

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Pensions Board</b> 20 October 2020
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<b>Report title</b>	Response to Covid-19	
<b>Originating service</b>	Pension Services	
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**Recommendation for noting:**

The Pension Board is asked to note:

1. The steps taken by the Fund in response to the Covid-19 pandemic and the ongoing considerations on service delivery impact.

## **1.0 Purpose**

- 1.1 To provide an overview of the Fund's response to the current global pandemic and the steps being taken to mitigate service delivery impact.

## **2.0 Background**

- 2.1 Following the announcement from Government on 23 March 2020 that the UK enter a period of Lockdown to help mitigate the spread of Coronavirus, the Fund, in conjunction with the City of Wolverhampton Council, instructed all employees to work from home putting into effect its Business Continuity Plan.
- 2.2 Since that time, all employees (with the exception of skeleton staff) have continued to work from home providing ongoing service delivery to Fund members and employers.

## **3.0 Ongoing response**

- 3.1 The Fund continues to be responsive to the Covid Pandemic with the flexing of resource where possible to support service delivery, the primary focus remaining on paying pension benefits when they fall due and on protecting the well-being of Fund employees.
- 3.2 The Fund continues to offer 1-2-1 services for members through telephone or video calls with this service being highly valued during the ongoing uncertain times. In conjunction with this, the customer contact centre has remained open to support member queries with call volumes seeing an initial increase at the start of the pandemic, they have returned to more normal volumes more recently. More noticeable however, is the length of time taken on each call with individuals, attributable to the inefficiencies in network connections while working at home noting the Fund's Pension Administration System is not web based instead running on council networks.
- 3.3 As outlined in the Pension Administration report, the Fund has seen some impact on its workload across the Operations service areas which is born out of a combination of the network delays experienced while working at home, and the increased work volumes experienced at the start of the period, most notably in deaths and the payment of death benefits. Following engagement with employees, a number of main drivers for current service delivery impact have been identified.
  - Home networks with slower internet speeds than ordinarily available in the office noting the Fund's Pension Administration software is a network based system, not a web based one
  - Working on single screen laptops (where dual screens are ordinarily used in the office)
  - The limited ability to turn to a colleague for a 'quick chat' on more complex issues together with the connected ability to develop junior colleagues placing more reliance on individual key persons.
  - The ongoing resource needs of the Fund and our ability to recruit, induct and train new hires

3.4 With the timing of increased return to office-based workplaces and the potential for a second wave somewhat unknown, the Fund was keen to support the ongoing agile working arrangements providing additional IT equipment to those employees who had requested it to support their service delivery. Communications were issued to colleagues reminding of the use of Microsoft Teams for informal catch ups to support shared learning.

#### **4.0 Covid Risk Register**

4.1 In line with the Fund's response to the pandemic it developed its Covid Risk Register which provided focus for the Senior Management Team on the immediate impact of the pandemic and the responses required to mitigate the risk on service delivery. Five months on and the majority of risks identified in the Covid Risk Register are now considered to have transitioned into the Fund's main risk management processes, the only exception being the ongoing impact on Service Delivery attributable both to the current inefficiencies in working from home arrangements, and due to the increased work volumes and volatilities born out of the pandemic (increased membership movements including retirement and deaths).

4.2 The Covid Risk Register has therefore been amended to note only those risks which remain attributable to the Covid pandemic and is supported by the Covid assurance log which notes the changes to processes and working practices implemented to support agile working protocols.

#### **5.0 Second Wave Planning**

5.1 One of the ongoing risks to the Fund is the potential for a second wave of the pandemic and the Fund has undertaken a review of its business continuity plan to assess its response to a second lockdown.

5.2 Since March, the Fund has seen a negative impact on performance with a number of industry standard KPI's not being achieved compared to the same period in 2019 (when all staff worked in the office). Combined with homeworking and reliance on individuals home networks, the Fund has seen a significant increase and volatility in key casework volumes which are impacting the Fund's ability to process the payment of benefits within normal timescales. The projected impact of continued working from home in the event of a second lockdown would mean that by the close of the year the Fund would not have returned to normal processing timescales with continued negative impact on performance, and the potential for a backlog in casework to continue to grow.

5.3 Due to the skills and knowledge required to undertake these processes, it would not be possible to support service delivery with temporary resource, it is therefore a priority focus for the Fund to recruit and develop employees into the teams to support this element of service delivery. The Fund has flexed resource where possible and is utilising additional hours to minimise the impact on our customers, but this is not considered to be a sustainable solution.

