Appendix 2

West Midlands Pension Fund

Customer Engagement Strategy 2018

June 2018

Customer Engagement Strategy 2018

Background

The West Midlands Pension Fund ("The Fund") is one of the UK's largest pension funds managing and administering the pension interests of 313,399 members and 623 scheme employers as at 31 March 2018. It is administered by the City of Wolverhampton Council on behalf of all West Midlands local authority bodies.

Our core mission is to ensure that our members receive their pension benefits when they fall due, contributing together for our members' future. The *Customer Engagement Strategy* sets out how we will engage, consult and involve our customers as we seek to address the diverse requirements of all our stakeholders.

Aim and Objectives

The aim of this Engagement Strategy is to:

Raise awareness → Facilitate learning → Enable action

Through increasing dialogue with our customers on the Local Government Pension Scheme, its membership and benefits, the West Midlands Pension Fund carries out its role as administering authority in partnership with employers playing a key role in enabling employers to meet their statutory obligations assisting members' planning their retirement.

P PARTNERING FOR SUCCESS

R RESPONSIBLE ASSET OWNER, EMPLOYER AND LOCAL COMMUNITY PARTNER

I INVESTING TO INCREASE CAPACITY

D DRIVE EFFICIENCIES AND COST SAVINGS

E ENGAGE TO IMPROVE OUTCOMES FOR CUSTOMERS

In line with the Fund's objectives, the *Customer Engagement Strategy* plays a key role in ensuring the Fund drives continuous improvement and develops working practices, systems and process which are informed and prioritised according to the needs of our customer base.

We actively engage with our customers to keep them informed about the scheme, the performance of the Fund in the delivery of its services, ensuring these meet both the legal and regulatory duty of scheme administration as set out in The Pension Regulator's Code of Practice, and the Fund's own objectives for service development.

Our success is dependent on building and maintaining good working relationships with our employers and scheme members, and this strategy aims to ensure customer focus is embedded in Fund operations and exhibited in our behaviours.

Our strategy outlines:

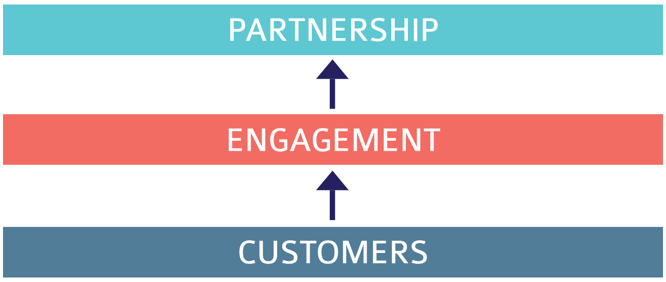
- What customer engagement is to the West Midlands Pension Fund.
- Who we will engage with regarding the delivery of our services.
- The types of engagement activities we undertake.
- How the insights from customer engagement activities are used.
- How we feed back to our customers the results and actions arising from their engagement with us
- How our customers can engage with us.

Scope

The information contained in this document guides how the Fund will engage with its customers and outlines the opportunities for our customers to become engaged in the services we offer. It is relevant to all customers both internal and external, all membership groups and employers, together with the suppliers and providers we partner with.

What Customer Engagement is to the West Midlands Pension Fund

For the Fund, customer engagement is about encouraging our customers to interact and share in their experiences of the services we deliver, offering the opportunity to get involved and proactively shape future service and engagement activity. Active engagement from our scheme members and employers helps us to respond to our customers' needs while providing the Fund with an opportunity to keep up to date with changes in development relevant to their experience with the Fund. This engagement helps to ensure our service is effective and efficient whilst continuing to meet the requirements of our customers. It is through building effective partnerships that we are able to contribute together for our members' future.



Through delivering this strategy, the Fund will:

- Create opportunities for our customers to become involved in the way we develop and deliver our services
- Create efficiencies in our processes, with the aim of increasing capacity to develop new ways of working with a focus on adding value to our cost per member
- Ensure we are proactive in our approach to delivering our services and remain up to date with service improvements
- Maintain partnerships with our stakeholders creating opportunities for the Fund to deliver improvement collaboratively and efficiently.

