislation proposes placing a duty on H M R C to make top up payments directly to eligible members

Cost cap results published

On 29 June 2022, the Government Actuary's Department published the results of the first cost cap valuation for L G P S (England and Wales) and L G P S (Scotland). The results of the first valuations show that the cost has remained within the two per cent corridor for both schemes. This means no changes to benefits or member contributions are needed.

The Public Service Pensions (Employer Cost Cap and Specified Restricted Scheme) Regulations 2022

On 13 July 2022, H M T laid The Public Service Pensions (Employer Cost Cap and Specified Restricted Scheme) Regulations 2022. The regulations take effect from 3 August 2022. Regulation three amends The Public Service Pensions (Employer Cost Cap) Regulations 2014. The margins are currently set at two percentage points above and below the employer cost cap rate. The new regulations amend this to three percentage points

D W P responds to consultation on the draft pensions dashboards regulations

On 14 July 2022, the Department for Work and Pensions (D W P) responded to the consultation on the draft Pensions Dashboards Regulations. The key areas of the response that affect L G P S administering authorities are set out below. D W P will amend the draft regulations ('the Regulations') to reflect the response. The LGA expect D W P to lay the Regulations before Parliament in autumn. The Summary of this can be found in Bulletin 227 (<https://lgpslibrary.org/assets/bulletins/2022/227.pdf>)

Pensions Dashboard (Prohibition of Indemnification) Bill

On 15 July 2022, Guy Opperman MP, Pensions Minister, confirmed that the Government will support the Pensions Dashboards (Prohibition of Indemnification) Bill. This confirmation was given during the Bill's Second Reading in the Commons

HMT consultation on public sector exit payments

On 8 August 2022, HM Treasury (HMT) launched a consultation on public sector exit payments. The Government is proposing to introduce: • an expanded approval process for employee exits and special severance payments • additional reporting requirements. This does not include local authorities or bodies under devolved administrations. The guidance will apply to academies. The document can be found at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1096743/Guidance\\_on\\_Public\\_Sector\\_Exit\\_Payments\\_27.7.22.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1096743/Guidance_on_Public_Sector_Exit_Payments_27.7.22.pdf)

TPO publishes corporate plan The Pensions Ombudsman's

The (TPO) corporate plan for 2022 to 2025 has been published. The corporate plan outlines TPO's key performance indicators, strategic goals and priorities for the period, along with the actions required to deliver those priorities. This can be found at <https://www.pensions-ombudsman.org.uk/news-item/corporate-plan-2022-2025-published>

## Supreme Court decision concerning term time workers

The Supreme Court has ruled in favour of a zero hours contract worker who works on a term-time only contract in a school. The case concerned how to calculate their holiday pay. It also has implications for workers who work varying hours during only certain weeks of the year but have a continuing contract. A Bulletin has been issued to TPF employers to advise of this.

## Collective Money Purchase Schemes launched

A new type of pension scheme officially opened for applications on 1 August 2022. Collective Money Purchase Schemes (also known as Collective Defined Contribution or CDC schemes) are designed to provide improved retirement returns for savers with more predictable costs for employers. The new schemes were made possible by the Pension Schemes Act 2021

## Letter about discrimination in the LGPS sent to minister

On 26 August 2022, Cllr Roger Phillips, Chair of the SAB, wrote to the Local Government Minister, Paul Scully. The letter to the minister recommends amending the regulations on death grants and survivor benefits. The SAB expressed concern about continuing to restrict death grants to cases where the member died before age 75. It considers the restriction may be at risk of legal challenge and should be removed. The SAB reminded the minister that the LGPS rules on survivor benefits have not yet been amended to reflect the Goodwin judgment. It has previously recommended the Government investigate the feasibility of removing all differences in the survivor benefit rules.

## Governance and reporting of climate change risk consultation

On 1 September 2022, the Department for Levelling Up Housing and Communities (DLUHC) launched a consultation called 'Governance and reporting of climate change risks. The consultation seeks views on proposals to require administering authorities to assess, manage and report on climate-related risks, in line with the recommendations of the Taskforce on Climate-related Financial Disclosures. The consultation closes on 24 November 2022 and can be found here <https://www.gov.uk/government/consultations/local-government-pension-scheme-england-and-wales-governance-and-reporting-of-climate-change-risks>

## TPS McCloud remedy and the LGPS

The implementation of the McCloud remedy in the Teachers' Pension Scheme (TPS) means that some teachers will be retrospectively eligible for the LGPS for the period from 1 April 2015 to 31 March 2022. This is provided for in the Public Service Pensions and Judicial Offices Act 2022 (2022 Act). Chapter 1 of Part 1 of the 2022 Act defines remediable service as including 'excess teacher service'. The Department for Education (DfE) and the Department for Levelling Up, Housing and Communities (DLUHC) will consult on how this will work in practice in due course.

