

Pensions Board

9 July 2020

Report Title	Customer Engagement Update	
Originating service	Pension Services	
Accountable employee	Simon Taylor	Head of Pensions
	Tel	01902 55 4276
	Email	Simon.taylor2@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood	Director of Pensions
	Tel	01902 55 1715
	Email	Rachel.brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Board is asked to note:

1. The postponement of review and potential revision to the Pensions Administration Strategy (PAS) and the associated consultation, as approved by Pensions Committee.
2. The engagement activity and customer support provided in the context of the Covid-19 restrictions.
3. The high-level overview of planned activity and changes made to the annual Customer Engagement Plan.

1.0 Purpose

- 1.1 To provide Board with a high-level update of the Fund's customer engagement activity, in the short-term primarily based around the Covid-19 outbreak and the support available from the Fund, to include assurance of continued service delivery.
- 1.2 To cover future planned customer engagement activity in the context of the Fund's Customer Engagement Strategy.

2.0 Background

- 2.1 One of the Fund's key objectives is to engage to improve outcomes for our customers. In line with this objective, the Fund has published, and keeps under review, a Customer Engagement Strategy, to review satisfaction and help inform improvements to its pension services.

3.0 Covid-19 related engagement

- 3.1 Prior to and following the Prime Minister's announcement on 23 March 2020 implementing 'lockdown' restrictions in response to the Covid-19 outbreak, the Fund has undertaken a wide range of proactive engagement with our customers. Certain elements of this were prepared in anticipation of the announcement, with other elements being more reactive, with an increase in communications since 23 March.
- 3.2 In line with Board reporting cycles, this report was set to be aligned to the period 1 January 2020 to 31 March 2020, however acknowledging the timing of the Prime Minister's announcement and the unprecedented and rapidly evolving situation (both nationally and regionally), it covers known and planned engagement conducted in the run-up to the Board meeting on 9 July 2020. A summary of larger-scale communications over this period, including support around Covid-19, is covered in Appendix A.

3.3 Member engagement

- 3.3.1 The Fund has produced a comprehensive set of Frequently Asked Questions (FAQs) for both members, which are available on the Fund's website and signposted during any member phone calls to the Customer Helpline. These have been developed from the queries received by the Fund from members, but also in conjunction with the Local Government Association (LGA) for the wider LGPS, noting that the Fund undertook a leading role in their development, but also to include topical and pertinent issues related to the Covid-19 outbreak and the LGPS.
- 3.3.2 For members the primary aim was to provide assurance on the steps taken by the Fund and the continued ability to ensure payment of pensions emphasising to members that their benefits are not directly affected by investment market volatility. It also extended to confidence around service delivery and highlighting awareness of potentially heightened risk of scams. A copy of member FAQs is available on the Fund's website:
<https://www.wmpfonline.com/covid19faq>

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3.3.3 The Fund has also written to all of our Additional Voluntary Contribution (AVC) members highlighting the possible impacts of the recent market volatility on their AVC funds along with supporting information and useful links.

3.3.4 Included within each of the annual deferred and pensioner newsletters, was a tailored update on the current situation in terms of the Fund and its Covid-19 response as well as an assurance piece to reinforce the continued and unaffected ability to pay pensions as well as ongoing service provision. On a similar vein, a bulk email was sent to all active members with an email address (approximately two thirds) based around the same content. These newsletters and bespoke emails again flagged the FAQs available.

3.3.5 The Fund's Customer Services Team and Employer Services Team have maintained their opening hours on the respective helplines during the Covid-19 outbreak. Further details of volumes and associated service levels are provided in the Pensions Administration report, with good levels of customer satisfaction retained during this period.

3.4 **Employer engagement**

3.4.1 The Fund has also produced a comprehensive set of Frequently Asked Questions for employers, again available on the Fund's website, and also sent on a bulk email to all participating employers. These have been developed from the queries received by the Fund from employers, but also to include topical and pertinent issues related to the Covid-19 outbreak and the LGPS.

3.4.2 For employers, the emphasis was on continued service delivery, but also to cover their roles and responsibilities to the Fund and the support available, with some specific content such as LGPS implications in terms of furloughing arrangements and assurance around expected stability of contributions for the next three years despite current market volatility. A copy of employer FAQs is available on the Fund's website:
<https://www.wmpfonline.com/CHttpHandler.ashx?id=17676&p=0>

3.4.3 Acknowledging the uncertainty and pressure facing many employers at this time, both in terms of resourcing/capacity and finances, the Fund issued a tailored survey to all employers to better understand the issues many of them are facing and also collate useful information to enable the Fund to provide enhanced support where appropriate. A summary of the results of this survey are attached in Appendix B. Following review of the main outcomes, as a next step the Fund is developing and implementing an action plan to address some of the issues identified and, where possible, reach out to individual employers to better understand the challenges they are facing.