By taking the time to engage with our customers about the services we deliver, we have the opportunity to shape our customer's journey through listening to their feedback and understanding their expectations of the Fund.

Types of Customer Engagement

The Fund manages over 310,000 membership records (including active, deferred, pensioner and beneficiary). To ensure effective engagement, activities are developed in consideration of the knowledge, range of personal circumstances and channel preferences across the membership.

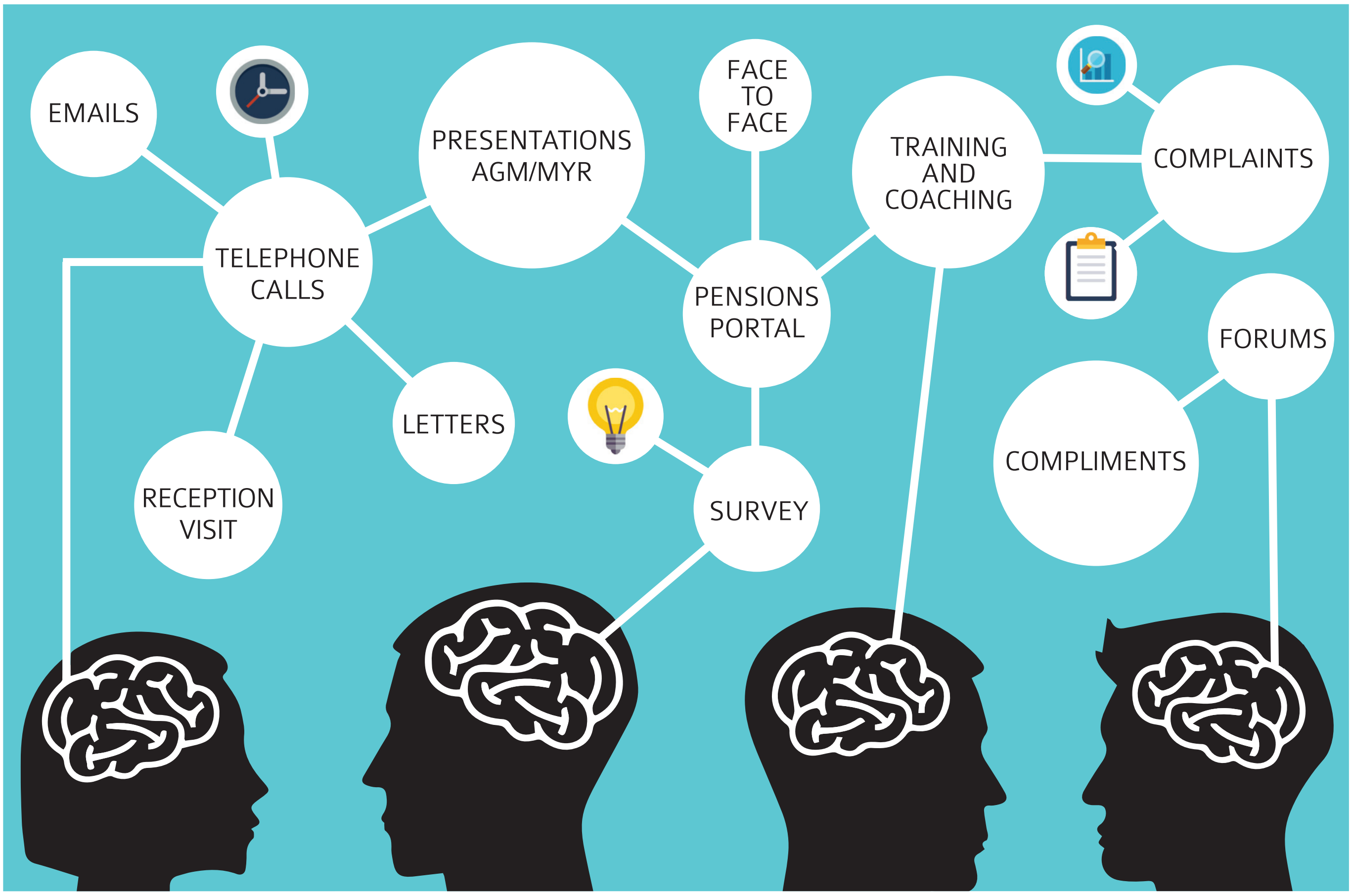
The Fund is also keen to ensure relevant information is available to its members at the right time. Recognising that the journey of our customers can span a significant portion of their lifetime and vary between generations, as life events such as changing jobs and reducing hours before retirement impact on pension benefits and options.

