

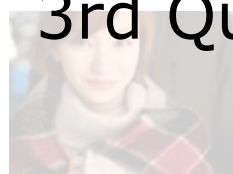
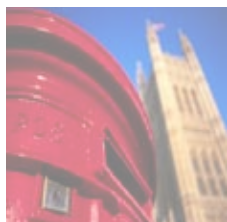


London Pensions Fund Authority



Strategic Plans and Objectives

3rd Quarter Review 2008-2009



Performance reporting options

Strategic Policy Statement 2008 to 2011

It has been agreed that the following items be reported to the Performance and Administration Committee on a quarterly basis:

- Performance against the programme of work for 2008-09 (made up of 15 key priorities) which supports the delivery of the five Strategic Objectives.
- Performance against Key Performance Indicators as previously.
- Additional reporting will cover complaints and comments (quarterly), workforce monitoring (annually).

Mission Statement

To provide an excellent cost effective pensions service incorporating best practice in all aspects of corporate governance.

Strategic Objectives 2008 to 2011

1 ~ Culture of Excellence

To be the pensions administrator of choice providing cost effective services with high quality customer care which will position us for future business growth.

2 ~ Valuing our people

To enhance our workforce capability including embedding equality and diversity practice and investing in our staff development.

3 ~ Investment Returns

To maintain an investment strategy to meet our liabilities focused on continual monitoring of both investment performance and liability risks.

4 ~ Responsible Investment

To develop our investment options taking full account of environmental, social and governance issues.

5 ~ Communication

To strengthen our communication and participation with all stakeholders and industry-wide bodies and develop our profile as a leading pension scheme administrator.

1. Culture Of Excellence ~ To be the pensions administrator of choice providing cost effective services with high quality customer care which will position us for future business growth.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Efficiency Reviews Mike Taylor (Accountable) Mngt Team (Responsible)	Consider and report on options to deliver efficiencies and growth in terms of structure, IT (including main pension administration system), procedures and vehicle.	31.08.2008	✓ Efficiency plan was presented to September Board awayday
Mike Taylor	Review finance function	30.09.2008	✓ A paper on the review of the finance function was discussed and additional resources approved at Corporate Management Team (CMT) on 26 August – this paper has also been passed to Audit Committee members. An action plan has now been prepared for the next three months and this has been sent to the Chairman of the Audit Committee. A further action plan will be developed for the period following this.
Jeff Houston Mike Allen & Annemarie Allen	Roll out the benefits of the Competitive Edge, efficiency review and cost effectiveness project to all teams	30.09.2008	✗ This task was discussed at the CMT away-day where blockages were identified along with ways forward. Targets dates have been set for roll out of the 5 key projects. This will happen by 28th Feb 2009
Jeff Houston (Accountable) Mngt Team (Responsible)	Map major processes and review analyst resource	Specification by 30.04.2008 Complete by 31.08.2008	✓ ✗ Efficiency plan was presented to September Board awayday and ratified by October Board. It contains a proposal to map processes. Timing to be rolled in with Altair implementation hence revised date of 30th June 2009 . LPFA has recruited a short term Business Process Reengineering role.
Mike Allen & Annemarie Allen	Establish Fund Employer Service Level Agreements in accordance with LGPS.	31.03.2009	
Jeff Houston	Prepare specification for a Management Information System (MIS) specification	30.06.2008	✓ Delayed due to Hounslow tender occupying most of June. Specification sent to Corporate Management Team 28 th July 2008
Annemarie Allen	Review actuarial services contract and report to Board	26.06.2008	✓ The actuarial services contract was reviewed and a report presented to the June Board recommending a contract extension until 31 st March 2009 and a tendering of non investment actuarial services.

