

26 January 2021

Report Title	Customer Engagement Update	
Originating service	Pension Services	
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Recommendations for noting:

The Pensions Board is asked to note:

1. The engagement activity and customer support provided aligned to the Covid-19 restrictions.
2. The summary results from the most recent employer survey.
3. The postponement to review the Pensions Administration Strategy (PAS) and the associated consultation, as approved by Pensions Committee on 9 December 2020.

1.0 Purpose

- 1.1 To provide Board with an update of the Fund's customer engagement activity from 1 July 2020 to 30 September 2020, developments into Quarter 4 2020 and 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 Member Engagement

- 3.1 Recognising the changes in engagement brought about by the Covid-19 pandemic and specifically with the postponement of face-to-face engagement, the Member Services team re-launched its member support from the end June 2020 onwards via member webinars and followed up with individual telephone consultations as required. The webinars are a bitesize session of the "LGPS & You" presentation and last approximately 35 minutes. During this reporting period **32** webinars were delivered to **794** attendees. More detail on the events covered is provided in appendix A with the associated September feedback in appendix B. These were followed by **396** individual member telephone conversations in replacement of member face-to-face one-to-ones and feedback is outlined in appendix C, in particular noting that 64% of respondents confirmed a focus on planning for retirement, demonstrating the effectiveness of this member interaction.
- 3.2 Through the "Be Pension Smart & Take Control of your benefits" campaign the Fund continues to encourage members to manage their account online using the portal. During this reporting period registrations increased by **4,495** bringing the total pension portal registrations to **101,834**.
- 3.3 The Fund produced **84,715** Annual Benefit Statements for active members at 31 August 2020 in order to update members of the current value of their benefits. We notified **54,334** members for whom we hold email addresses, that their statement was online, along with signposting to further support.
- 3.4 The Fund's Customer Services and Employer Services teams have maintained opening hours on the respective helplines during the Covid-19 pandemic, with good levels of customer satisfaction retained during this period.
- 3.5 Customer feedback is key to understanding our customers' journeys, highlighting our strengths and any gaps in the service we deliver, so that we can continually improve the services we offer. Some service enhancements already made include:

- Introducing an electronic transfer in enquiry form, which is available to download from the Fund website
- Introducing a transfer value request email template on the website, helping us to request all the information necessary at the first point of contact

We are also collating customer feedback in relation to the recent overseas pensioner confirmation exercise. This exercise is undertaken on an annual basis; however, this year we have partnered with a third party to enhance the efficiency and security of the tracing exercise.

During the quarter, a number of surveys were issued to members and employers to assess overall satisfaction levels on a wide range of processes. Over the period, our satisfaction levels were measured as 95.42%.

4.0 Employer Engagement

4.1 Employer Peer Group

4.1.1 The Fund continued with Employer Peer Group cycle with a further virtual session delivered via Microsoft Teams. The meeting was positive with 75% of employer representative attendees present. The content for the meeting included:

- Feedback and potential improvement discussions on the 2020 Annual Benefit Statement cycle and the annual Employer Health Check.
- Legislative changes discussion
- Future engagement planning
- Fund development updates: Employer Hub and Employer Webtrays

4.1.2 Once again, the meeting was followed by a technical group session where attendees each raised queries for discussion which they were able to resolve through dialogue with each other. The technical session helps the attendees to develop and enhance a shared knowledge of some of the more technical and complex aspects of the LGPS. These sessions are now a regular feature of the Employer Peer Group.

4.2 Employer Webinars

4.2.1 The Employer Services team has continued to deliver its new programme of employer education over the quarter with a further 7 sessions to 116 individuals from 54 organisations, some of whom have never previously taken up the Fund's engagement opportunities with respect to our employer education programme.

4.2.2 Feedback from the sessions has been overwhelmingly positive, with 100% of respondents confirming they were either satisfied or very satisfied with the content and delivery. The following sessions are continuing to be delivered throughout the year:

- New starter inductions
- Pay and service

- Monthly data collection
- Refunds
- Deferments
- Retirements
- TUPE tenders and pass through
- Pay and service
- Employer Hub demonstrations

4.3 Employer Performance and Annual Health Checks

4.3.1 Utilising the virtual working arrangements currently in place, the Employer Services team have continued to hold performance meetings with various employers throughout the period. Employer performance is assessed in line with the Fund's Pension Administration Strategy (PAS).

