

APPENDIX 4

TPR Public Service Governance and Administration Survey 2018

LB Lewisham Submission Comparison to Results

SECTION A – GOVERNANCE

- A1** Does your scheme have a documented policy to manage the pension board members' conflicts of interest?
Lewisham: Yes
TPR 2018: 90% of all schemes have a documented policy to manage Board members' conflicts of interest
- A2** Does your scheme maintain a register of pension board members' interests?
Lewisham: Yes
TPR 2018: 90% of all schemes maintain a register of Board members' interests
- A3** Number of Board meetings scheduled to take place in the previous 12 months?
Lewisham: 4
TPR 2018: Mean of 3.6
- Number of Board meetings that actually took place in the previous twelve months?
Lewisham: 3
TPR 2018: Mean of 3.4
- Number of Board meetings that were attended by the scheme manager or their representative?
Lewisham: 3
TPR 2018: Mean of 3.1
- A4** Do the scheme manager and pension board have sufficient time and resources to run the scheme properly?
Lewisham: Yes
TPR 2018: 91% of all schemes have sufficient time and resources to run the scheme properly
- A5** Do the scheme manager and pension board have access to all the knowledge, understanding and skills necessary to properly run the scheme?
Lewisham: Yes
TPR 2018: 96% of all schemes have access to all the knowledge, understanding and skills necessary to properly run the scheme.
- A6** How often does the scheme manager or pension board carry out an evaluation of the knowledge, understanding and skills of the board as a whole in relation to running the scheme?
Lewisham: Less frequently (than annually)
TPR 2018: 82% of schemes at least annually; 15% quarterly; 16% every 6 months
- A7** Number of current board members?

Lewisham: 4 (including independent Chair)
TPR 2018: Mean of 6.8

Number of vacant positions on the board?

Lewisham: 1
TPR 2018: Mean of 0.4

Number of members that have left the board in the last 12 months?

Lewisham: 1
TPR 2018: Mean of 1.4

Number of members that have been appointed to the board in the last 12 months?

Lewisham: 3 (including independent Chair)
TPR 2018: Mean of 1.4

SECTION B – MANAGING RISKS

B1 Does your scheme have documented procedures for assessing and managing risk?

Lewisham: Yes
TPR 2018: 92% of all schemes have documented procedures for assessing and managing risk

B2 Does your scheme have a risk register?

Lewisham: Yes
TPR 2018: 94% of all schemes have a risk register

B3 In the last 12 months, how often have you reviewed the scheme's exposure to new and existing risks?

Lewisham: Less than every six months
TPR 2018: 52% of schemes at least quarterly; 32% every 6 months

B4 To what do the top three governance and administration risks on your risk register relate?

Lewisham: Funding or investment; lack of resources/time; recruitment and retention of staff or knowledge
TPR 2018: Record keeping (i.e. receipt and management of correct data) – 49% of all schemes; securing compliance with changes in scheme regulations – 38% of all schemes; funding or investment – 35% of all schemes. Recruitment and retention of staff or knowledge was 4th on the list (27%), and lack of resources/time was 6th (16%), from 13 possible choices.

SECTION C – ADMINISTRATION AND RECORD-KEEPING PROCESSES

C1 Which of the following best describes the scheme's administration services?

Lewisham: Delivered in house
TPR 2018: 44% of all schemes administered in-house; 55% where administration is outsourced.

C2 When did the scheme last review who should provide its administration services?

Lewisham: Don't know
TPR 2018: 25% of all schemes in the previous 12 months; 25% 13-36 months ago, 26% over 36 months ago.

- C3** Which of the following do you use to monitor and manage the performance of your administrators (whether in-house or outsourced)?
Lewisham: Independent auditors review the performance of administrators; administrators attend regular meetings with the scheme manager and/or pension board.
TPR 2018: Top 3 responses: administrators deliver regular reports to scheme manager and/or board on the service provided (87% of all schemes); administrators attend regular meetings with the scheme manager and/or pension board (85% of all schemes); performance metrics are set out in contracts or SLAs (73% of all schemes)
- C4** In the last 12 months, how many pension board meetings had administration as a dedicated item on the agenda?
Lewisham: 3 (indirectly)
TPR 2018: Mean of 86% of pension board meetings that had administration as a dedicated item on the agenda
- C5** Do you have processes in place to monitor scheme records for all membership types on an ongoing basis to ensure they are accurate and complete?
Lewisham: Yes
TPR 2018: 91% of all schemes have a process in place for monitoring records on an ongoing basis for accuracy and completeness
- C6** Does the scheme have an agreed process in place with the employer(s) to receive, check and review data?
Lewisham: Yes
TPR 2018: 92% all schemes have a process in place for receiving, checking and reviewing data from scheme employers
- C7** Is your scheme single employer or multi-employer?
Lewisham: Multi-employer scheme (i.e. used by several different employers)
TPR 2018: N/A – informs the following questions in this section.
- C8a** Does your participating employer(s) always provide you with timely data?
Lewisham: Yes
TPR 2018: 12% of schemes where all employers always provide timely data
- C8b** Does your participating employer always provide accurate and complete data?
Lewisham: Yes
TPR 2018: 11% of schemes where all employers always provide accurate and complete data
- C8c** Does your participating employer submit data to you monthly?
Lewisham: Yes
TPR 2018: Mean of 77% of employers the submit data monthly
- C8d** Does your participating employer submit data to you electronically?
Lewisham: Yes
TPR 2018: Mean of 88% of employers the submit data electronically
- C9a** What proportion of your scheme's employers always provide you with timely data?
Lewisham: 90%
TPR 2018: Mean of 87% of all employers provide timely data
- C9b** What proportion of your scheme's employers always provide accurate and complete data?

