Report to:	**Pension Board**
Date of meeting:	**5 June 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 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 January, February and March 2025 can be found at Appendices 1 to 3. The report now 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
Oct 24	2,549	2,347	2,518	2,015	80.0%	503	2,341	707
Nov 24	2,090	2,015	1,963	1,596	81.3%	367	2,080	423
Dec 24	1,919	1,541	1,522	1,360	89.4%	162	1,892	398
Q4, 24		**5,903**	**6,003**	**4,971**	**82.8%**	**1,032**		
Jan 25	1,719	3,126	2,279	2,078	91.2%	201	1,892	1,069
Feb 25	2,372	2,368	2,148	1,793	83.5%	355	2,557	1,034
Mar 25	2,283	2,364	2,355	1,977	83.9%	378	2,251	740
Q1, 25		**7,858**	**6,782**	**5,848**	**86.2%**	**934**		

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

2.2 The main reasons for the increase in tasks include a move from reporting on just KPIs to reporting on all PAT tasks. In addition, fully utilising the i-Connect system results in many more recalculations (both due to late payments of pay [overtime/holiday] and late pay awards) plus the Brighton & Hove City Council (BHCC) bulk data files.

2.3 On 27 March 2025 the Admin Working Group were provided with both a history of the average and longest day data for the period August 2024 to February 2025, and commentary about all cases that missed the SLA during December 2024. There remain some ongoing issues with PAT staff not setting up the ‘reply due’ and ‘radio’ buttons correctly. A further training session was provided on 13 March 2025 so further improvements are expected going forward.

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

2.5 The Fund aims to achieve a gold standard service provision for the Pensions Helpdesk and the results for January to March 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 has access to call centre technology so from July 2025 will again review the Management I data available.

3. Pension Administration Staffing Update

3.1 There have been 2 resignations since the last meeting. An Apprentice left on 1 May 2025 and the temporary Administrator is leaving earlier than planned on 31 May 2025.

4. Projects update

McCloud remedy

4.1 The data collection aspect for the 140 active employers is complete and the data has been uploaded into the Altair test system. The final data validation has unearthed several new issues and errors, and these have been investigated and are not easily resolved. In the main bulk, solutions are not possible (examples are duplicate lines, overlapping and gaps in dates, American date formatting, concurrent combining cases). These are being corrected where possible, but some are likely to be excluded for now. Once resolved the data will be moved into the live system. The McCloud data (where loaded) will be accounted for in the 2025 Annual Benefit Statement (ABS).

4.2 The data for 37 non-active employers has been through the Heywood validation tool and is back with officers to manage and resolve the queries found. These changes will not be made by 2025 Annual Benefit Statement.

4.3 Heywood is working closely with the CLASS Group to prioritise the McCloud functionality, which could take up to 2 years to fully implement.

Pensions Dashboards

4.4 Heywood are the Fund’s Integrated Service Provider, and a project plan has been created, with a 2-phase approach pencilled in:

Phase 1 – created the Integrated Service Providers (ISP) data console and data transfer tested. Additional testing of the “view” data completed and the “find” data being assessed in May 2025. In June we will be documenting the how to resolve a “partial” match procedure

Phase 2 – starting in August 2025 for 5 weeks to implement and onboard before 31 October 2025.

4.5 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 ISP via a single source.

4.6 A training session for Pension Board and Pension Committee members has been arranged for 16 September 2025.

4.7 Onboarding date – all schemes must onboard by 31 October 2026, but it is not yet known when the pension dashboards will go live to the public.

i-Connect onboarding

4.8 Officers had targeted the last 10 employers (who had historically had data issues or been less engaging) to be onboarded ahead of the 2025 ABS. All have had their initial meetings, discussions about the Fund's specifications and requirements and new payroll extract files built. Officers are actively engaging with the employers and their payroll software providers to create and review tests files ready for onboarding:

Employer	No. of active members	Test File received	Project RAG Status
Aquinas Trust	41	29/10/24	onboarded
Bexhill College	97	25/07/24	Reviewed Feb file, awaiting March
Beacon Academy	77	04/03/25	Jan test file rec'd 30/03/25 – maybe EOY
Uplands	52	04/03/25	Jan test file rec'd 30/03/25 – maybe EOY
SABDEN	117	20/12/24	onboarded
Varndean College	97	05/11/24	End of Year return received
UoBAT	478	17/01/25	onboarded
Uni of Brighton	1,304	06/12/24	onboarded
Hailsham Academy	126	13/01/25	Received Mar 2025 file but Feb issues remain
DCAT	464		End of Year return received

4.9 There are a number of employers who changed their payroll software providers before 31 March 2025 where the new provider needs to be onboarded:

Employer	No. of active members	Date of change	Project RAG Status
TKAT		01/09/24	Onboarding call booked with Mar 2025 data
Gildredge House		01/02/25	Reviewed Feb file, awaiting March
Benfield Primary Sch		01/09/24	EOY return received – Strictly Education
Hangleton Prim Sch		01/09/24	EOY return received – Strictly Education
Robertsbridge		01/01/25	EOY return received – EPM for 12 months

4.10 There is one employer (Varndean School) with resourcing issues who have not uploaded files since September 2024. Officers are looking to jump to March 2025 (status red).