## Broad comparability assessments resume in full later this year

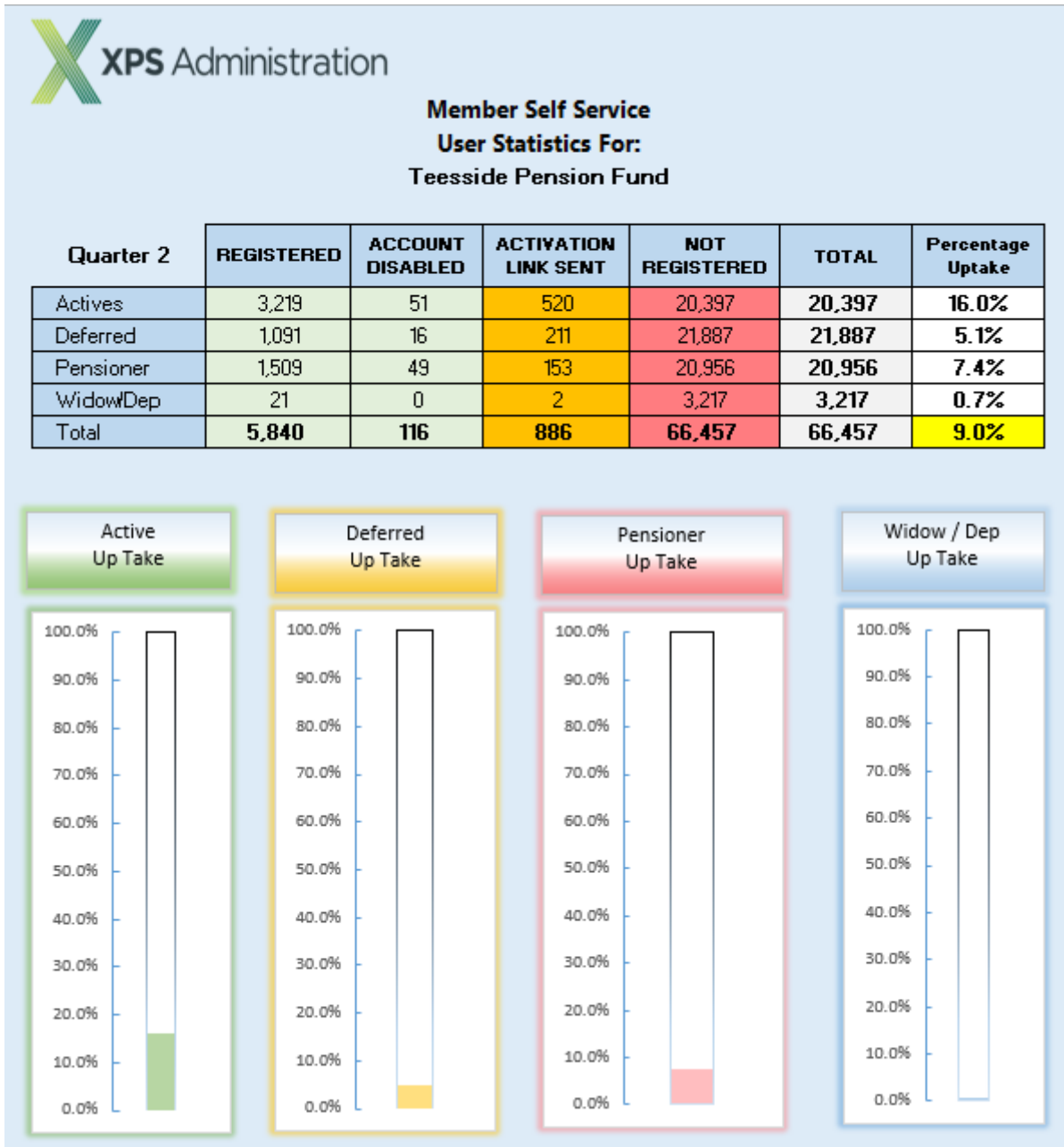
The Government Actuary's Department (GAD) announced on 22 September 2022 in a press release that it will resume broad comparability assessments in full this autumn. In August 2020, GAD paused the assessments due to uncertainties from the McCloud judgment. Earlier this year, GAD partially resumed assessments. These assessments were for service from April 2022 only.