Lewisham: 80%
TPR 2018: Mean of 84% of all employers provide accurate and complete data

C9c What proportion of your scheme's employers submit data to you monthly?
Lewisham: 100%
TPR 2018: 44% of multi-employer schemes where all employers submit data monthly

C9d What proportion of your scheme's employers submit data to you electronically?
Lewisham: 100%
TPR 2018: 51% of multi-employer schemes where all employers submit data electronically

C10 Does the scheme have a process in place for monitoring the payment of contributions?
Lewisham: Yes
TPR 2018:

C11 Does the scheme have a process in place for resolving contribution payment issues?
Lewisham: Yes
TPR 2018:

C12 Does the scheme have a defined escalation process in place for dealing with employers who do not provide timely or accurate data?
Lewisham: Yes
TPR 2018: 88% of multi-employer schemes have a defined escalation process.

C13 What actions are included in your process for dealing with employers who do not provide timely or accurate data?
Lewisham: Chase by telephone; chase in writing; escalate to senior staff
TPR 2018: Chase in writing (97% of multi-employer schemes); chase by telephone (93%); escalate to senior staff (92%); assess for breach of law (67%); impose penalty (56%); manual correction (27%); remove from scheme (14%)

SECTION D – CYBER SECURITY

D1 Which, if any, of the following controls does your scheme have in place to protect your data and assets from 'cyber risk'?

By 'cyber risk' we mean the risk of loss, disruption or damage to a scheme or its members as a result of the failure of its information technology systems and processes.

Lewisham: (from 14 specific cyber controls): System controls (e.g. firewalls, anti-virus and anti-malware products and regular updates of software); controls restricting access to systems and data; policies on the acceptable use of devices, passwords and other authentication, and on home and mobile working; policies on data access, protection, use and transmission which are in line with data protection legislation and guidance.

TPR 2018: 74% of schemes had at least half (7+) of the controls in place; the mean number of controls in place was 9.0

D2 Have any of the following happened to your scheme, including at any outsourced administration provider, in the last 12 months?

Lewisham: (from 9 specified cyber breaches/attacks): None of these

TPR 2018: 49% of schemes had experienced some kind of cyber breach or attack in the previous 12 months. Top three responses: staff receiving fraudulent emails or being directed to fraudulent websites (42% of schemes); attacks that try to

take down website or online services (10% of schemes); people impersonating scheme in emails or online (9% of schemes)

SECTION E – DATA REVIEW

- E1** When did your scheme last complete a data review exercise?
Lewisham: Within the last 12 months
TPR 2018: 83% of all schemes within the last 12 months; 9% more than 12 months previously; 4% never.
- E2** N/A
- E3** Did your scheme's most recently completed data review exercise look at any of the following?
Lewisham: Common data (e.g. member's name, DOB, NI number and address); scheme-specific data (previously called conditional data); member existence checks
TPR 2018: 97% of all schemes had looked at common data, 80% at scheme-specific data, and 60% at member existence checks.
- E4** Did your scheme's most recently completed data review exercise identify any issues or problems with the common data?
Lewisham: Yes
TPR 2018: 72% of all schemes that looked at common data identified issues with the data
- E5** Has any action been taken to address the issues identified with the common data?
Lewisham: An improvement plan is in development
TPR 2018: Of the 72% of schemes that identified issues with the data, 23% had an improvement plan in development, 40% had an improvement plan in place although rectification work had not yet been completed, and 2% had put in place an improvement plan and completed rectification work. 6% undertook rectification work without an improvement plan.
- E6** Did your scheme's most recently completed data review exercise identify any issues or problems with the scheme-specific data?
Lewisham: Yes
TPR 2018: 80% of all schemes that looked at scheme-specific data identified issues with the data
- E7** Has any action been taken to address the issues identified with the scheme-specific data?
Lewisham: An improvement plan is in development
TPR 2018: Of the 80% of schemes that identified issues with the data, 30% had an improvement plan in development, 42% had an improvement plan in place although rectification work had not yet been completed, and 2% had put in place an improvement plan and completed rectification work. 4% undertook rectification work without an improvement plan.

