

Update on Progress in relation to Pensions Internal Audit Recommendations

Performance Management

Currently we report on Quotes to both Employers and Employees within 10 days and Pensions into payment within 5 days.

The performance for the year to date is:

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD
Payment of Benefits (5 days)	100	94	96	100	100	100	97	100					98
Issue of Quotes (10 days)	74	100	95	100	100	100	100	100					96

We would like the Board to consider what further metrics would be helpful for them to consider the effectiveness of the Pensions administration team. Once these are provided we will investigate how this can be provided from the Altair system. We intend to report the performance to date figures on a quarterly basis at the Board meetings.

Review of Documentation

Processing guide documentation has been reviewed and an archive folder created to store all old process guides. The current guides for all processes have been reviewed and if required amended as necessary. The reviewer and date of review are notated. We have created a processing guide master spreadsheet that logs all our active procedures.

Review of procedures and processing guidelines has been added to our annual work plan and the next review will take place in January 2018.

The Altair system has guidance notes within its infrastructure on each task. These are updated by Heywood's as and when required.

Succession Planning

Two trainees have been appointed and are progressing well through their training programme. This has built resilience and structure within the team. We are also undertaking an exercise to recruit an Apprentice to help with the office duties, this will also support the Officers and free up more time within their working day. As we form part of a wider team (Payments Team) we have a programme of cross-training planned to provide additional support on more administrative duties which provides development opportunities and to provide further resilience and succession planning for the future.

Reconciliations: SAP to Altair

The i-connect funding has been put in place and the work to configure the system has recommenced. Absoft who support our SAP system are completing the configuration (and have done this for a number of other Pension Funds). We expect to have a test system in place before Christmas and will start testing in the New Year, with the target of going live in April. The implementation will be in three stages. First stage, Isle of Wight Council, second stage Employers/Schools and last stage Fire Service.

This will result in having quality data from Payroll providers via the i-connect system as they will be unable to up load the data until it has been verified.

Teachers' Pension Scheme & Schools

We have had a number of issues with third party payroll providers and we have put together a plan to improve the quality of data. Whilst I believe we have good 'Common' data it is the 'Conditional' data we hold that needs improvement.

A data quality action plan is being finalised in conjunction with the Pensions Regulator guidance.

In order to manage the data quality shortfalls we are implementing a three part strategy.

1. Data issues from the 2016 Valuation and up to 31 March 2017
We have run some data cleansing reports supplied by Hymans up to 31/03/2017 and will be exploring ways in which we can get the data cleansed without impacting the day to day work of the Pensions Team.
2. Data issues from April 2017 onwards.
For data issues from April 2017 we have designed a spreadsheet template that validates the data received from the admitted bodies and school payroll providers. We then interrogate the data and any issues are then raised with the admitted body or payroll provider. We then update our Altair Pension system.
3. Data from April 2018.
Implementation of i-connect will mean that only validated data will be received into the Altair system. The role out will be staged and from April 2018 we will look to bring the Isle of Wight council in first as they are our biggest employer, with the Schools and Admitted Bodies from September 2018 and finally the Fire Service.

To help with the monitoring of the data improvement plan we ask the Board to consider commissioning the Data quality reports from Heywood's, these reports will be set over 3 years and will help support our progress and give the Pensions Regulator assurance of how we are progressing. Our intention would be to commission these for the 1st September 2018 in line with the i-connect project for the Schools and Admitted Bodies as these are where we have issues on data quality.

To support the change to i-connect, we will require new agreements to be put in place with the Schools to support our requirements.

A presentation was given to the Schools Business Managers and we will be looking to review and update them with our plans and aspirations to get this resolved at a meeting in February and also before we go live with i-connect in September 2018.

To enable us to succeed with the Data Improvement Plan and to support the day to day priorities within the Team we will require the Board to consider and agree on:

1. For valuation data issues, some outside support to complete the work and enable the Team to concentrate on the day to day tasks.
2. The Data issues from April 2017 our requirement would be that we recruit specifically for the purpose of rectifying the data.

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