3.4.4 The participation levels in the Employer Resilience survey were encouraging with 262 respondents covering approximately 68% of the active membership as at the end of April. The Fund is in the process of following-up with certain non-respondents to gather relevant information to support review of potential implications across the employer base.

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- 3.4.5 Overall, the survey outcomes proved positive, with the majority of employers confirming resilience in terms of business as usual activity during the Covid-19 restrictions. Half of the respondents confirmed resourcing levels were largely unaffected with a further 39% at 75-99% capacity. A small minority (8%) confirmed resources of less than 74% and unsurprisingly for a number (4.2%), resourcing levels were currently unknown. The Fund will follow-up with employers in both of these latter groups, to better understand overall capacity and any associated issues.
- 3.4.6 83% of respondents confirmed that they expected to be able to process monthly data files within agreed timescales and the remainder with potential for delays in some form. The Fund's Employer Services team will follow-up with the 7% (covering 4,772 active members in total) expecting possible delays to better understand issues and inform wider consideration of next steps. In terms of other data related elements, around 70% were able to maintain business as usual, a further 6-7% with potential for delays and only 1% (the same employer across three admission agreements) unable to submit leaver paperwork. Again, the Employer Services team will engage further with this employer.
- 3.4.7 95% of respondents confirmed an expectation to continue to be able to pay contributions on a monthly basis within statutory timescales, with the remaining 5% (representing 4,514 active members in total) subject to possible delays. Further dialogue will be opened with these employers. On the other financial matters covered by the survey, the significant majority of employers were able to confirm business as usual for the payment of invoices and end of year financial statement.
- 3.4.8 Finally, the Fund surveyed employers' intentions with regards to the Governments "Furlough" (Job Retention Scheme (JRS)), with broadly 40% of respondents confirming they were due to apply for some or all of their active employees. As anticipated, there was notable diverge in employer take-up of JRS across the various groups, with Admission Bodies and Higher/Further Education expecting a high level of participation. A smaller minority (12%) expected to provide top-ups to JRS (whereby the employer bridges the gap in remuneration between the 80% provided by JRS and actual full-time equivalent earnings).
- 3.4.9 As the situation evolves, with further Central and Local Government announcements for developing and changing financial support and lifting restrictions on operations, the Employer Services Team will develop its action plan and will consider issuing a further survey in due course.
- 3.5 Internal engagement**
- 3.5.1 Recognising the importance of ensuring internal stakeholders are kept up to date on the Fund's progress and associated developments during the Covid-19 outbreak, particularly with increased remote working, the Member Services team provided a tailored weekly update to all Fund staff highlighting important news and developments on individual teams to supplement the regular monthly Employee Briefing. These more regular updates, during a period of rapid change, complimented the quarterly employee briefings

and interim updates provided by the Director of Pensions and the Senior Management Team.

4.0 Customer Engagement Strategy

- 4.1 Outside of bespoke issues or new developments, the Fund's ongoing customer engagement is largely structured around the Customer Engagement Strategy and associated Customer Engagement Plan. Whilst the immediate focus for customer engagement has largely been around Covid-19 related matters there has continued to be a range of engagement aligned to business as usual, many of which are covered by the larger-scale communications outlined in Appendix A.
- 4.2 A notable piece of bespoke engagement was the issuing of communications to all former Equitable Life AVC members (276 in total) around the move to Utmost Life, to include the default arrangement in terms of individual fund choices and noting that advice received by the Fund has recently changed in that regard, due to the current market environment as a result of the Covid-19 outbreak.
- 4.3 Nonetheless, acknowledging the impact of Covid-19 restrictions in this area, and in particular the ability to carry out face-to-face engagement, the Fund has reviewed and amended the Customer Engagement Plan with the new version presented in Appendix C. Given the immediate restrictions and the likely requirement for social distancing measures for some time, but also recognising the planning required, the Fund decided to cancel all face-to-face engagement until the end of August with a further review at that point. In place of this face-to-face engagement (roadshows, one-to-ones etc.) the Fund is rolling-out a series of webinars and facilitate other digital engagement methods where appropriate (more details provided in the future activity section below).