## 02 Membership Movement

	Actives		Deferred		Pensioner		Widow/Dependent	
Q2 2022/23	25,713	▼	26,686	▲	23,317	▲	3,321	▼
Q1 2022/23	25,990	▲	26,487	▲	23,128	▲	3,338	▲
Q4 2021/22	25,609	▲	26,240	▲	22,918	▲	3,309	▲
Q3 2021/22	24,729	▼	26,165	▲	22,710	▲	3,240	▲
Q2 2021/22	24,736	▲	26,040	▲	22,640	▲	3,261	▲

# 03 Member Self Service

Below is an overview on the activity and registration of the Member Self Service System:



# 04 Pension Regulator Data Scores

## Common Data

Data Item	Teesside Pension Fund		
	Max Population	Total Fails	% OK
NINo	80,425	177	99.78%
Surname	80,425	0	100.00%
Forename / Inits	80,425	0	100.00%
Sex	80,425	0	100.00%
Title	80,425	133	99.83%
DoB Present	80,425	0	100.00%
Dob Consistent	80,425	1	100.00%
DJS	80,425	0	100.00%
Status	80,425	0	100.00%
Last Status Event	80,425	661	99.18%
Status Date	80,425	1,753	97.82%
No Address	80,425	482	99.40%
No Postcode	80,425	0	100.00%
Address (All)	80,425	5,085	93.68%
Postcode (All)	80,425	4,615	94.26%
<b>Common Data Score</b>	<b>80,425</b>	<b>3,117</b>	<b>96.12%</b>
<b>Members with Multiple Fails</b>	<b>80,425</b>	<b>90</b>	<b>99.89%</b>

# Scheme Specific Data

XPS Administration, Middlesbrough are working on a method to report Conditional Data. Discussions are ongoing with Aquila Heywood on a cost for this reporting function along with investigation on whether this can be achieved internally. This follows the issuance by SAB of 22 data fields that should be reported on, this work will be complete by the 31<sup>st</sup> March 2022.

An overview of the Conditional (Scheme Specific) Data for the Teesside Pension Fund:

Scheme	Member Total	Errors from tests carried out	%age accuracy based on tests carried out
TPF (inc Guaranteed Minimum Pension)	68,296	9,151	86.60
TPF (exc Guaranteed Minimum Pension)	68,296	1,197	98.25

These scores come from the following tests. Only those tests shown in **yellow** have been reported on; the other reports will be developed and added to results in future reports.



Report	Report Description	Test 1	Test 2	Test 3	Member Totals	Errors	%
1.1.1	Divorce Details						
1.1.2	Transfers in	Date the transfer in was received is present on record	Ensure the transfer value on record isn't blank	N/A	45,183	65	99.86
1.1.3	Additional Voluntary Contribution (AVC) Details and other additional benefits						
1.1.4	Total Original Deferred Benefit						
1.1.5	Tranches of Original Deferred Benefit						
1.1.6	Total Gross Pension						
1.1.7	Tranches of Pension						
1.1.8	Total Gross Dependant Pension						
1.1.9	Tranches of Dependant Pension						
1.2.1	Date of Leaving	Date of Leaving Blank	Date joined blank or <01/01/1900	Date joined later than Date of Leaving	4,164	43	98.97
1.2.2	Date Joined scheme	Check all Key Dates are present and later than 01/01/1900	N/A	N/A	68,296	11	99.98

1.2.3	Employer Details	Employer Code present	N/A	N/A			
1.2.4	Salary	Pay not within 12 months	N/A	N/A	46,338	1,078	97.67
1.3.1	CARE Data	CARE Missing on relevant records	N/A	N/A			
1.3.2	CARE Revaluation						
1.4.1	Benefit Crystallisation Event (BCE) 2 and 6						
1.4.2	Lifetime allowance						
1.4.3	Annual allowance						
1.5.1	Date Contracted Out	Date Contracted Out missing					
1.5.1	NI contributions and earnings history						
1.5.2	Pre-88 Guaranteed Minimum Pension (GMP)				24,400	7,954	67.40
1.5.3	Post-88 Guaranteed Minimum Pension (GMP)						

# 05 Customer Service

Since December 2016, XPS Administration, Middlesbrough have included a customer satisfaction survey with the retirement options documentation.