4.3.2 During the period, the Fund held 7 feedback and performance meetings with 5 employers (including one Multi Academy Trust representing 9 employers within the Fund). Looking at outstanding data issues, it is clear to see there is a direct correlation between an improved data position and regular employer engagement. Regular meetings will continue to take place where there are known issues for rectification and the Employer Services team will continue to work with the Business and Performance Data, Finance and Operational teams to identify employers requiring additional support.

4.3.3 Implemented on an annual basis following successful introduction as part of the 2019 Actuarial Valuation, the Employer Health Check (circulated to all participating scheme employers) allows employers to review:

- Current active members held on the Fund's system,
- Web Portal access levels and;
- Organisational contacts

4.3.4 The purpose of the annual checks is to ensure membership data is accurate ahead of annual benefit statement (ABS) cycles and acts as an important annual audit across employer contacts and web access levels.

4.3.5 Results indicate there has been a significant improvement in the accuracy of the information we hold as a Fund; following employer responses in 2019, 1,832 member records were confirmed as leavers, this represented 2% of all participating scheme members. The exercise also resulted in 174 employers updating portal access and 160 employers updating their contacts.

4.3.6 So far, the 2020 Health Check has generated 479 employer responses. Of these responses:

- An additional 1,277 members have been confirmed as leavers, across 105 scheme employers
- 86 employers made changes to contact details held
- 430+ amendments have been made to employer web access accounts

- an additional 1,200+ member queries, noted by employers, are being reviewed by the Employer Services Team. The queries were wide ranging and included requests such as member detail changes, TUPE notifications, opt out flags and notifications of non-members (i.e. member not in scheme and submitted as new joiner incorrectly).

4.4 Employer System Developments: Hub and Webtrays

- 4.4.1 Following the delivery of the three Employer Hub demonstration webinars in the previous quarter, the Employer Hub pilot group commenced initial external testing, with support provided by the Fund's Systems and Employer Services teams. Testing was undertaken by 6 employers of varying sizes and a great deal of valuable feedback and comments was received from those carrying out the testing, which has been used to make final amendments and seek further improvements with the Fund's software provider.
- 4.4.2 Employer Webtrays are continuing to be rolled out to employers and payroll providers with 85 employers now live with this new functionality and a further 200+ planned to go live by the end of the scheme year. This functionality will provide increased visibility of the type and volumes of deferment queries needing to be raised as a result of leaver submissions for both employers and the Fund, with further processes intended for inclusion in this functionality in the future.

5.0 Bi-annual Employer Survey

- 5.1 By way of follow up to the Employer Resilience Survey issued during the previous quarter, the Fund issued a bi-annual employer survey to explore further the operational, financial and funding challenges on the horizon.
- 5.2 Overall the Fund received an encouraging 60 responses, with summary results of particular note as follows:
- a. In relation to the Fund's Covid-19 response, the majority rated the Fund's services across all areas as above average of excellent, with over 90% indicating in line with, or above, service standards expected.
 - b. 8% of respondents confirmed they are unlikely to be able to fulfil their organisational duties in line with Pensions Administration Strategy (PAS).
 - c. 35% of respondents suggested their resourcing levels remain impacted by the pandemic, with the education sector and admission bodies particularly affected.
 - d. 25% of respondents are considering restructuring within their organisation, with many of these being admission bodies.
 - e. 37% of employers have used the Government furlough scheme. As anticipated, this was widely used by transferee admission bodies, community admission bodies and universities and colleges.

- f. A significant percentage of responses indicated continued use of agile working (43.3%), emphasising the need for maintaining virtual interaction with these employers and to continue to evolve our current methods of support and communication.
- g. 5% of employers responding foresee challenges involving cash flow and debt management.
- h. 25% of respondents confirmed anticipated pressures or uncertainty surrounding funding streams in the immediate future.
- i. 35% of employers said they foresee longer-term sustainability issues.

- 5.3 The responses received demonstrate that, understandably, operational challenges remain with a number of our employers. The Fund will reach out to the employers concerned and aim to create a plan of action should employers be at risk of failing to meet their PAS obligations. In addition, we will ensure timely virtual communications are maintained to ensure proactive engagement with employers during this difficult time.
- 5.4 Responses also highlight a number of financial challenges facing many employers, noting that in many cases these are sector specific. In particular, one in four respondents anticipated short-term financial pressures and 35% suggested longer-term sustainability issues might prevail. This serves to emphasise the impact of Covid-19 on employer funding, despite the support packages available and the Fund will reach out to those employers who flagged particular concerns.