Our employers are also customers of the Fund, and our Engagement Strategy ensures the delivery and improvement of our services for all our employers whether they are just starting their journey with the Fund or going through a transition.

The Fund recognises that engagement is all about being involved with people and their day-to-day experience of the Fund. The Fund seeks the input of our customers on the quality of service they receive through regular routine feedback requests and targetted feedback from events held by the Fund.

We recognise that as well as regularly collecting feedback, it is important that we review, analyse and respond to these independent service assessments and comments and address any concerns or queries raised.

Engagement can come in many forms, but it is the outcome from that engagement that drives valued-added changes and the Fund therefore offers tailored opportunities for customers to get involved in the development of the services they receive, for example, through roadshows and consultation meetings.



Opportunities for Engagement

When people talk about pensions they are often considered as an end-of-career event, and something that is always available on retirement and provided by the Government and employer, with workplace pensions.

More recently, people (through active campaigning by Government and national associations) have become more aware of the need to plan for retirement, have been given more choices and options to consider both before and at retirement, with the focus much more on income and "wages in retirement".

The Fund plays a role in providing information to members to assist members in planning for their retirement and in providing accurate and complete information that will enable them to make an informed decision about options and actions they can take to mange their income in retirement.

Raising Awareness and Facilitating Learning
Building customer awareness, knowledge and understanding requires us to be there with information when our customers need it, and the Fund recognises that engagement is most likely to lead to changing behaviour if there are mutual benefits. Engagement is maintained when an individual, during that change in circumstance, has support and the ability to action simple practical solutions enabling them to take decisions as and when these are required.

The table below highlights the ways the Fund raises awareness and facilitates customer learning

Members	
Pre-Retirement	**Member Services Team** – The Fund has a dedicated member services team who provide individual as well as general support to the Fund's membership.
	Roadshow events – Our Member Services Team attend various employment locations across the West Midlands offering face-to-face services and appointments to our members to discuss their retirement benefits, including AVC and APC options.
	Bespoke employer events – These events are hosted for individual employers who are going through business change that affects individuals and can include retirement seminars, redundancy, TUPE, as well as information for high earners.
	Drop-in sessions – The Fund has a dedicated reception to welcome members of the Fund who want to talk to our officers about their retirement benefits on a one-to-one basis.
	Presentations – As well as roadshows and bespoke employer events, the Fund attends various corporate inductions for employees who are new to their employer outlining the benefits and rules which govern their membership of the LGPS.
	Workshops – These are hosted by the Fund to educate members on new initiatives or changes to services. Most recently, the Fund hosted workshops on our new Pensions Portal educating members on the new ways they can interact and inform the Fund.
	Member newsletter – These are issued to members on an annual basis to keep them informed and updated about changes to the scheme which could impact on their pension benefits or contribution rate.
	Statutory disclosures – These relate to changes in legislation or to the legal duty the Fund has to inform members about changes to the rules which govern their pension.
	In addition to the above, the Fund offers engagement specific for our deferred members which includes regular mailings and correspondence encouraging our deferred members to stay in contact through updating their details on our Pensions Portal.
Retirement	**Pensioner workshops** – These are hosted by the Fund to learn from our members' experiences of going through the retirement process. They also offer an opportunity to educate our pensioners on the self service options available to them to keep the Fund updated on their personal information via the Pensions Portal.
	Pensioner mailings and newsletters – the Fund produces regular payslips for our members on a monthly, quarterly and annual basis (depending on how a member is paid). In addition with every April payslip the Fund issues a P60 to all our pensioners.
	This offers an opportunity for the Fund to educate our pensioners on pensions increase.
	Together with the P60 the Fund issues a pensioner newsletter which outlines opportunities for our pensioner members to become involved in the work of the Fund, details any changes to their pension benefits, payment dates, etc.
	The Fund also has a number of overseas members and the Fund recognises the importance of keeping these members informed, all correspondence and mailings as noted above are issued to our overseas members, the majority of which choose to receive their information via email, to ensure they receive it immediately it is issued. This is useful for the Fund as it promotes the use of our Pensions Portal.