A summary of the main points are as follows:

Issued	Returned	%
16,162	3,066	18.97

Question	Previous Response*	Current Response*
1. It was easy to see what benefits were available to me	4.27	4.26
2. The information provided was clear and easy to understand	4.19	4.19
3. Overall, the Pensions Unit provides a good service	4.29	4.29
4. The retirement process is straight forward	4.04	4.04
5. My query was answered promptly	4.45	4.45
6. The response I received was easy to understand	4.44	4.43
7. Do you feel you know enough about your employers retirement process	76.68%	76.75%
8. Please provide any reasons for your scores (from 18/05/17)		
9. What one thing could improve our service		
10. Did you know about the <a href="http://www.teespen.org.uk">www.teespen.org.uk</a> website? (from 18/05/17)	47.75%	46.21%
11. Did you use the website to research the retirement process? (from 18/05/17)	27.59%	26.45%
12. Have you heard of Member Self Service (MSS)? (from 18/05/17)	23.80%	22.25%

\*scoring is out 5, with 5 being strongly agree and 1 being strongly disagree

## Service Development

Following the agreement of the Pensions Committee to fund enhancements to the Pensions Administration Services at their meeting of 7<sup>th</sup> March 2018, XPS Administration, Middlesbrough has looked to recruit into the roles required to provide this enhanced service.

Additional funds were only drawn down when roles were filled to undertake the additional services. This has so far led to:

### Initial Planning

To help with the creation of the teams that will assist with the additional services two new posts were created to covering Governance & Communications plus Systems & Payroll. These were filled by Paul Mudd and Neale Watson respectively on 11<sup>th</sup> July 2018. Their roles were then to look at how XPS could then provide the agreed services to the Fund.

### Employer Liaison

Following the resignation of the original Team Leader, a replacement has been appointed into the role.

The team are currently working on Year End files from the Teesside Pension Fund employers and commencing the role out of the collation of pension contributions on a monthly basis.

Next steps will be to work with the Fund to determine how to undertake employer covenant.

### Communications

The new website was launched to Scheme Members and Employers on the 5<sup>th</sup> May 2021 which is underpinned with a raft of analytical data which serves to tell us limited information about the audience. This allows us to target news and important items to pages we now know people are viewing and searching for. The following chart provides an overview of the information we have collected.



We can learn a lot from this data, and we will of course be trying to increase footfall to the site by strategically linking the site with participating employers.

As well as these above analytics, we are testing the website regularly to prove its structural and technical integrity. This ensures that people see exactly what we want them to see, regardless of what browser or device they use. We can test these levels and do so several times per week to ensure the web coding is robust and modern. It all helps with the overall Member and Employer experience and allows web indexation to be that much better. This promotes the website in something like a google search.

### Next Steps

XPS are currently reviewing processes to enable a move to monthly contribution postings which should lead to greater efficiencies, and more up to date information on member records. The initial stage is currently underway and we have a number of employers who have agreed to undertake the initial rollout. This will help ensure starters, leavers and variations are provided in a timely manner and current data is held to speed up the calculation process.

The next steps will include the recruitment of at least one further member of staff to assist with the processing of the data.

### Performance

Following discussions with both the Pension Board and Committee, XPS Administration are investigating a way to report the time between a member being entitled to a benefit and it being finalized (e.g. time between date of leaving and deferred benefit statement being issued or pension being brought into payment).

XPS Administration are therefore investigating whether sufficient reporting tools already exist within the pension administration system or whether bespoke reports are required to be developed (either internally or via the administration software providers).

The Pension Committee will be kept updated on the progress to provide this information.

## Employer Liaison

### Employers & Members

Employer Health Checks have continued as well as some face-to-face employer and member training. We have continued to promote the I-connect service with keen interest from employers. We are awaiting final confirmation an employer to agree to start rollout and working with a number to obtain final agreement. Additional training sessions on pensions tax are being developed at the request of a Local Authority along with a scheme promotion bulletin to promote the importance of pensions planning and the option of the 50/50 scheme for members who may consider opting out due to the cost of living crisis.

### Late Payment Analysis

This table shows analysis of contributions received from participating employers.

We do chase these on a monthly basis and an e-mail has been sent to regular offenders asking them to explain why contributions are being paid across late. Health Checks have been initiated with these employers.