Key Priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Local Government Pension Scheme and Fire Pension Scheme Annemarie Allen & Mike Allen	Review and report to Performance and Administration Committee on the implementation of the new LGPS	08.05 & 18.11.2008 ✓	Report submitted to Performance and Administration Committee on 8 th May detailing a successful transition to the new scheme, despite the lateness of final regulations
	Ensure scheme amendments are introduced effectively	As per effective dates	Scheme amendments have been implemented in line with the issuing of the new Regulations. A project has been established to ensure effective implementation in all areas
	Consult, draft, finalise and submit responses to all consultations	As per deadlines	LPFA continues to be consulted on and respond to all issued consultations.
Business Growth Increase LPFA's income and client base in the London LGPS market (the 'core market'). Jeff Houston (with Mike Allen and Annemarie Allen assistance for contract renewal)	Produce a 'core market' marketing strategy and implementation plan	31.08.2008 ✓	Plan for Growth was presented to September Board awayday
	Develop a lobbying capacity with Government to further LPFA initiatives	30.09.2008 X	Proposal in Plan for Growth accepted by Board in September. On hold subject to agreement to proceed by new Performance and Administration Committee 10th Feb 2009 .
	Research and input to the London Centre of Excellence/Audit Commission shared services initiative	As required	
	Secure existing 3 rd party contract renewals	As required X	Please see PC 137 for more information
	Increased agency income by the equivalent of one contract (eg £200K - £250K)	As required ✓	Details of additional income can be viewed in PC 137 - and includes income from web development and checking backlogs of deferred benefit cases.
J Houston / M Allen / A Allen	Introduce and market a planned and costed range of LGPS 'fringe' services	30.09.2008 X	Proposal in Plan for Growth accepted by Board in September. Report going to January Corporate Management Team - Now a target for 2009-10

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Where beneficial seek to broaden the reach of LPFA services to the following 'alternative markets' London non LGPS, outside London LGPS, National public sector, private sector DB Jeff Houston and Mike Taylor	Produce an 'alternative markets' marketing strategy including of LPFA's market share and potential for future growth.	31.08 2008 ✓	Plan for Growth was presented to September Board awayday
	Initiate appropriate and mutually beneficial partnership working within, and outside, the GLA family	As appropriate	
Governance Prepare to adopt the new 'Myners Principles' including the additional 'comply or explain' reporting. Peter Harris	Determine status of Myners II, compare with old and identify changes, produce draft "comply and explain" statement, add to SIP and include in Annual Report and Accounts if appropriate.	30.09.2008 X	The internal element of this task is complete, however the new Myners principles are not in final form yet. The consultation version has been discussed by Board and a level of compliance agreed. In the past, compliance with the Myners principles has been published via the SIP. However, the SIP has been updated to reflect current best practice (ratified at the December 2008 Board meeting) and a compliance statement (either Myners 1 or II) will now be included in the 2008-09 annual report and accounts documentation. There are no cost or resource implications in the delay. Revised date of 30th September 2009
Implement the agreed recommendations emerging from the Governance review.	Implement agreed recommendations, agree action plan, assign responsibilities and agree timeline	30.09.2008 ✓	Of all the actions emerging from the governance review three remain outstanding: 1. Review and update documentation given to new Board members ~ although this is partly covered by the adoption on the 1 st April 2008 of the Constitutional Document there remains a small amount of work to collect a variety of existing documentation and updating sections on Equality, staffing and administration, operating the LGPS, investment policy and business development 2. Produce schedule of responsibilities of Principal Officers ~ this was presented to the Nov meeting of CMT. 3. Produce Governance Handbook for all staff ~ Following Board ratification of Codes of Practice at its meeting on 9 th October the handbook has been published to Staff.
	Review procedures and standard documentation, review at year end	31.03.2009	