Members	
Employers	The Fund has a dedicated employer services team, who support new, existing and exiting employers from the Fund. In recognising a member's journey through the Fund, it is important we also recognise an employer's journey as they join and potentially exit the Fund.
	Employer coaching sessions – The Fund offers regularly coaching sessions to employers which vary in topic from what it means to be an employer in the Fund, to training on Fund processes, including submitting financial information and monthly return files for reconciling the Fund's membership.
	Employer Briefing Note – On a quarterly basis, the Fund issues an employer briefing note which details changes in legislation, Fund processes (such as changes under GDPR) and informs employers about upcoming events.
	Employer Peer Group – This is a group of employer representatives who meet on a quarterly basis and discuss new initiatives and changes to the scheme processes and policies. The group played an integral part in the shaping of the Fund's monthly submission process.
	Employer events (Mid-Year Review and Annual General Meeting) – The Fund hosts employer events on a bi-annual basis and invites all employers to attend a half-day session to learn about the LGPS industry, and includes presentations on investment, regulation and employer and Fund performance.
	Employer survey – Every year, the Fund issues an employer survey seeking feedback on the services provided and what services they want to see provided for the forthcoming year. This serves as a valuable education piece for the Fund enabling us to review the services we offer and ensure they deliver for our employers addressing their concerns.
Trustees and Pensions Board Members	The Fund has a tailored training and development program for our Trustees and Pensions Board Members which assists them to meet their statutory requirement of having 22 hours training each year.

Enabling Action and Self Service
The Fund continues to work to provide tools to support our customers in taking action to support delivery of benefits to our members.

Pensions Portal	In 2017 the Fund launched its new Pensions Portal, an online self-service platform for members. The portal allows members to run retirement quotes (active members), upload documents and change their personal information. Through the Fund's digital transformation program, the aim is to provide for online services and updates to a member as their journey through the retirement cycle progresses.
Employer Portal	In addition to the member portal, the Fund also has an employer portal, whereby employers can action and upload information (including monthly submission files). Most recently the Fund has worked with its employers to develop employer worktrays which link directly to the Fund's software system extending workflow management systems to the employer. The aim being to facilitate efficiency in working practices, thereby improving the service received by our members.

Who We Engage With

The Fund aims to have an inclusive and consistent approach to its customer engagement, while recognising the need to tailor services but balance this against delivery cost and operational efficiency. In delivering its engagement strategy, the Fund seeks opportunities to reach out to representatives across the employer and member base to ensure a valued service is delivered.

Employers
The Fund has in excess of 600 employers varying from district councils and academies to charities and contracting bodies.

In recognising the range of employers we have, the Fund tailors its engagement to ensure it delivers for differing employer needs.

As employers, the Fund recognises that engagement with them works on two levels.

1. **Employers as intermediary between the Fund and its members**
   Employers offer a direct opportunity for the Fund to engage and communicate with its membership offering at-work engagement through the Fund's presentations and roadshows.
2. **Employers as customers of the Fund**
   Receiving products and services to better their understanding of their role as a Fund employer, as well as providing the opportunity to consult on changes to process and products as part of the Fund's ongoing review of its customer delivery.

The role of employers as customers is integral to ensuring the reputation of the Fund is transposed to our members through the high quality service received. The Fund is reliant on the messaging from employers to their employees about the benefits of the Local Government Pension Scheme, and it is important the Fund partners with employers as much as it delivers information to members.

Trade Unions
The Fund offers a direct link for our members to the Fund and its decisions, by inviting representatives from our trade unions to sit on Pensions Committee as observers. As observers, they are invited to engage and debate issues relevant to our members, ensuring a direct link to the decisions taken. Five trade union representatives currently sit as member representatives on the Fund's Local Pensions Board.

