



# Pensions Committee

## 21 March 2018

<b>Report Title</b>	Customer Engagement Update	
<b>Originating service</b>	Pension Services	
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<b>Report to be/has been considered by</b>	Rachel Brothwood Tel Email	Director of Pensions 01902 551715 Rachel.brothwood@wolverhampton.gov.uk

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### Recommendation for noting:

The Committee is asked to note:

1. The engagement activity to date and plans for future engagement on the horizon.

## **1. Purpose**

- 1.1 To provide Committee with an update of the Fund's customer engagement activity from 1 October 2017 to 31 December 2017 in line with its Customer Engagement Strategy, but also to include known events on the horizon.

## **2. Background**

- 2.1 One of the Fund's key objectives is to partner for success, including how we work for the benefit of our customers. In line with this objective, the Fund has published, and keeps under review, a Customer Engagement Strategy.
- 2.2 In line with the Customer Engagement Strategy, the Fund strives to engage with as many stakeholders as possible, to obtain and consider their feedback which will help inform improvements to the service.
- 2.3 This report outlines some of the recent customer engagement activity, both the work undertaken by the Member Services team and examples of specific engagement with a variety of stakeholders.

## **3. Member Services Team**

- 3.1 The Fund maintains a dedicated team which engages with members on a variety of subjects, to support them with what are often technical pensions matters and so as to increase their understanding of the pension benefits provided by the LGPS.
- 3.2 In total, the Member Services Team has assisted **1222** members with pension related information over this period through presentations, events and one-to-one meetings as set out in appendix A.

### **3.3 Presentations**

- 3.3.1 Fund officers have continued to deliver presentations upon request from employers. The team provide support on a variety of pension topics that are requested by an employer for their employees.

The emphasis during this reporting period has been:

- Promoting the new "My Pensions Portal"
- Providing support and guidance to members at local authority depot sites and further and higher educational establishments using the Pension Roadshow Bus.
- Planning and delivering joint Fund and Prudential events.
- Providing an overview of the scheme and communicating the benefits the scheme offers.
- Targeting hard to reach members to provide support

- 3.3.2 A total of **29** Fund presentations were delivered to **799** attendees, these presentations were held at a variety different employers, including the district councils, universities, schools/academies and other admitted bodies.
- 3.3.3 The feedback from these presentations was **49.15%** of the members rated them as excellent, **40.53%** as very good, **10.11%** as good, **0.21%** as satisfactory. Therefore, over **99%** members rated presentations as good, very good or excellent, as set out in appendix B.

### **3.4 Additional Voluntary Contributions (AVC's)**

- 3.4.1 The Fund works in partnership with Prudential to deliver a joint presentation covering how the Scheme works and tax efficient methods of saving additional amounts to increase income in retirement. During this period 11 of these presentations were delivered across 9 employers, 387 members attended.

Date	Venue	Attendees
25/10/2017	WM Police	100
30/10/2017	Birmingham CC	28
31/10/2017	Walsall MBC	33
01/11/2017	Dudley MBC	14
02/11/2017	Sandwell MBC	19
03/11/2017	City of W-ton Council	44
15/11/2017	Coventry City Council	68
16/11/2017	Solihull MBC	35
17/11/2017	Birmingham CC	15
21/11/2017	Wolverhampton College	15
07/12/2017	Wolverhampton College	16
	<b>Total Attendees</b>	<b>387</b>

### **3.5 Roadshows**

- 3.5.1 During this reporting period the team delivered a final Roadshow event of the year to South & City College Birmingham, with **36** members attending to seek pensions guidance.

### **3.6 Targeting hard to reach members to provide support**

- 3.6.1 To ensure the Fund covers a diverse cross section of our members and employers over the West Midlands, we are targeting smaller satellite offices where members, due to their role and/or work patterns, are unable to attend events at larger employer sites. The departments being considered are Social Services, Libraries, Leisure Centres, recycling depots, environmental services.