2. Valuing Our People ~ To enhance our workforce capability including embedding equality and diversity practice and investing in our staff development.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
<p>Change Management</p> <p>Continue the programme designed to take LPFA from what is considered a 'good' organisation to an 'excellent' organisation</p> <p>Susan Martin</p>	Design a new appraisal and performance management process.	31.03.09 for implementation 2009-2010	Progress continues on the Reward Project which incorporates many of these tasks. The project is on target apart from the exceptional performance element.
	Implement the new reward structure.	31.03.09 for implementation 2009-2010 dependant new pay structure implementation	Job descriptions have been evaluated, a new pay structure has been developed and all staff are aware how this will impact their pay from 1 st April 2009. Staff have had the opportunity for a review of their job description and eleven were re-assessed. CMT are considering the impact of these reviews. Managerial performance management training has been taking place and will continue into the second half of the year, ready for implementation of the new performance management process in April 2009. The exceptional performance element of the reward strategy has been put on hold pending SMART target training and targets for this will be set in the mid year round of appraisals in 2009.
	Conduct follow up staff survey on 'Life at the LPFA'.	31.10.09 dependant on above	
<p>Learning Organisation</p> <p>Continuing the culture of self improvement and the development of a highly skilled and professional workforce.</p> <p>Susan Martin</p>	Assess and implement as necessary the recommendations for improvement emerging from the iIP assessment.	31.03.09	iIP assessment took place in December. Results indicate that more work needs to be done in the area of managerial communication to staff. An action plan has been implemented.
	Deliver the second phase of the leadership programme.	31.03.09	
	Develop and implement a Programme and Project Management approach across the organisation.	31.03.09	A Programme Board has been meeting on a monthly basis to assess the progress of all projects underway. It is envisaged this group will support CMT is assessing resource priorities. A review of the remit and purpose of the group was carried out in January, ready for full implementation in April 2009.
<p>Equalities</p> <p>Jeff Houston</p>	Implement recommendations for improvement following the external assessment against the Local Government Equality Standard.	31.03.09	

3. Investment Returns ~ To maintain an investment strategy to meet our liabilities focussed on continual monitoring of both investment performance and liability risks.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Investment Strategy Review investment strategy Vanessa James	Active sub-fund investment strategy agreed	30.04.2008 ✓	Active sub-fund investment strategy was agreed in light of the March 2007 valuation results at a special investment strategy meeting in February 2008. Recommendations and details of delegations were subsequently reported to Investment Committee and Board
	Pensioner sub-fund investment strategy agreed	30.06.2008 X	Alternative strategies for the PSF are being examined with Hymans and the LDI managers. This should be completed by 31st March 09
Update SIP	Review update and publish	30.09.2008 ✓	The revised SIP went to Investment Committee at the end of November for adoption by the Board in December. 18 th Dec 2008
Implement updated investment strategy following asset liability review	Active sub-fund investment strategy implemented	31.03.2009	
	Pensioner sub-fund investment strategy implemented	31.03.2009	
Review inter-valuation monitoring policy. A Allen	Review and report on the match of the 2004 to 2007 Navigator results to the 2007 Fund Valuation results at both employer and sub-fund level	30.06.2008 ✓	The match of the inter-valuation Navigator results to the 2007 Fund Valuation results has been reviewed and reported to the Assistant Director Specialist Services to inform the review of the monitoring policy and the recommendation of a new monitoring Scheme for the period 2007 to 2010.
	Research employers and LPFA's use and views on the 2004 to 2007 Navigator monitoring	31.07.2008 ✓	A number of individual employers and the HE Forum have been asked for their views on and the usage they made of the Navigator monitoring. This will inform the review of the monitoring policy and the recommendation of a new monitoring Scheme for the period 2007 to 2010.
	Recommend monitoring scheme for the period 2007 to 2010	31.08.2008 ✓	Recommendation for monitoring scheme prepared on-time. It is targeted at specific assumptions, key large employers and therefore more cost effective.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Investment Management Arrangements	Draft Investment Management Agreement	30.09.2008 X	This has slipped down the priority list due to the investigations into money market funds, cash funds and stocklending to name but three examples of extra projects being taken on as a result of the financial crisis. New date is 30th Sept 2009
	Develop an LPFA specific Investment Management Agreement. Vanessa James	Final Investment Management Agreement 31.12.2008 X	As Above - 30th Sept 2009
Review the independent Investment Committee advisor role.	Report to Investment Committee	27.11.2008 ✓	Report dispatched for Investment Committee recommending an extension to the present arrangements until June 2009, but with a further review in March 2009
Enhance appropriate risk monitoring and reporting procedures.	Review risk monitoring service and report to Committee	02.06.2008 ✓	Following the review it was decided not to renew the annual contract that was taken out with APT, as despite several iterations, we did not have high confidence in the numbers they were producing. We are looking at other risk services but the further our strategy moves from quoted equities and bonds the greater the challenge for the risk models.
	Consider new supplier and recommend if necessary	30.09.2008 ✓	The recent crisis has shown the inadequacy of all risk systems, all of them ignoring counterparty exposures. A new project to consider how we may produce something meaningful in house should be considered for 2009/10