## **6.0 Supporting our People**

- 6.1 In response to the findings of the employee survey and the noted challenges for employees in delivering the same level of output from home, the Fund commenced planning and development of proposals for a return to the office working environment. Having completed the initial risk assessment in line with Government guidance on working in offices, plans were actioned to support a safe working environment and included the facilitation of social distancing, one-way flows, good hygiene protocols and individual risk assessments of employees before returning to the office. The outcome of this assessment saw the overall capacity of the office reduce by just over 50% from 180 available work stations to 84.
- 6.2 Considerations for officers' return was supported by individual service area business cases, noting overall impact on service delivery as the key driver, together with individual employee well-being (where this has been raised as a concern in responses to the employee survey). In addition, consideration was given to the Fund's ability to recruit to vacant positions and how new employees may be supported in their development in the virtual working office.
- 6.3 Before starting phased return to the office during September, a number of communications were issued to Fund employees including an FAQ, an employee video highlighting the new office protocols in support of Covid management and one to one conversations to support completion of the individual risk assessments enabling any concerns to be taken into account in that persons return.
- 6.4 Following engagement with City of Wolverhampton Council's HR and the Trade Unions (who attended the office for a site visit to view the arrangements put in place) the Fund transitioned some of its employees back to site on 7 September.
- 6.5 In addition, the Fund recommenced its recruitment programme at the end of August, with a number of successful appointments. Since September the Fund has appointed eight new persons, together with commencing six Graduate placements across all service areas. Training and induction of new colleagues has been prepared in consideration of social distancing requirements.
- 6.6 Following the announcement from Government on 22 September that working from home should be supported where possible (over a return to the office), the Fund conducted a review of its decision to enable officers to return to the office together with a review of the arrangements in place to support employee health and safety. Noting the impact on workloads and our members it was determined that the payment of pension benefits is an essential service and that office working should continue to be supported for those service areas most impacted by workload performance.
- 6.7 All arrangements remain under close review by the Fund's Senior Managers with regular engagement undertaken with Fund employees to support the ongoing arrangements.

## **7.0 Supporting our Pension members**

- 7.1 Given the ongoing uncertainty of the pandemic and the potential for a second wave, the Fund remains closed to external visitors (except contractors required to perform essential services). Face-to-face meetings with members and employers continue to be unsupported with alternative methods of contact being developed. As outlined in the Customer Engagement Report, the Fund's Communications and Events Officer has continued to develop the suite of videos available on the Fund's website to support members' understanding of their pension benefits, together with the annual issuance of member newsletters. The Fund also produced Annual Benefit Statements in advance of the 31 August deadline which included guidance notes to support members' understanding of their benefits and retirement options.
- 7.2 In addition, the Fund's Customer Services team continue to be alert to member vulnerabilities and safeguarding concerns. While no safeguarding referrals have been made this quarter, a number of members have had follow up correspondence from the Fund providing information on local support and friendship groups where individuals have commented on their feelings of isolation and loneliness while on calls to the Fund.

## **8.0 Financial implications**

- 8.1 The Fund built flexibility into its service development budget to support the issuance of additional IT equipment to employees working from home. Some flexibility was built in to the Fund's operational budget for service development and there may be some changes from change in format of service delivery however, the overall impact will continue to be monitored through the quarterly budget review process.
- 8.2 In response to increased investment market volatility the Fund regularly assess its cash requirements and its ongoing ability to meet liability payments as they become due with no issues highlighted this quarter.

## **9.0 Legal implications**

- 9.1 The Fund has a duty to pay pension benefits as they fall due, failure to do so may result in challenge from both the regulator and national bodies.
- 9.2 The Fund has a duty as an employer to protect its employees providing a safe environment for them to work, following health and safety regulations and new guidance, as this emerges. Any proposed return to the office was considered in consultation with employees, City of Wolverhampton Council and the relevant Trade Unions.

## **10.0 Equalities implications**

- 10.1 Equality Impact Assessments will be undertaken and reviewed as part of the planned phase return to the office taking into account any individual requirements as identified in individual risk assessments.

**11.0 Environmental implications**

11.1 There are no direct environmental implications.

**12.0 Human resources implications**

12.1 The Fund has a duty to provide a safe environment for all employees and has worked with City of Wolverhampton HR team to assess and determine any steps to return to the office. All proposals have undergone consultation with relevant Trade Unions.

**13.0 Corporate landlord implications**

13.1 There are no direct corporate landlord implications.

**14.0 Schedule of background papers**

14.1 None.

**15.0 Schedule of appendices**

15.1 None.