- 3.6.2 Between October and December 2017, we have provided events across **7** locations for Wolverhampton and Birmingham City Council. These have included Social Workers and Social Work staff in Adult Services, Children's Services and Mental Health Services and Environmental Workers for Wolverhampton City Council.

Date	Venue	Attendees
03/10/2017	W'ton CC Social Services Bilston	9
10/10/2017	Bham CC Professional Support Services	11
19/10/2017	W'ton CC Social Services Pendeford	5
24/10/2017	W'ton CC Social Services Ryefield – Mental Health Team	10
November 2017	W'ton CC Environmental Services Hickman Avenue	21
05/12/2017	Bham CC The Hub Kings Heath	6
13/12/2017	Bham CC Woodcock Street	17
	<b>Total Attendees</b>	<b>79</b>

### 3.7 Additional Support

- 3.7.1 Further support has also been provided to members either through drop in sessions or scheduled one to one support sessions. In total, additional support was delivered to **277** members on an individual basis.

#### **Pension support on the horizon over the next month**

### 3.8. Salary Sacrifice Shared Cost Additional Voluntary Contributions (SCAVC's)

- 3.8.1 Prudential and PS Tax (Tax Advisor) are working with participating employers across the LGPS to facilitate the SCAVC. They have already worked with 14 employers who are part of the LGPS who have chosen to adopt the SCAVC.
- 3.8.2 With effect from 1<sup>st</sup> April 2018, the City of Wolverhampton Council will introduce a SCAVC to help employees make savings on their AVCs. This has been called “**AVC Wise**” and is provided through the use of a salary sacrifice arrangement meaning it provides tax relief and national insurance savings.
- 3.8.3 The team is due to deliver our first joint presentations with the City Council and Prudential to educate members of the scheme of the City Council's new initiative.

### **3.9 Local Government Association (LGA) - Joint Annual Benefits Statement project**

- 3.9.1 The Local Government Association is currently reviewing the contents and layout of LGPS Annual Benefit Statements which are sent annually to contributing members across all administering authorities. The Fund, along with partner funds (Shropshire Pension Fund and Staffordshire Pension Fund), has taken part in this project canvassing our member's opinions by asking them to complete a short survey online. The survey has already been sent to employers participating in all three funds to advertise to members (over 900 responses have been received so far, the majority from the West Midlands Pension Fund).
- 3.9.2 Our next steps will be to hold workshops and forums on the layout and design of the statement and provide feedback to LGA. The overall objective is to implement improvements and a new template for the 2019 annual benefit statements.

## **4. Employer Services Team**

### **4.1 Data quality and employer performance**

- 4.1.1 During the reporting period 1 October to 31 December 2017, the Fund held meetings with a number of employers, primarily district councils to discuss employer performance against the standards set out in the Pensions Administration Strategy and overall data quality.
- 4.1.2 As part of this engagement, the Fund has provided a dashboard to summarise performance and data quality, highlighting the areas for action by each employer. These dashboards represent a revision of the previous iteration with improved trend analysis and greater clarity on the areas of performance which represent the greatest risk.
- 4.1.3 The Fund has adopted a targeted approach on cases where there are material issues or slower than expected progress.

### **4.2 Monthly data submissions**

- 4.2.1 In line with the Fund's initiative to have all participating employers submitting their data files on a monthly basis, the Fund has followed-up with all employers who have failed to provide a complete set of monthly files, requesting all files should be submitted by 19 February.
- 4.2.2 This engagement process involved many phone calls, close tracking and active follow-up to assist employers with any issues they might have.
- 4.2.3 For participating employers who have submitted less than 4 monthly files as at December 2017, as a contingency plan, the Fund took the decision to request an annual return file to cover the full period 1 April 2017 to 31 March 2018. This was on the basis

that the lack of monthly data files to date would make it difficult for the Fund to reconcile monthly files in time for the 2018 annual benefit statement production timetable. Any employers who are reverting to the annual return production will be measured against the timeliness and quality criteria set out in the Pensions Administration Strategy (PAS). Annual return files are to be received by 19 April 2018 and delays beyond this point (and outside of the 5% tolerance threshold for accuracy) will incur a charge in line with the PAS.