4. Responsible Investment ~ To develop our investment options taking full account of environmental, social and governance issues.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
Policy themes Agree 4/5 key themes cutting across the Environmental, Social and Governance agenda for engagement/ collaboration Vanessa James	Recruit new team member responsible for driving this agenda	30.09.2008 ✓	After the interruption caused by an attempt to work jointly with USS, a candidate accepted the position with us and starts on March 2nd.
	Develop and report themes to Investment Committee	31.03.2009	
Practical action Develop responsible investing Key Performance Indicator's to monitor compare progress of the key themes.	Job description of Responsible Investment Manager	30.06.2008 ✓	The job description was delayed due to work with USS. It has now been developed and the recruitment process started.
	Delivery of KPIs	31.03.2009	
Further develop links, association and collaborations.	Identify key links and develop relationships	31.12.2008 X	To follow recruitment of ESG team member - 30th June 2009 .
Promoting LPFA as a lead in this area Develop LPFA's role, promoting our ESG approach, with UKSIF, LAPFF, CIPFA Pensions panel and other appropriate groups. M Taylor	Presentations at conferences	Dates of each conference available quarterly	
	Press reports		
Develop a consultation and communication strategy for Environmental, Social and Governance initiatives.	In consultation with new Investment Manager	31.03.2009	

5. Communication ~ To strengthen our communication and participation with all stakeholders and industry-wide bodies and develop our profile as a leading pension scheme administrator.

Key priority	Deliverables	Timing	Statement of progress up to <u>31st December 2008</u>
<p>External Profile</p> <p>Increase LPFA's profile in the pensions industry and particularly in the Local Government arena</p>	Enhance LPFA's profile, particularly in London, through attendance at targeted conferences, articles, briefings and industry press coverage. To be measured by follow up market research.	31.12.2008 (follow up research) X	Research questionnaire has been agreed with research company. Research on hold awaiting completion of reorganisation (and recruitment) and current round of tenders New Date 31.3.2009
J Houston	Introduce regular market status and current issues briefings for CMT members	30.06.2008 ✓	Delayed due to Hounslow tender occupying most of June but regular reporting commenced with effect from 26 th August.
	Produce an enhanced Annual Report and Accounts document	09.09.2008 ✓	The enhanced document was published in line with statutory timescales.
	Produce targeted and effective pensions industry award submissions	As required ✓	Award submissions have been entered for Professional Pensions and Pensions Management awards. During 2008-09 LPFA has successfully be awarded the Website award by Pensions and Investment UK Communications and was a winner for Corporate Governance at the Pension Scheme of the Year Awards 2008.
<p>Internal profile</p> <p>Maintain staff awareness and understanding of the strategic objectives.</p>	Redevelop, enhance and implement a new LPFA intranet	31.03.2009	
Jeff Houston	Develop and implement a method of measuring the effectiveness of internal communications	30.06.2008 X	Delayed subject to restructuring of communications function. New Date 31.3.2009

Key priority	Deliverables	Timing	Statement of progress
Customer awareness Develop a market leading and award winning customer communications service Jeff Houston, Annemarie Allen and Mike Allen	Review and implement revised arrangements for the delivery of the complaints and quality of service surveys service.	30.06.2008 ✓	Complaints & praise procedures were looked at with a view to outsourcing it but after discussion it was felt that it would best be kept in-house. It was agreed that complaints and praise procedures would form part of the customer care strategy being developed at present and in the meantime, it remains the responsibility of the Communications Team.
	Finalise the range of 2008 scheme compliant guides and factsheets	30.04.2008 ✓	All regulations published up to and including 1 st April 2008 with regard to the new LGPS have been incorporated into Scheme literature and guides
	Collate customer segmentation data and review effectiveness of service across all segments	31.12.2008 X	Review on hold awaiting completion of reorganisation (and recruitment) and current round of tenders New Date 31.3.2009
	Refresh customer care ethos via training courses	31.12.2008 X	A scoping paper was developed but the change of resources in Marketing and Communications has resulted in this task being a programme for 2009-10 . This is subject to Mayoral approval.