SECTION F – ANNUAL BENEFIT STATEMENTS

- F1** In 2018, what proportion of active members received their annual benefit statements by the statutory deadline?

Lewisham: 100%
TPR 2018: Mean of 95% of active members had received their annual benefit statements by the statutory deadline

F2 N/A

F3 N/A

F4 What proportion of all the annual benefit statements the scheme sent out in 2018 contained all the data required by regulations?

Lewisham: 100%

TPR 2018: Mean of 100% of schemes indicated that the statements they sent out contained all the required data

SECTION G – RESOLVING ISSUES

G1 Does the scheme have a working definition of what constitutes a complaint?

Lewisham: Yes

TPR 2018: 86% of all schemes had a working definition of what constitutes a complaint

G2a In the last 12 months, how many complaints have you received from members or beneficiaries in relation to their benefits and/or the running of the scheme?

Lewisham: 5

TPR 2018: Mean of 61 complaints across all schemes (or 7 per 100 members).

G2b How many of these complaints have entered the Internal Dispute Resolution (IDR) process??

Lewisham: None

TPR 2018: Mean of 43% of complaints had entered the Internal Dispute Resolution (IDR) process across all schemes (36% in Local Government schemes)

G3 To what did the top three types of complaint relate?

Lewisham: Slow or ineffective communication; disputes or queries about the amount of benefit paid

TPR 2018: Top 3 types of complaints: eligibility for ill health benefit (39% of schemes); disputes or queries about the amount of benefit paid (31%); slow or ineffective communication (29%)

G4 Does the scheme carry out a satisfaction survey(s) among its members and beneficiaries?

Lewisham: No

TPR 2018: 33% of schemes had carried out satisfaction surveys

SECTION H – REPORTING BREACHES

H1 Does the scheme have procedures in place to allow the scheme manager, pension board members and others to identify breaches of the law?

Lewisham: No

TPR 2018: 94% of schemes had procedures in place to identify breaches of the law

H2 In the last 12 months, have you identified any breaches of the law that are not related to annual benefit statements?

Lewisham: No

TPR 2018: 30% of schemes had identified non-annual benefit statement breaches of the law in the previous 12 months, and 11% had reported breaches to TPR in this period as they thought they were materially significant.

H3 N/A

H4 Are there procedures in place to assess breaches of the law, and report these to TPR if required?

Lewisham: Yes

TPR 2018: 95% of schemes had procedures to assess breaches of the law and report them to TPR if required

H5 N/A

SECTION I – GOVERNANCE AND ADMINISTRATION

I1 To what would you attribute any improvements made to the scheme's governance and administration in the last 12 months?

Lewisham: Improved understanding of underlying legislation and standards expected by TPR

TPR 2018: Top 3 responses: improved understanding of underlying legislation and standards expected by TPR (67% of schemes); improved understanding of the risks facing the scheme (63%); improved engagement by TPR (45%)

I2 What are the main three barriers to improving the governance and administration of your scheme over the next 12 months?

Lewisham: Lack of resources or time; recruitment, training and retention of staff and knowledge; the volume of changes that are required to comply with legislation

TPR 2018: Top 3 responses: complexity of the scheme (70% of schemes); lack of resources or time (47%); the volume of changes that are required to comply with legislation (45%) (recruitment, training and retention of staff and knowledge was 4th on the list at 39%)

SECTION J – PERCEPTIONS OF TPR

J1 Thinking about your overall perception of TPR, to what extent do you agree or disagree with the following words as ways to describe TPR?

a) Tough

Lewisham: Neither agree nor disagree

TPR 2018: 8% strongly agree; 48% agree; 39% neither; 3% disagree

b) Efficient

Lewisham: Agree

TPR 2018: 7% strongly agree; 53% agree; 32% neither; 5% disagree

c) Visible

Lewisham: Agree

TPR 2018: 19% strongly agree; 70% agree; 10% neither; 1% disagree

d) Fair

Lewisham: Agree

TPR 2018: 10% strongly agree; 56% agree; 29% neither; 1% disagree

e) Respected

Lewisham: Agree

TPR 2018: 21% strongly agree; 57% agree; 20% neither; 1% disagree

f) Evidence-based

Lewisham: Agree

TPR 2018: 12% strongly agree; 55% agree; 27% neither; 1% disagree

g) Decisive

Lewisham: Don't know

TPR 2018: 8% strongly agree; 45% agree; 38% neither; 3% disagree

h) Clear

Lewisham: Agree

TPR 2018: 10% strongly agree; 59% agree; 26% neither; 3% disagree

i) Approachable

Lewisham: Don't know

TPR 2018: 22% strongly agree; 51% agree; 23% neither; 3% disagree

J2 Thinking now about how TPR operates, how effective do you think it is at improving standards in scheme governance and administration in public service pension schemes?

Lewisham: Fairly effective

TPR 2018: 24% very effective; 64% fairly effective; 9% neither; 1% not very effective