<b>Date</b>	<b>Late Payments</b>	<b>Expected Payments</b>	<b>% Late</b>	<b>&lt; 10 Days Late</b>	<b>&gt; 10 Days Late</b>
Sep-21	1	149	1.00%	0	1
Oct-21	3	144	2.00%	0	3
Nov-21	11	144	7.00%	0	11
Dec-21	5	144	3.00%	2	3
Jan-22	10	146	7.00%	1	9
Feb-22	9	146	6.00%	2	7
Mar-22	8	146	5.00%	0	8
Apr-22	9	146	6.00%	1	8
May-22	4	146	3.00%	4	0
Jun-22	3	142	2.11%	2	1
Jul-22	2	142	1.41%	0	2
Aug-22	4	140	2.86%	1	3
Sep-22	2	140	1.43%	0	2

# 06 Completed Cases Overview

2022/23

Teesside Pension Fund	Cases completed	Cases completed within target	Cases completed outside target	Cases: % within target
<b>LG Team – Admin Manager Mathew Spurrell</b>				
April	392	392	0	100%
May	346	346	0	100%
June	434	434	0	100%
<b>Quarter 1</b>	<b>1,172</b>	<b>1,172</b>	<b>0</b>	<b>100%</b>
July	458	458	0	100%
August	590	590	0	100%
September	426	426	0	100%
<b>Quarter 2</b>	<b>1,474</b>	<b>1,474</b>	<b>0</b>	<b>100%</b>
October	728	728	0	100%
November				
December				
<b>Quarter 3</b>	<b>728</b>	<b>728</b>		<b>100%</b>
January				
February				
March				
<b>Quarter 4</b>				
<b>Year - Total</b>	<b>3,374</b>	<b>3,374</b>	<b>0</b>	<b>100%</b>

# 07 Completed Cases by Month

## July 2022

KEY PERFORMANCE REQUIREMENTS (KPR)	MONITORING PERIOD (Annually, Quarterly, Monthly, Half Yearly)	KPR Day	MINIMUM PERFORMANCE LEVEL (MPL)	ACTUAL PERFORMANCE LEVEL (A)	Average Case Time (day)	Number of Cases	Over target	TOTAL (case)	Within Target
All new entrant processed within twenty working days of receipt of application.	Monthly	20	98.50%	100%	4.19	183	0	183	183
Transfer Values - To complete the process within one month of the date of receipt of the request for payment.	Monthly	20	98.50%	100%	5	26	0	26	26
Refund of contributions - correct refund to be paid within five working days of the employee becoming eligible and the correct documentation being supplied.	Monthly	5	98.75%	100%	5	16	0	16	16
Merged Estimate Of Benefits and Deferred Benefits	Monthly	10	98.25%	100.0%	5	233	0	233	233
Pension costs to be recharged monthly to all employers.	Monthly		98.75%	100%	N/A	N/A	N/A		
Annual benefit statements shall be issued on a rolling basis ensuring that a scheme member shall receive a statement once a year.	Annual	April	98.75%	100%	N/A	N/A	N/A		
Payment of lump sum retiring allowance - Payment to be made within 6 working days of payment due date and date of receiving all the necessary information.	Monthly		98.75%	100%	N/A	N/A	N/A		
Pay eligible pensioners a monthly pension on the dates specified by the Council.	Monthly		100%	100%	N/A	N/A	N/A		
All calculations and payments are correct.	Monthly		98.75%	100%	N/A	N/A	N/A		

## August 2022

KEY PERFORMANCE REQUIREMENTS (KPR)	MONITORING PERIOD (Annually, Quarterly, Monthly, Half Yearly)	KPR Day	MINIMUM PERFORMANCE LEVEL (MPL)	ACTUAL PERFORMANCE LEVEL (A)	Average Case Time (day)	Number of Cases	Over target	TOTAL (case)	Within Target
All new entrant processed within twenty working days of receipt of application.	Monthly	20	98.50%	100.00%	4.43	299	0	299	299
Transfer Values - To complete the process within one month of the date of receipt of the request for payment.	Monthly	20	98.50%	100%	8	15	0	15	15
Refund of contributions - correct refund to be paid within five working days of the employee becoming eligible and the correct documentation being supplied.	Monthly	5	98.75%	100%	5	23	0	23	23
Merged Estimate Of Benefits and Deferred Benefits	Monthly	10	98.25%	100.0%	5	253	0	253	253
Pension costs to be recharged monthly to all employers.	Monthly		98.75%	100%	N/A	N/A	N/A		
Annual benefit statements shall be issued on a rolling basis ensuring that a scheme member shall receive a statement once a year.	Annual	April	98.75%	#DIV/0!	N/A				
Payment of lump sum retiring allowance - Payment to be made within 6 working days of payment due date and date of receiving all the necessary information.	Monthly		98.75%	100%	N/A	N/A	N/A		
Pay eligible pensioners a monthly pension on the dates specified by the Council.	Monthly		100%	100%	N/A	N/A	N/A		
All calculations and payments are correct.	Monthly		98.75%	100%	N/A	N/A	N/A		