Key Performance Indicators

Key

Performance on or exceeding annual target = the target is highlighted green

Performance below annual target = the target is highlighted red

Missing data

↔ Indicates an unchanged position on the last quarter

😞 Indicates a worsened position on the last quarter

😊 Indicates an improved position on the last quarter

NB: Given the above it should therefore be noted that performance is judged on two platforms - against an annual target (on a pro rata basis where appropriate), and against the trend from the previous figure.

This enables LPFA to spot trends during the year and to take corrective action if necessary to ensure achievement of the annual target.

In addition if performance is below target, officers are able to assess whether any corrective measures are having the desired effect.

Summary of results: -

Corporate:

There was an increase in the amount of sickness taken during the 3rd quarter, which is to be expected. The accumulative figure of 6.07 days per employee, year to date, is below the annual target of <9 days. Turnover was low up to 31st December and the accumulative figure for 2008-09 is 7.5% which is again a positive result.

The percentage of invoices processed on time has risen and hit the target for the first time this year. Emphasis has been placed on improving this indicator. However the results are still below the annual target. Since 1st October invoices processed on time are measured from the date of receipt, rather than date of invoice. There are a number of suppliers who have internal processes which significantly delayed LPFA's receipt of the invoice but the new measurement has been a better reflection of LPFA's performance.

Following discussion at Audit Committee in June new indicators have been added to monitor LPFA's debtor and unallocated item position. A target of 10% quarter on quarter reduction has been set. During the third quarter there was a significant reduction debtor amounts over 60 days, but a lesser fall in the number of debtor items. This would indicate that key large debtors have been successfully targeted this quarter.

On the contrary the number of unallocated items fell only by 3, and there was a significant increase in value of these of £316k.

The e-gov target is an annual one and, whilst currently 75% of LPFA's interactions are enabled for electronic delivery, developments which are due for completion this year will improve performance in this area.

Environmental Indicators:

Figures are based on mid year accumulative results and are shown at the mid year and year end points. Previously waste amounts were based on an estimation for paper only, however LPFA now receives a detailed breakdown on a quarterly basis of all waste removed from the office. This has resulted in a large increase in waste amounts recorded, but this is a more accurate measurement. As a result of this information the annual targets have been revised. The next set of results will be available at year end.

Additional printing requirements relating to the new scheme and reproduction of guides has resulted in an increase in printing costs per member.

Investment:

Results as at 31st Dec 2008 are unavailable at time of dispatch but will be reported to Investment Committee.

Administration:

A total of 88 customer satisfaction forms were completed during the quarter. 91% customer satisfaction was achieved which was a much improved result. There was also a reduction in the number of complaints received (8), of which 6 were upheld.

Cases completed on-time by the operations team dropped very slightly compared with recent quarters. This has resulted in a marginal drop below the annual target, but this could easily be recovered during the 4th quarter.

Elapsed time indicates the number of days it takes to process a case from the date of notification by the employer of a particular event, to final notification/payment to the member. This reflects the time it takes LPFA to carry out the process, including externally caused delays. For a number of transactions the elapsed time is increasing, and therefore the position is worsening.

The category of retirements needs to be highlighted because often LPFA receives advanced notification of the event and measurement starts from this notification, rather than the event itself. If the number of days from the "event" was considered, elapsed time would reduce for retirements.

The results from cases on hold for over 6 months tend to show that the situation is improving in many of the case types. Half of the case types are on target although the backlog still needs to be cleared. These are a small number of cases and are only 2.3% of total top 10 cases received over the last 6 months.

Key Performance Indicators

	Q3 2007-08	Q4 2007-08	Q1 2008-09	Q2 2008-09	Q3 2008-09	benchmark (1)	target 2008-09	Trend based on previous quarter
Corporate								
The level of the Equality Standard for Local Government	3	3	3	3	3	LB average	3/4	↔
Proportion of working days lost to sickness absence per employee	1.92	2.06	1.46	1.55	3.06	LB average	<9	😬
Voluntary leavers as a percentage of staff.	2.46%	4.13%	0%	5%	2.5%	CIPD and GLA	<15%	😊
% of invoices which were paid on time.	88%	85%	79%	83%	95%	LB average	>95%	😊
Total debtor items over 60 days (2)	-	-	528	368	328	Local target	10% reduction	😊
Total debtor amount over 60 days (2)	-	-	£1,528k	£1,504k	£1,063k	Local target	10% reduction	😊
Unallocated income items over 60 Days	-	-	79	75	72	Local target	10% reduction	😊
Unallocated income amount over 60 Days	-	-	£702k	£535k	£851k	Local target	10% reduction	😬
% of interactions enabled for electronic delivery	75%	75%	75%	75%	75%	e-gov target	100%	↔

Environmental Indicators - These are reported at the mid year and year end point and therefore results show half yearly accumulated figures.