6.0 Internal Engagement

- 6.1 Recognising the importance of ensuring internal stakeholders are kept up to date on the Fund's progress and associated developments during the Covid-19 pandemic, particularly with increased remote working, the Fund has increased the contents of the monthly catch up to provide more sign posting and wellbeing support which is available to staff across the City.
- 6.2 To increase internal communication across the Fund and provide insight on the wider pensions industry, a new quarterly internal newsletter has been produced, launched to Fund staff in August, with the second instalment circulated in December, named the "Pensions Post".

7.0 Pensions Administration Strategy (PAS): review and consultation

- 7.1 Since the July report confirming a delay in reviewing the PAS, significant regulatory change has been introduced to the LGPS, specifically Employer Flexibilities legislation and the Exit Payment Cap, which require more immediate focus. In addition, the Fund is in the process of planning for implementation of the McCloud remedy, a key element of which will be obtaining the required data from employers and uploading it to the pensions

administration system and it is expected the revised PAS will need to capture this process.

- 7.2 In light of the above, Committee approved the proposal for the review of the PAS to be deferred to the first quarter of 2021/2022 year with employer consultation to follow.

8.0 Engagement beyond reporting period

- 8.1 Engagement took place with Employers involved in the pilot group testing of Employer Hub, with regards to intended go live plans and timescales, as well as increased roll out of Employer Webtrays which will continue over the next reporting period.
- 8.2 A number of targeted employer briefing notes are being issued regarding current topical issues such as the McCloud remedy and employer responsibilities and also the Exit Payment Cap applicable to specified employers and their consideration of employee exit payments from 4 November 2020.
- 8.3 Annually, the Member Service Team delivers pension tax presentations to support members of the scheme whose annual benefit accrual may be subject to additional pension tax, to highlight the action required by them to consider their tax position. This October, due to current face-to-face restrictions the team designed and delivered **4** Pensions Tax webinars to **67** attendees.
- 8.4 On the 4 and 5 November, several Fund staff met with the Customer Service Excellence (CSE) assessor to talk about the customer engagement which has been delivered over the last 12 months. The Fund has now received confirmation of our re-accreditation by CSE with the final report highlighting areas of outperformance designated 'compliance plus' for our member services offering and our response to the Covid-19 pandemic.
- 8.5 The Fund emailed deferred members with their 2020 "Pension Smart" newsletter, **41,879** emails were sent over the month of November.
- 8.6 The Fund's active member "Pension Smart" newsletter was sent to active scheme members via bulk email over the month of December. Further details will follow in the next reporting period.
- 8.7 The West Midlands Pension Fund partnered with larger employers to produce a digital support package to assist members with buying any additional pension contributions (APCs) relating to mandatory unpaid leave, this includes an animated video, electronic leaflet, bulk email and an invite to a bespoke webinar. The support package was sent out to members of one large employer at the end of November. Additional support is also once again being offered to help with bulk processing. The team is also reaching out to other employers who have made changes to employee terms and conditions (for example to introduce additional unpaid leave) which may increase requests for APCs, to offer similar levels of support.
- 8.8 New for 2020, the Member Services team has designed a deferred member webinar. This is the first bulk support the team has offered to deferred members and we hope it

will encourage this membership category to engage with their benefits. These sessions were delivered throughout October and November and feedback will be covered in the next reporting period.

8.9 The Fund held our 'virtual' Employer Annual General Meeting (AGM) on 15 December 2020 with live presentations and interactive sessions, including a panel discussion to cover a range of topical issues. Initial feedback was overwhelmingly positive and will be collated for review as part of the papers for the next Board meeting.

9.0 Financial implications

9.1 There are no direct financial implications arising from this report.

10.0 Legal implications

10.1 There are no direct legal implications arising from this report.

11.0 Equalities implications

11.1 There are no direct equalities implications arising from this report.

12.0 Environmental implications

12.1 There are no direct environmental implications arising from this report.

13.0 Human resources implications

13.1 There are no direct human resources implications arising from this report.

14.0 Corporate landlord implications

14.1 There are no direct corporate landlord implications arising from this report.

15.0 Schedule of background papers

15.1 None.

16.0 Schedule of appendices

16.1 Appendix A – Events attended July - September 2020

16.2 Appendix B – Webinar feedback, September 2020

16.3 Appendix C – Individual pension conversations feedback, September 2020