- 4.2.4 This engagement with employers was a success with over 2,000 monthly data files received as a result increasing the total number of employers submitting a monthly file by 84 from January 2018 to February 2018. As at 27 February 2018, 5,343 monthly files were received out of 6,126 due, with the Fund continuing to target its engagement toward the employers responsible for the 783 outstanding files, providing further support as required. Further information on the data received following this specific engagement can be found within the Data Quality and Employer Performance report.
- 4.2.5 As at 3 March 2018, factoring in the contingency set out in 4.2.3, 33 employers will be required to provide an annual return for 2016/17. 529 employers will have provided monthly returns for 2016/17 with a further 63 for whom a final decision is required imminently (these are employers where a number of monthly files have already been submitted, but there remain files outstanding, therefore a decision is required as to whether to provide all remaining monthly files or revert to the contingency of a full annual return).

### **4.3 Outsourcing arrangements**

- 4.3.1 The Fund held meetings with a number of district councils over various outsourcing arrangements. These meetings centred primarily around the implications from an LGPS perspective, to include funding and legal considerations.
- 4.3.2 Often outsourcing arrangements are presented to the Fund retrospectively after a new employer is formed or a contract is awarded and this can lead to gaps in members' service and an absence of death in service cover. Therefore, the primary purpose of these meetings was to work with the district councils regarding the constitutional and legal aspects (to include TUPE law) of these arrangements so as to ensure the application process from an LGPS perspective is clear, efficient and preserves the interests of members. The meetings also helped to ensure officers at the relevant councils were up to speed with the Fund's processes and to discuss potential implications which may not have been considered.

### **4.4 Employer Peer group**

- 4.4.1 The Fund's Employer Peer Group was formed in November 2013 and consists of a selected group of representatives from across the Fund's employer base. The main purposes of the group are as follows:

- To enable the Fund to work collaboratively with employers

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- To discuss current pensions issues and their impact on the Fund, participating employers, LGPS and wider pensions industry.
- To facilitate engagement between the Peer Group (representing the Fund Employers) and the Fund to improve the exchange of data and communication.
- To provide feedback to the Fund to help drive and implement improvements

4.4.2 The Fund held its most recent quarterly Employer Peer Group meeting on 8<sup>th</sup> November 2017. At this meeting it was agreed to increase the numbers of attendees to broaden the representation.

4.4.3 The Fund sent invitations to join the group to all participating employers and a good response was received with the new attendees set to be in place for the May 2018 meeting.

4.4.4 In addition, it was agreed to develop Terms of Reference to confirm the scope of the group and increase the level of engagement. The draft Terms of Reference are to be reviewed and discussed by the group at the next meeting on 14 March 2018.

4.4.5 The group were also updated on, and discussed, a number of current issues with feedback provided by the employers present on the monthly data submission process, which will be implemented where possible.

## **4.5 Employer Coaching**

4.5.1 The coaching session held on 14<sup>th</sup> November 2017 was attended by 5 employers and covered the following areas:

- Basic Scheme Information
- Eligibility to join and options on leaving.
- Bulk Data Import and Monthly Submissions
- Web portal Navigation
- Strain costings
- Protecting Pay

4.5.2 The content and format of the coaching sessions has now undergone review and revision by the Employer Team for implementation in 2018 with sessions planned as follows:

- 7 February 2018 (Fully Booked)
- 18 April 2018
- 13 June 2018
- 12 September 2018
- 14 November 2018

4.5.3 The intention of these further sessions will be to target either new employers or those employers where there are performance issues. In addition to the scheduled sessions, held at Fund offices and presented by officers, the Fund is in the process of developing an electronic “webinar-style” offering to increase coverage.