% of paper purchased from fully chlorine free sustainable sources	-	100%	-	100%	-	-	100%	
Year on year reduction of energy use (3)	-	-	-	-	-	-	-	
Total annual waste disposal	-	2,420 kg	-	16,374 kg	-	-	<38,000kg	
Waste per member of staff	-	18.76 kg	-	136.5kg	-	-	<320kg	
Recycle rate of waste	-	95.87%	-	99.7%	-	-	98.7%	
Printing costs per customer	-	£0.56	-	£0.82	-	-	<£0.60	

The significant increase in total annual waste and waste per member of staff reflects the revised basis for calculating the KPIs. Exact information can now be extracted from the waste company whereas previously the figures based on average weights. The targets have been revised accordingly.

(1) ODPM BVPI = London regional average for 2005-06

(2) New indicator for 2008-09 as requested by Audit Committee. The target is a 10% quarter on quarter reduction.

(3) New indicator for 2008-09 and therefore measurement will commence on completion of discussion with the Landlord.

Key Performance Indicators

Investment		achieved as at 30 th September 2008 - Figures to 31 st December 2008 are awaited.				
Performance ~ Funds against benchmark (%)	10yrs	5 yrs	3 yrs	1yr	Q2 08/09	
Active sub-Fund	3.39	7.04	1.92	(13.37)	(7.99)	Relative performance is a geometric rather than arithmetic calculation
Benchmark	4.70	8.17	3.03	(9.35)	(4.39)	
Relative Performance	(1.26)	(1.04)	(1.08)	(4.44)	(3.76)	
Pensioner sub-Fund	5.56	5.42	3.56	3.84	1.08	
Benchmark	6.34	7.56	6.80	10.74	4.53	
Relative Performance	(0.74)	(2.00)	(3.04)	(6.23)	(3.29)	
Funding level / deficit	31.03.04	31.3.05	31.3.06	31.03.07		
Active sub-Fund Assets (£m)	1,419	1,610	2,056	2,284		
Liabilities (£m)	1,905	2,109	2,573	2,771		
Deficit (£m)	(486)	(499)	(517)	(487)		
Level	74%	76%	80%	82%		
Pensioner sub-Fund Assets (£m)	1,389	1,378	1,392	1,339		
Liabilities (£m)	1,518	1,540	1,600	1,549		
Deficit (£m)	(129)	(162)	(208)	(210)		
Level	91%	90%	87%	86%		

ESG indicators - Creating Key Performance Indicators for responsible investing is a task for 2008-09 under Strategic Objective 4 and is delayed pending the appointment of the ESG Specialist.

Key Performance Indicators

	Q3 2007-08	Q4 2007-08	Q1 2008-09	Q2 2008-09	Q3 2008-09	benchmark	target 2008-09 to outperform the 5 year average	Trend over quarter
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Administration

% of members satisfied with the overall service	*	*	88%	84%	91%	Average of last 5 years	93%	😊
Number of complaints	3	4	12	10	8	..	45	😊
No. of Complaints as a percentage of the workload	0.03%	0.04%	0.1%	0.08%	0.07%	..	0.11%	😊
Number of complaints classified as:								
~ Pensions Ombudsman.	0	0	0	0	0	..	0	😊
~ IDRPs	2	2	2	2	1	..	5	😊
Overall % of LPFA cases completed on time.	97%	97%	98%	98%	97%	..	98%	🙄
LPFA Fund								🙄
Contributors	20,429	20,477	20,319	20,046	19,980			
Deferred beneficiaries	21,977	22,137	22,444	22,720	23,026			
Pensioners / Dependants	32,968	33,018	33,122	33,262	33,394			
Total membership	75,374	75,632	75,885	76,028	76,400			

