

Report to: Pension Board

Date of meeting: 4 November 2025

By: Chief Finance Officer

Title: Pension Administration - updates

Purpose: To provide an update to the Pension Board on matters relating to Pensions Administration activities.

RECOMMENDATION:

The Pension Board is recommended to note the updates and make any comments for feedback to the Pension Committee.

1. Background

1.1 The in-house Pensions Administration Team (PAT) carries out the operational, day-to-day tasks on behalf of the members and employers of the East Sussex Pension Fund (the Fund, ESPF) and for the Administering Authority. They also lead on topical administration activities, projects and improvements that may have an impact on members of the Local Government Pension Scheme (LGPS).

2. Key Performance Indicators (KPI)

2.1 The Performance Reports for the months of July, August and September 2025 can be found at Appendices 1 to 3. Each report includes all tasks performed by the PAT and is reported directly from the Altair Insights system. A summary is included in the table below:

Month	o/s* at start	Post received	Post completed	Completed in SLA**	% within SLA**	Outside SLA**	Total o/s* at end	Open tasks at end
Apr 25	2,066	1,949	2,015	1,705	84.6%	310	1,979	470
May 25	1,828	1,772	1,803	1,647	91.3%	156	1,759	356
Jun 25	1,637	1,810	1,674	1,556	93.0%	118	1,729	351
Q2, 25		5,531	5,492	4,908	89.4%	584		
Jul 25	1,555	2,080	2,040	1,906	93.0%	134	1,561	206
Aug 25	1,460	1,742	1,504	1,444	96.0%	60	1,674	328
Sep 25	1,519	2,283	1,941	1,819	93.7%	122	1,833	570
Q3,25		6,105	5,485	5,169	94.2%	316		

*o/s = outstanding **SLA = Service Level Agreement

2.2 To aid visibility of the work being undertaken by the PAT team, Appendix 4 provides a high-level view of performance achieved (as previously presented to Pension Board and Pension Committee) over several years. The volume of tasks received being reported has increased – 9,629 in 2022, 15,411 in 2023 and 23,898 in 2024.

2.3 The Fund aims to achieve a gold standard service provision for the Pensions Helpdesk and the results for July to September 2025 are included in Appendix 5. From April 2024 the Helpdesk has been delivered by an in-house team within PAT. Due to the transition into an in-house team, the reportable information relating to service delivery has reduced. The roll out of the East Sussex

County Council (ESCC) telephony upgrade was completed mid-May 2025. As a result, the Helpdesk was expecting access to call centre technology but that has yet to be installed. It is anticipated that call centre technology will be installed soon as an IT&D project manager has now been assigned to this task, so the PAT will again review the format and type of Management Information data available.

3. Pension Administration Staffing Update

3.1 There has been one resignation on the pension helpdesk since the last meeting and the Operator leaving at the end of October 2025. A new Project Officer started on 20 October 2025. The PAT is carrying forward 2 vacancies including a temporary vacancy due to maternity leave.

4. Projects update

McCloud remedy

4.1 Now the Annual Benefit Statements have been issued; the PAT can concentrate on finalising the review of the remaining errors and issue outstanding statements by the end of this year. In 2026 officers will begin work on the non-active member recalculations where the McCloud underpin applied, ahead of the 31 August 2026 deadline.

Pension Dashboards

4.2 A training session for Pension Board and Pension Committee members on the Pension Dashboards took place on 16 September 2025.

4.3 Officers are looking to create a new Prudential Additional Voluntary Contribution (AVC) data screen on Altair to hold the annual data that can be submitted to the Integrated Service Provider (ISP) via a single source. A Heywood contract variation for the single source AVC solution for the Pension Dashboard Programme was completed on 14 October 2025.

4.4 Onboarding was completed on 24 September 2025 ahead of the deadline of 31 October 2025, but it is not yet known when the pension dashboards will go live to the public. The ESPF website was updated to let employers and members know: [Connection to Pension Dashboard | East Sussex Pension Fund](#).

Annual Allowance (AA) for 2024/25

4.5 Officers identified 300+ potential cases in scope in August 2025. Given the AA limit increased from £40k to £60k in the previous year, fewer members were expected to be impacted. Further investigation showed 270 members could be descoped from the data collection stage. Some additional salary data will be required from a few employers for a small number of members in early September. All the necessary calculations and letters will be issued in late September 2025 (8 members exceeded the allowance and 3 were required to pay additional tax) before the statutory deadline 6 October 2025.

Additional Voluntary Contributions implementation of approved changes

4.6 At the 27 February 2025 Pension Committee meeting, the following decisions were made:

- Change the default investment fund for new members from “With Profits” to the Lifestyle approach “Dynamic Growth Targeting Cash”.
- Retain the “With Profits” fund as the default for existing investors including their future contributions. The fund will also remain a self-select option for new members.
- Hard Close funds where no assets remain
- “Fixed Interest” fund - and consider closing the “Index-Linked” fund that had one deferred member.

- Allow soft Close funds to be used by existing investors.
- Introduce a Sharia compliant equity option.
- not to look for a self-select Bond fund.

4.7 These decisions were implemented by the Chief Finance Officer and Officers after co-ordination with Barnett Waddingham (BW) and the Prudential (Pru). Emails or letters were issued to all AVC policy holders on 2 October 2025 announcing the effective date of the changes on 31 October 2025.

Digital Assistant (chatbot)

4.8 The Digital Assistant is a Chatbot designed to sit on the ESPF website and answer frequently asked questions (FAQ). Officers are working with an external provider (ICS.AI) who created a draft set of 298 questions and answers. A comprehensive review of the FAQ and prescribed answers have been finalised in June 2025, and 260 questions remain. The next phase is the user acceptance testing (UAT) and there are 3 workstreams:

- Very detailed core testing of 22 questions completed in September 2025 and results are being assessed.
- Exploratory testing where much less prescribed commencing in October 2025.
- Survey type testing which will include some Board members in November 2025.

5 Conclusion and reasons for recommendation

5.1 The Pension Board is recommended to note the report and make any comments for feedback to the Pension Committee.

IAN GUTSELL
Chief Finance Officer

Contact Officer:
Email:

Paul Punter, Head of Pensions Administration
paul.punter@eastsussex.gov.uk