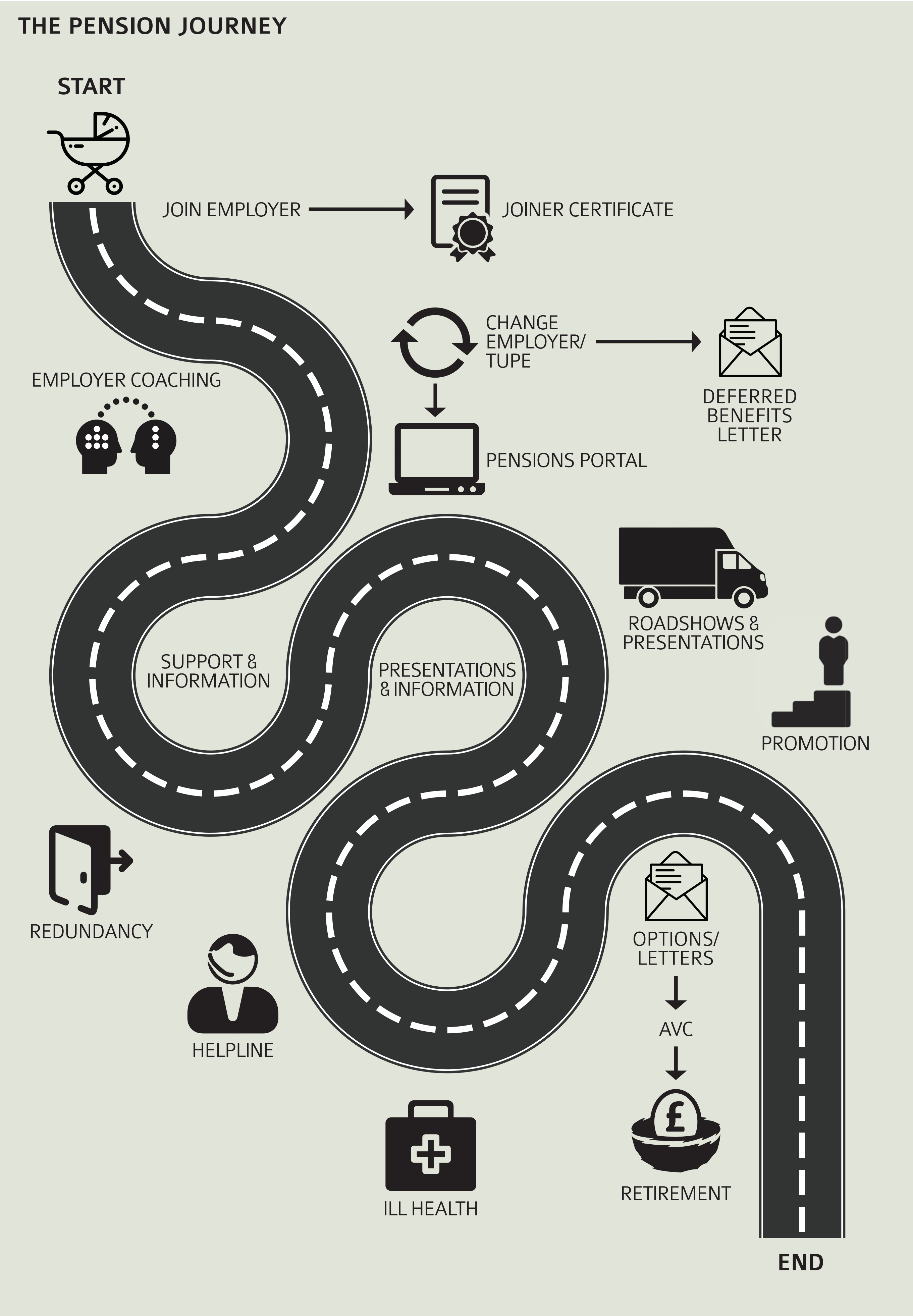
Partner Organisations
Being one of 88 Local Government Pension Scheme funds, we recognise the value in engagement with our partner organisations, be it other LGPS funds or industry partners. The opportunity to learn from each other's experiences offers a valuable insight to new initiatives and is an effective way to share resource across partner organisations, delivering on our objectives of partnering for success and driving efficiencies.

Statutory Bodies
While being a service provider to our customers, the Fund is also a service user of national policy, guidance and legislation and engages at a national level on behalf of its customers, responding to consultation, ensuring the LGPS continues to deliver for employers and members.