'Top ten' case types

	Q3 2007-08		Q4 2007-08		Q1 + 2008-09		Q2 + 2008-09		Q3+ 2008-09		target 2008-09 - as above	↔
	No. of cases	% on time	No. of cases	% on time	No. of cases	% on time	No. of cases	% on time	No. of cases	% on time	% on time	
Total top 10	5,374	98.1%	5,137	95.3%	6,202	96.2%	5,937	98.2%	6,047	98%	98%	↔
Other case types	4,676	94.8%	6,352	97.3%	6,351	98.8%	6,616	97%	4,916	96%	97%	🙄
Total case types	10,050	96.5%	11,489	96.4%	12,553	97.5%	12,553	98%	10,963	97%	98%	🙄

(Top 10 case types include: admissions, transfers in, transfers out, estimates employee, estimates employer, retirement benefits, deferred benefits, refunds, deaths and correspondence.)

+ Results have been extracted using a new reporting method for 2008/09. This is a more accurate reflection of performance and will continue to be used moving forward.

Key Performance Indicators

Efficiency & quality ~ average elapsed time

	2006-07		2007-08		April - December 2008-09		Target 2008-09
	Total cases	Average elapsed time	Total cases	Average elapsed time	Total cases	Average elapsed time	Elapsed time
<i>* Time measured in days</i>							
Admissions	1,808	18	1,846	19	2,417	25	18
IFA in (actual)	73	35	113	38	134	43	34
IFA in (estimate)	369	108	332	113	469	126	105
IFA in (request)	16	107	3	95	1	137	92
Other TV in (actual)	161	48	116	61	142	56	46
Other TV in (estimate)	703	147	629	145	623	145	141
Other TV in (request)	50	92	10	222	1	116	89
Estimates - individual	1,356	25	1,327	26	1045	29	24
IFA out (actual)	358	15	267	18	200	26	15
IFA out (estimate)	244	35	183	42	377	37	34
Other TV out (actual)	263	30	224	27	178	32	26
Other TV out (estimate)	185	47	148	43	303	53	42
Deferred Benefits	1,382	40	1,621	42	2,097	41	39
Death in service	41	78	53	77	19	77	75
Retirements (immediate) ⁽¹⁾	557	45	603	56	686	57	44
Refunds	49	34	39	31	77	51	30
Death on pension	1,184	48	1,331	52	1,108	51	47
Estimates - employer	819	7	1,250	5	1,143	7	4.5
Correspondence (customer)	2,204	12	3,240	12	3,808	15	11.5

* Elapsed time is the period from LPFA notification of the 'event' to final notification / payment to the Fund member. It indicates the process time of the case by LPFA and is shown in calendar days. It includes any delays in completing the case due to additional information being sought from external sources.

+ Target for 2008-09 is to achieve a 3% year on year improvement. The 3% improvement is based on the 2006-07 results where lower results were achieved in 2007-08.

(1) If measurement is taken from date of retirement, i.e event rather than date of notification, the elapsed time figure would be reduced due to advanced notification of some retirements.

Key Performance Indicators

Cases on hold over 6 months.

Cases on hold Description	2006-07		2007-08		April - Dec 2008-09		Targets
	Total cases	Average time on hold	Total cases	Average time on hold	Total cases	Average time on hold	2008-09
Admissions	7	317	11	308	26	273	299
IFA in (actual)	1	504	3	409	4	510	397
IFA in (estimate)	5	409	18	254	33	219	246
Other TV in (actual)	-	-	2	312	1	199	303
Other TV in (estimate)	23	244	39	274	37	222	237
Other TV in (request)	1	192	1	331	-	-	186
Estimates – individual	6	321	5	243	3	199	236
Deferred Benefits	49	276	88	310	112	325	267
Death in service	4	227	4	318	4	414	220
Retirements (immediate)	4	449	9	252	14	286	244
Refunds	4	215	3	461	5	271	209
Death on pension	32	428	48	331	67	332	321
Estimates (employer)	1	338	3	373	-	-	328
Correspondence	142	510	146	627	106	744	495

+ Target for 2008-09 is to achieve a 3% year on year improvement. The 3% improvement is based on the 2006-07 results where lower results were achieved in 2007-08.