5.0 Pensions Administration Strategy (PAS) review and consultation

- 5.1 In line with the regulatory requirement to regularly review the PAS, there was originally an intention to undertake a further review of the PAS and associated Employer Engagement Roadmap with a view to finalising the initial draft and circulating for consultation with employers during April 2020.
- 5.2 Due to a shift in current priorities, the Fund proposed to postpone this review until the latter part of 2020 and this was approved by Pensions Committee at the meeting held on 17 June 2020. This will further enable the Fund to review the monitoring and management information available to support the review and also time the consultation during a period whereby employers are better able to engage and respond.
- 5.3 The LGPS Regulations do not prescribe a timeframe for review of the PAS, but rather that it should be kept under review and any amendments made as considered material. Following the most recent review, a revised statement was published in April 2019. As such, the Fund has confirmed with City of Wolverhampton internal audit that this approach will be acceptable.

6.0 Future engagement

6.1 In accordance with the postponement of face-to-face engagement, the Member Services team re-launched its member support from June 2020 onwards via member webinars and following up with individual telephone consultations as required. These webinars will start with a bitesize session of the “LGPS & You” presentation and last approximately 35 minutes.

6.1.1 Initially, the team are targeting the Fund’s largest 35 employers with a view to rolling them out to all employers over the coming months. The team appreciates the challenges that many of our employer’s face working from home and in some cases with reduced resources, therefore initially propose to liaise with each employer one at a time and contacting their members direct via the members email address that we hold on the system, so as to avoid causing employers more work associated with advertising. We will of course engage with employers first to ensure they are comfortable with this method of advertising support. The Fund also intends to use these webinars as an avenue to increase member web portal up-take, through engagement with participating employers.

6.1.2 Annual Benefits Statements are due to be released in June for deferred members and in August for active members, therefore the member services team will assist members to engage with their benefits by offering further webinars on “How to register on portal” and “How to understand your annual benefit statement”.

6.2 Again, due to the inability to meet face-to-face, the Fund hosted the Employer Peer Group in June 2020 using Microsoft Teams. Items covered in this meeting included:

- Outcomes of Employer Resilience Survey and development of associated action plan
- Outline of proposed member and employer webinars
- Employer Mid-year Review content and access
- Employer Hub development, pilot testing and roll-out
- Pre-emptive look at Pensions Administration Strategy from an employer perspective

6.3 In a similar vein to the member webinars and acknowledging the need to evolve employer engagement in line with remote working requirements, the Fund is in the process of producing a suite of employer webinars for roll-out over coming months. These will cover topical issues from an employer perspective, to include their roles and responsibilities, such as:

- Fund update on Covid-19 service delivery
- Becoming an LGPS employer
- Ill Health Early Retirement
- Pay and service
- Monthly Data Collection
- Refunds
- Deferrals

- Retirements

6.4 The Fund plans to issue further surveys to the employer-base, to ensure we remain at the forefront of any challenges faced by employers, but also to enable us to tailor our engagement to their requirements going forward. As such, the Fund has recently issued a survey to all employers intended to gauge appetite around online delivery of the 2020 Employer Mid-Year Review and also to include possible content, which will inform a decision on delivery and subject matter. The feedback from this survey will help inform development of a virtual Employer Mid-Year Review event, with reflection on the 2019 AGM feedback to be considered in the context of the 2020 event later this year. Further surveys will be used to explore financial and funding challenges and those which might impact on mid to longer-term covenant.

6.5 Finally, noting the immediate changes made to the Customer Engagement Plan as outlined in this paper and appendix C, the Fund is in the process of reviewing the overarching Customer Engagement Strategy and Communications Policy and will present revised versions to Pension Committee and Local Pensions Board at a forthcoming meeting.

7.0 Financial implications

7.1 The report contains no direct financial implications

8.0 Legal implications

8.1 The report contains no direct legal implications.

9.0 Equalities implications

9.1 The report contains no direct equalities implications.

10.0 Environmental implications

10.1 The report contains no direct environmental implications.

11.0 Human resources implications

11.1 This report contains no direct human resources implications.

12.0 Corporate landlord implications

12.1 The report contains no direct corporate landlord implications.

13.0 Schedule of background papers

13.1 Member Frequently Asked Questions (<https://www.wmpfonline.com/covid19faq>)

13.2 Employer Frequently Asked Questions
(<https://www.wmpfonline.com/CHttpHandler.ashx?id=17676&p=0>)

14.0 Schedule of appendices

14.1 Appendix A: Fund larger-scale communications 1 March to 15 June 2020

14.2 Appendix B: Employer Resilience Survey – summary outcomes

14.3 Appendix C: Customer Engagement Plan