## **4.6 Stratford/Solihull College merger**

- 4.6.1 The Secretary of State passed a Direction Order to confirm the (Type B) merger of Stratford and Solihull Colleges on 1 February 2018. Outlined in the Direction Order was that administration would remain with Warwickshire Pension Fund (the host fund for Stratford College) until 31 March 2018 and then transfer to West Midlands Pension Fund (the host fund for Solihull College) with effect from 1 April 2018.
- 4.6.2 A project planning meeting, including representatives from the Fund, Warwickshire Pension Fund and their respective Fund actuaries (Barnett Waddingham and Hymans Robertson) was held on 14<sup>th</sup> December 2017. The primary aim of the meeting was to plan the bulk transfer of members from Warwickshire Pension Fund to West Midlands Pension Fund.
- 4.6.3 In addition, the meeting covered funding aspects, to include the asset transfer, transfer of data, communication with members and ensuring pensioners are paid seamlessly on time and accurately.
- 4.6.4 The Member Services team has been working with Solihull College & University Centre to deliver information sessions to introduce the Fund, detail the support that we can offer to members of the Fund and provide an overview of the LGPS. The presentations will be held on 5 March 2018, facilitated by the college.
- 4.6.5 Unfortunately the merger has not been completely without issues, the most significant being the provision of data by Aquilla Heywood who administer the Warwickshire Pension Fund. Delays in providing the required data (expected week commencing 19<sup>th</sup> March 2018) has meant that it will not be possible to have this data loaded onto the Fund's system by 1 April 2018, in line with the Direction Order. The Fund has worked closely with the College to ensure members are not affected, with a manual work-around employed to enable pensioners to be paid from April 2018. For active members, although their records will not be loaded onto the Fund's administration system until June 2018, there are mechanisms in place which will enable the Fund to administer such records, with support from Warwickshire Pension Fund, so as to ensure a seamless transfer from the member perspective.

## **5. Customer Services Team**

- 5.1 Much of the business as usual activity and the associated key statistics for the Customer Services team are contained within the Pensions Administration report, however there are areas of specific engagement covered by the team, which will be expanded upon in the near future.
- 5.2 On the back of the initial drive to promote the new member web portal, the team continue with the successful marketing promotions, however consideration is being given to implementing a new theme "pension smart" to help improve awareness. As part of the

continued promotional activity the Fund is to consider the use of additional methods to include, competitions, member offers, specific and tailored branding and bulk engagement facilities (based upon increased capture of mobile phone numbers, member email addresses and their consent to use them for this purpose). The Fund is also exploring the use of member portals by other organisations, extending to the promotional aspects, with a view to adopting best practice.

- 5.3 The Fund is in the process of applying to become a recognised “Dementia Friendly Organisation”. The application was completed to the Dementia Action Alliance on 16 February 2018 and a further meeting is arranged with this organisation for March 2018 with a view to the registration being complete by April 2018. The Fund has held one internal staff briefing arranged on 16 February 2018, which has resulted in 31 Fund officers signing-up to be “Dementia Friends” aligned to specific training. A further staff briefing is scheduled in March with the aim of encouraging more officers to sign-up.

## **6. Financial implications**

- 6.1 The report contains no direct financial implications

## **7. Legal implications**

- 7.1 The report contains no direct legal implications

## **8. Equalities implications**

- 8.1 The report contains no direct equalities implications.

## **9. Environmental implications**

- 9.1 The report contains no direct environmental implications.

## **10. Human resources implications**

- 10.1 The report contains no direct human resources implications.

## **11. Corporate landlord implications**

- 11.1 The report contains no direct corporate landlord implications.

## **12. Schedule of appendices**

- 12.1 Appendix A: Member Services events covered 1 October to 31 December 2017
- 12.2 Appendix B: Member Services feedback