Cases on hold ratio:

This is a new indicator which will indicate the number of top 10 cases on hold for over six months as a percentage of number of top 10 cases received during that period. As an example, the percentage on hold for over six months for the period April - Dec 2008-09 is 2.3% - 412 cases over 18,137 received. Targets for this indicator will be set once the outturn for 2008-09 is received.

Delays in processing can be caused by a number of external factors beyond the LPFA's direct control, in particular the following:

Transfers in from other schemes - delays can occur for a number of reasons, in particular where the previous scheme is unable to trace the member and where further information is required or where there are significant delays in the previous scheme providing relevant transfer data. Information can also be required from the Inland Revenue and the member's current employer. Such case types are currently being reviewed.

Death Cases - There are a number of death cases that can take a significant time to finalise given complications regarding for example, obtaining Probate, overpayment recovery and the tracing of next of kin.

Correspondence - There are a number of historic cases contained within these figures relating to longstanding and ongoing employer cases which are currently being investigated. These are of low priority and are diary notes as opposed to cases which require immediate action.

Notwithstanding the above, efforts will be made under the efficiency reviews during 2008-09 to improve the processes linked to these targets.

Additional reporting

Equality and diversity

Workforce monitoring

At the mid-year and end year point, workforce monitoring data is included in the Staffing Report sent to the Performance and Administration Committee. This information will not be reported in these quarterly monitoring reports but will be included in the **end-year** Performance Report.

Complaints and favourable comments

Each quarter the number of complaints received are included in the Key Performance Indicators but, in addition, details of each individual complaint and the response issued will be reported.

Similarly, any favourable comments received in the quarter will be recorded.

Consolidated team business plans

The business planning process is now an increasingly important tool which assists in identifying how service delivery can be maximised within resource constraints. LPFA has produced for 2008-2009 a Consolidated Business Plan incorporating key deliverables (in support of both the strategic objectives and core activity) and key performance indicators, risk and environmental issues:

This practice means that:

For Management ~ The whole business planning process is integrated with the management systems (cascade of mission statement and strategic objectives) to directorates, functions, line managers through to staff appraisal.

For Promotion ~ It provides a detailed view of business performance that can be readily communicated at any level within the organisation and for reference by Board members, whilst being used as a working document.

For Reporting ~ The process is an ongoing organisational development tool and now enables the monitoring, reporting and management of service delivery principles and key performance indicators on a consistent basis.

This detailed reporting is provided to the Corporate Management Team on a quarterly basis.

Complaints: - 8 received, 6 upheld.

Complaint: Complaint about various aspects of the Fund Member Forum.

Response: Marketing and Communications replied stating that improvements will be made for 2009.

Complaint: Confidential papers were issued to an incorrect address.

Response: An Assistant Manager wrote to the Fund Member apologising for the error but noted that the address used was the one supplied by the employer. The system was updated.

Complaint: Late payment of lump sum and pension on retirement.

Response: An apology letter was sent along with the interest due to date.

Complaint: Interest was charged on an employer's invoice that was under dispute.

Response: The invoice was cancelled and the complaint accepted. An invoice under dispute should not have incurred interest.

Complaint: Fund Member claimed interest on late payment of lump sum

Response: Complaint not upheld. Fund Member provided an incorrect sort code and therefore the loss of interest was not refunded.

Complaint: Volunteer visitor complained about the closure of the volunteer visitor scheme.

Response: Complaint not upheld. A response was issued thanking the Fund Member for working on the scheme but reiterating that the scheme was closed for legal reasons beyond LPFA's control.

Complaint: Fund Member complained regarding incorrect pension payments being made, LPFA not adhering to published procedures, sending information to the incorrect recipient, and the system for ensuring such errors were identified.

Response: Mike Taylor apologised for the errors committed and assured the Fund Member that these processes are subject to periodic audit investigations. No actual financial loss was recorded and therefore compensation was not due.

Complaint: Pensioner did not receive his pension benefits until 3 months after his retirement date.

Response: LPFA acknowledged the delay but noted it was due to late notification by the employer. Loss of interest was added to the lump sum for the 3 month period.

Praise:

During the quarter a number of instances of praise for LPFA staff were also received. These are recorded and passed to the individual staff member for discussion during appraisal periods.

As a new initiative all comments received in the customer service surveys are collated and published in a booklet on a quarterly basis to staff