How Our Customers Can Engage With Us

The Fund is committed to creating opportunities to engage and to ensuring it offers a range of forums to collate feedback. The Fund's pension services teams deliver a region-wide service and opportunity for engagement through the Fund's roadshows and employer coaching events. Attending on site at our customer's locations provides easy access to the Fund information about the services we offer, to seek assistance and information, and to provide feedback on how we have performed.

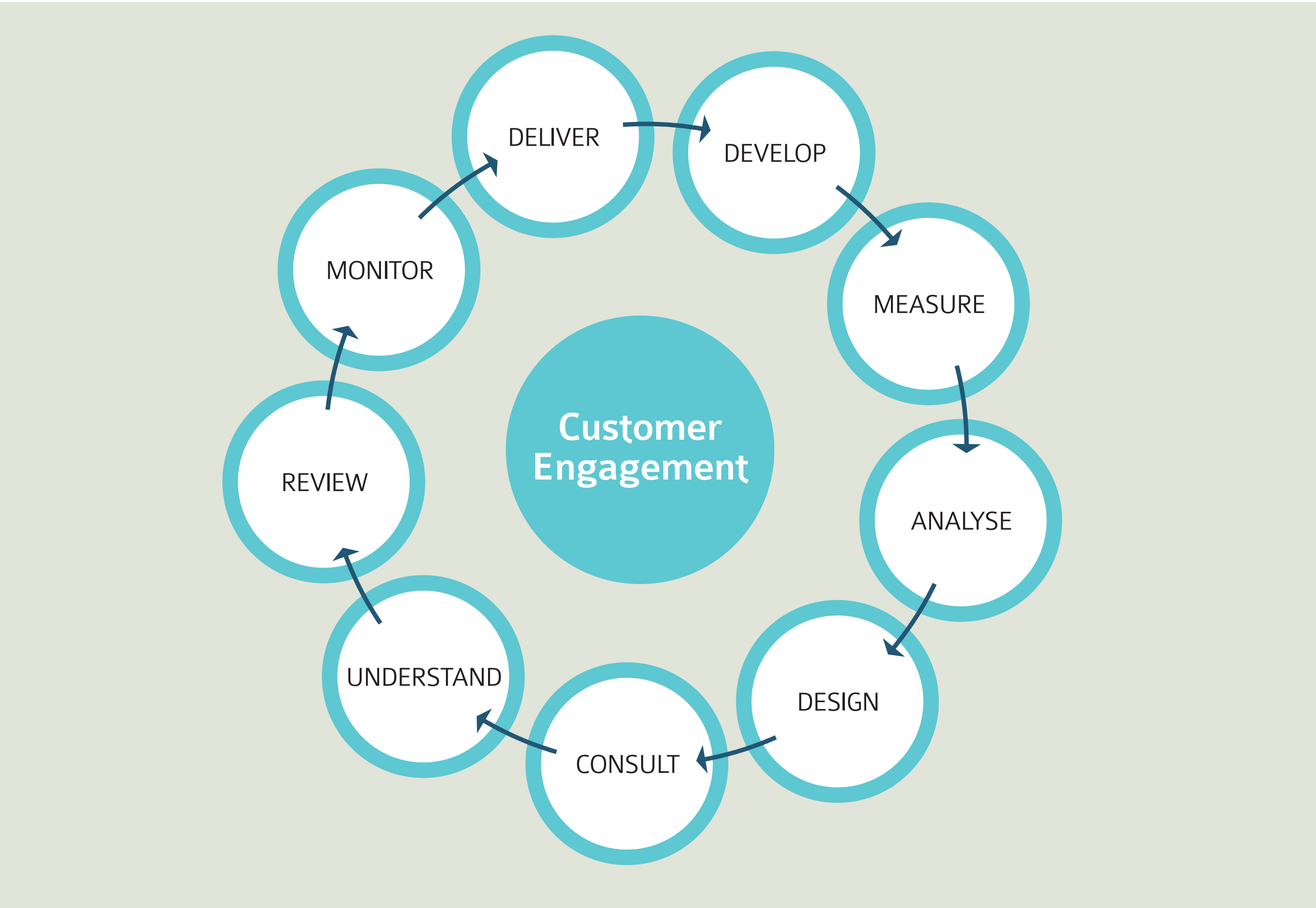
Our *Customer Engagement Plan* is appended to this document highlighting the various events and locations where our customers can engage with the Fund.