4.11 In addition, there are some potential employers yet to be admitted whose members' date of joining could be backdated before 1 April 2025.

BHCC i-Connect data collection

4.12 Officers are pleased to advise that the bulk i-Connect data file for the period June to December 2024 was successfully uploaded on 9 January 2025 with a small number of omitted members. The file produced an equally small number of errors and suppressions as well as creating 1,056 i-Starter tasks and 1,091 i-Leaver tasks. The PAT will look to process the last 150 backlog of aggregation tasks in May and June 2025.

4.13 The BHCC payroll team have uploaded their March 2025 i-Connect data file in April 2025, effectively making the employer up-to-date and live. The Pensions Regulator have closed their case.

Pension increases as at 1 April 2025

4.14 Officers have completed the pension increase routine using the Consumer Price Index (CPI) figure of 1.7% (based on September 2024 inflation index).

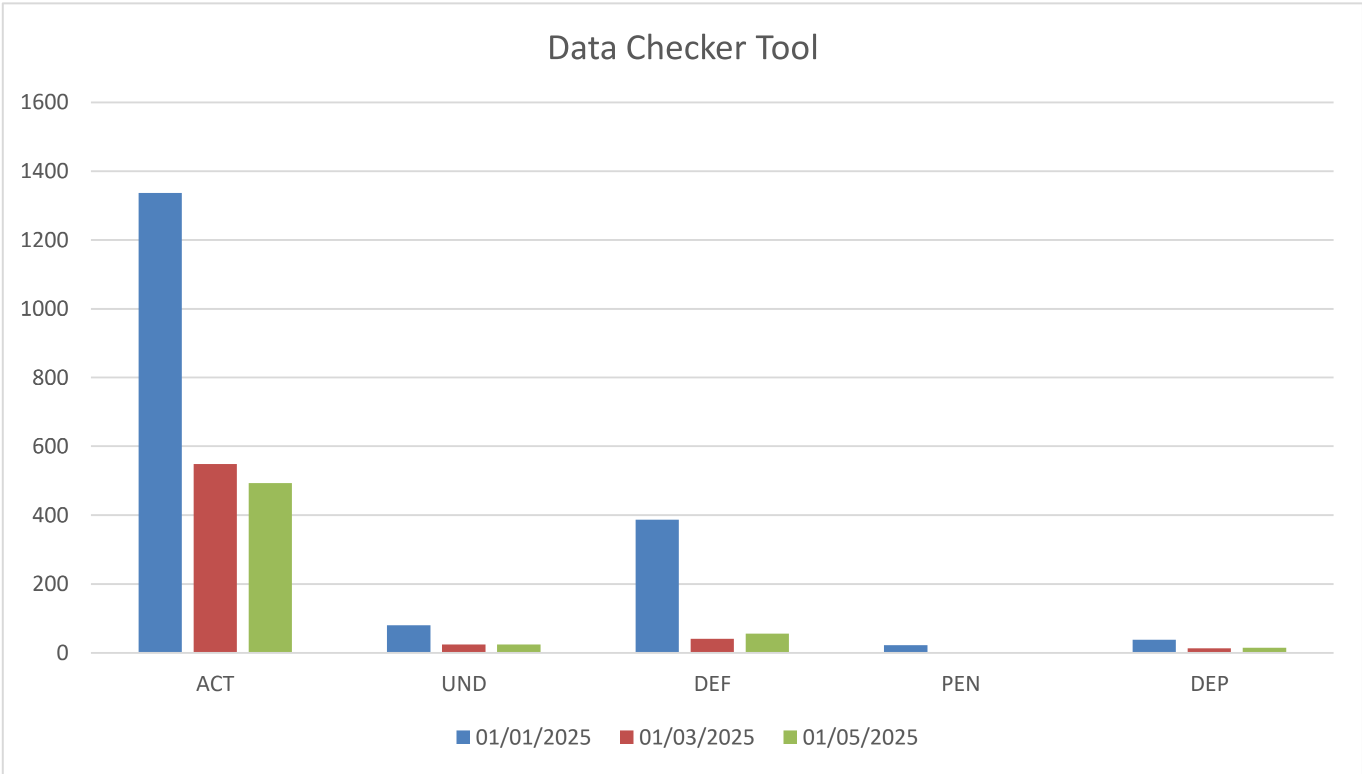
Pension Administration Software contract

4.15 The Pension Committee authorised the Chief Finance Officer to complete the appropriate due diligence to award the contract. The award was made on 23 January 2025 and the contract sealed by ESCC Legal team on 25 April 2025.

4.16 The contract will start on 28 April 2026 for a 5-year term, with an option to extend up to 26 April 2034.

Data Quality

4.17 Officers continue to monitor various data quality reports using Altair Insight reports. The current priority is the data quality for the 2025 Actuarial Valuation. Below is the table of Barnett Waddingham (BW) errors based on the 2024 data:



4.18 Officers aim to provide the final 2025 data to BW by July 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.

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