## September 2022

KEY PERFORMANCE REQUIREMENTS (KPR)	MONITORING PERIOD (Annually, Quarterly, Monthly, Half Yearly)	KPR Days	MINIMUM PERFORMANCE LEVEL (MPL)	ACTUAL PERFORMANCE LEVEL (APL)	Average Case Time (days)	Number of Cases	Over target	TOTAL (cases)	Within Target
All new entrant processed within twenty working days of receipt of application.	Monthly	20	98.50%	100.00%	3.51	107	0	107	107
Transfer Values - To complete the process within one month of the date of receipt of the request for payment.	Monthly	20	98.50%	100%	6	49	0	49	49
Refund of contributions - correct refund to be paid within five working days of the employee becoming eligible and the correct documentation being supplied.	Monthly	5	98.75%	100%	5	16	0	16	16
Merged Estimate Of Benefits and Deferred Benefits	Monthly	10	98.25%	100.0%	5	254	0	254	254
Pension costs to be recharged monthly to all employers.	Monthly		98.75%	100%	N/A	N/A	N/A		
Annual benefit statements shall be issued on a rolling basis ensuring that a scheme member shall receive a statement once a year.	Annual	April	98.75%	100%	N/A	N/A	N/A		
Payment of lump sum retiring allowance - Payment to be made within 6 working days of payment due date and date of receiving all the necessary information.	Monthly		98.75%	100%	N/A	N/A	N/A		
Pay eligible pensioners a monthly pension on the dates specified by the Council.	Monthly		100%	100%	N/A	N/A	N/A		
All calculations and payments are correct.	Monthly		98.75%	100%	N/A	N/A	N/A		

# October 2022

<b>KEY PERFORMANCE REQUIREMENTS (KPR)</b>	<b>MONITORING PERIOD (Annually, Quarterly, Monthly, Half Yearly)</b>	<b>KPR Days</b>	<b>MINIMUM PERFORMANCE LEVEL (MPL)</b>	<b>ACTUAL PERFORMANCE LEVEL (APL)</b>	<b>Average Case Time (days)</b>	<b>Number of Cases</b>	<b>Over target</b>	<b>TOTAL (cases)</b>	<b>Within Target</b>
All new entrant processed within twenty working days of receipt of application.	Monthly	20	98.50%	100.00%	6.17	347	0	347	347
Transfer Values - To complete the process within one month of the date of receipt of the request for payment.	Monthly	20	98.50%	100%	7	32	0	32	32
Refund of contributions - correct refund to be paid within five working days of the employee becoming eligible and the correct documentation being supplied.	Monthly	5	98.75%	100%	5	22	0	22	22
Merged Estimate Of Benefits and Deferred Benefits	Monthly	10	98.25%	100.0%	5	327	0	327	327
Pension costs to be recharged monthly to all employers.	Monthly		98.75%	100%	N/A	N/A	N/A		
Annual benefit statements shall be issued on a rolling basis ensuring that a scheme member shall receive a statement once a year.	Annual	April	98.75%	0%	N/A	N/A	N/A		
Payment of lump sum retiring allowance - Payment to be made within 6 working days of payment due date and date of receiving all the necessary information.	Monthly		98.75%	100%	N/A	N/A	N/A		
Pay eligible pensioners a monthly pension on the dates specified by the Council.	Monthly		100%	100%	N/A	N/A	N/A		
All calculations and payments are correct.	Monthly		98.75%	100%	N/A	N/A	N/A		



## 08 Complaints

Full Name	Description	Date received	Date completed	Comment
Retired Member	Delay in allocating the 2nd leaver notification meant payroll was missed.	22/7/2022	2/8/2022	Interest paid, original delay caused by incorrect L/F received



**Graeme Hall**  
Operations Manager  
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