THE PENSION JOURNEY
START
JOIN EMPLOYER
JOINER CERTIFICATE
CHANGE EMPLOYER/ TUPE
DEFERRED BENEFITS LETTER
PENSIONS PORTAL
EMPLOYER COACHING
ROADSHOWS & PRESENTATIONS
SUPPORT & INFORMATION
PRESENTATIONS & INFORMATION
PROMOTION
REDUNDANCY
OPTIONS/ LETTERS
AVC
HELPLINE
RETIREMENT
ILL HEALTH
END

How We Ensure the Ongoing Development of Our Services

Overriding all aspects of this strategy is the Fund's mission to contribute together for our members' future. Through active engagement, the Fund is able to understand the utilisation of its services, keep up to date with customer experience and changing needs, resolve any issues identified and ensure lessons are learned and understanding developed to ensure the Fund can meet its objectives.

Engagement sessions are not just about delivering information, but about enabling members and employers to act. Through direct contact with our customers, we are able to develop our understanding of our customer experience and to be proactive in our delivery of service improvement.



Through regular feedback and monitoring, we are able to better understand external impacts on our customers, review the information we provide and the time we provide it while supporting our customers through significant events.

Through the feedback received the Fund is able to analyse performance, understand customer concerns and deliver a service that is easy to access, effective and represents value for money.

Communicating the actions taken in response to feedback and responding to any concerns raised is key in demonstrating how the Fund listens to its customers.

Keeping Our Customers Informed

Through our engagement activities, we report back on the successes or challenges of our engagement which have led to service development and improvements, reporting on a quarterly basis to our Pensions Committee our key performance indicators (KPIs) on customer service.

People

2018/19
16.3%
2017/18

Staffing increase compared to last year

69.4%

% qualified
Target: 75%

Process

84%

Retirements
Target: 90%

NOTE: this area of work has improved dramatically over the course of the year; the figures are cumulative

94%

Deferred retirements
Target: 90%

88%

Transfers
Target: 90%

Customer

2017/18
54.4%
2018/19

Complaints reduction

318

Customer engagement events

Call Handling

88.6%

Member
Target: 85%

94.6%

Employer
Target: 85%

Financial

Cost Per Member – Main Fund

TARGET FOR 2018/19
£25.45

FORECAST FOR 2019/20
£22.88

Cost Per Member – ITA Fund

TARGET FOR 2018/19
£23.58

FORECAST FOR 2019/20
£23.58

Budget

2017/18
2.4%
2018/19

It is the Fund's aim to ensure continuing improvement on those KPIs and see all feedback, including negative feedback, as an opportunity to improve and shape our services so that they deliver for our customers.

Measuring Our Success

As with all initiatives, this *Customer Engagement Strategy* is on a program of continual review and development to ensure the activities and opportunities we present achieve our aims and objectives. To test this success, the Fund will focus on the following outputs:

- Reduction in member complaints in the area of processes, communication and accessibility of online services.
- Maintaining and improving Fund performance for processing member benefits.
- Reduction in outstanding data queries.
- Improvement in timely and accurate submission of information to the Fund.

Our Focus For 2018/19

In line with our Service Plan 2018 – 2023 the Fund has focused this year's customer engagement on the following priorities:

- Data improvement in line with TPR's expectations of data quality and the delivery of benefit statements.
- Digital transformation including service development that assists employers processing of monthly submissions.
- Continued engagement with other funds to develop annual benefit statements for 2019 and the national communication with members.
- Engage with employers on the monthly submissions process one year after implementation to consider lessons learned and ideas for future development.
- Increase registrations for Pensions Portal and encourage self service of our members.

Ownership of the Customer Engagement Strategy

This strategy is owned and overseen by the Head of Governance and Corporate Services. The day-to-day implementation has been delegated to the Communications and Events Officer with support from the Fund's Customer Services manager alongside stakeholders from across the business.

Strategy owner:	Head of Governance and Corporate Services
Last updated:	May 2018
Next review:	May 2019

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