

# Pensions Board

## 25 September 2018

<b>Report Title</b>	Customer Engagement Update	
<b>Originating service</b>	Pension Services	
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### Recommendations for noting:

The Board is asked to note:

1. The engagement activity to date and plans for future engagement on the horizon.
2. The announcement made by Prudential and the associated review of service

## **1.0 Purpose**

- 1.1 To provide the Board with an update of the Fund's customer engagement activity to date, in line with its Customer Engagement Strategy.

## **2.0 Background**

- 2.1 One of the Fund's key objectives is to provide excellent customer service. 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 In support of the customer engagement strategy, the Fund's Pensions Services team is split into three service areas focussed upon supporting and proactively engaging with members and employers on a wide variety of matters. A key component of this engagement is obtaining valuable feedback from our customers to help shape the service provided by the Fund and develop our understanding of our customers' requirements.
- 2.4 By way of high-level overview, the Pensions Services team covers:
- Member Services – a team dedicated to providing information and support on the LGPS to members primarily via presentations, one to ones, roadshows and other associated events. This team also manages the Fund's communications with members through a variety of methods, to include promotion of the "My Pensions Portal"
  - Customer Services – provision of a dedicated member helpline and management of email enquiries received from members. This team also maintains the Fund's reception drop-in service.
  - Employer Services – responsible for managing all communication, support and engagement with employers, extending to employer forums such as the Employer Peer Group, and Employer Coaching, providing support and guidance for employers on their responsibilities in line with the Fund's Pension Administration Strategy
- 2.5 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.

## **3.0 Member surveys**

- 3.1 The Fund has recently negotiated a customer survey as part of its telecommunications package with Windsor Telecom.

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- 3.2 The optional survey has been applied to the Customer and Employer helplines with effect from 1 December 2017 and takes customers less than a minute to complete. Customers are also able to request a call back to discuss their feedback further.
- 3.3 An initial set of questions has been implemented on these telephone surveys and on average members are scoring their responses as satisfactory to good.
- 3.4 A number of actions have arisen from the feedback received, which will enable prioritisation for service development and improvements to be implemented. In light of the initial set of results and associated actions, the Fund will review and refine the survey to ensure it maximises participation and focusses on the key areas for member feedback.
- 3.5 The Fund is currently reviewing the suite of member surveys, whether specific for defined services or more generic in terms of the overall satisfaction survey accessible on the Fund's website. These will be finessed to better align to each other to provide an overall picture of customer satisfaction and define the areas for service development.

#### **4.0 Employer Survey**

- 4.1 The Fund has reviewed the employer survey to be emailed to employers twice yearly. This review was based on the existing survey with changes made to capture specific areas for feedback.
- 4.2 The revised employer survey was presented to Employer Peer Group for review in advance of the 5<sup>th</sup> June 2018 meeting, with feedback to be received by 22<sup>nd</sup> June 2018.
- 4.3 The Fund will review all feedback received from the Employer Peer Group and make any required amendments, with a view to the survey being emailed to all employers in July 2018 and results to be presented at the Fund's employer Annual General Meeting.

#### **5.0 Employer Mid-Year Review**

- 5.1 The Fund held its employer Mid-Year Review at the Molineux Stadium on 15<sup>th</sup> May 2018, to which all participating employers were invited.
- 5.2 As with previous employer Annual General Meetings and Mid-Year Reviews, Fund officers presented on an array of topics to ensure the event was informative and tailored to the feedback received by employers from previous events. Two external speakers were also involved, an economist and the Pensions Regulator.
- 5.3 The Fund issued an electronic survey to all attendees on the day of the event to obtain their valuable feedback and this is detailed in appendix A, provided for further reading.
- 5.4 In general the feedback received was very positive. A few comments were made about the venue, which will be addressed for the next event (unfortunately due to improvement works to the Molineux stadium, it was necessary to move this event from one Molineux suite to another at relatively short notice).

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5.5 The Fund is also considering the content of such events going forward and how we might better cater for the diverse range in roles of the attendees, potentially with more focussed workshops, with delegates having a choice of which to attend.

5.6 The Fund continues to explore ways in which to further promote the employer AGM and the Mid-Year Review, in order to encourage an increased and diverse (representing all the main employer groups) attendance at future events.

## **6.0 New Member Pensions Portal Promotion**

6.1 The Fund implemented a new Pensions Portal in August 2017 as an upgrade in terms of efficiency and functionality on its predecessor. The Pensions Portal has been designed using member feedback and is expected to deliver efficiencies for customers, our employers and the Fund.

6.2 To maximise the number of members using the new Pensions Portal, a communication plan was developed for both the Fund and employers. Employers were also issued with a toolkit to assist them with their promotions.

6.3 Following distribution of the toolkit, employers have implemented various methods to promote the new Pensions Portal with evidence of success, for instance inclusion of new Pensions Portal literature/advertising on internal information screens and proactive emails to members promoting the benefits of the facility.

6.4 Overall, as a combined result of Fund and Employer portal promotions, the Fund saw a 102% increase in the number of activated Portal users over an eight-week period compared to the previous year. Work to increase the number of Portal users will become part of the daily functions of the Member & Customer Services Teams, with progress being reported on a regular basis.

6.5 As at the 31 March 2018 **56,920** members have registered to manage their pension benefits online.

6.6 For the period 1 October 2017 to 31 March 2018 **9,966** members registered for an account as a result of the work undertaken by the member services team to promote the new web portal and alongside promotion by several of the Fund's larger employers.

6.7 Following the initial drive to promote the new member web portal, the Fund continues to promote the member pensions portal. Consideration is being given to implementing a new theme "Be Pension Smart!" to create member pension awareness.

## **7.0 50:50 Scheme awareness**

7.1 Following discussion at a national level with Scheme Advisory Board (SAB) and the Local Government Association (LGA) around the awareness of members to the 50:50 scheme, the Fund has considered how well publicised this is and whether members opting-out of the scheme are aware of this lower cost option.

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The 50:50 section enables members to reduce their contributions by 50% to build up 50% of the standard pension benefits whilst retaining benefits such as the existing death in service cover (three times pensionable salary).

7.2 To increase the awareness of members to the 50:50 scheme, the Fund has implemented the following:

- Revised wording on the Fund's website under the "thinking about opting-out" section, highlighting the benefits of the 50:50 scheme and with a link to a factsheet providing more detail.
- Inclusion of 50:50 scheme slides in the Fund's presentations made by the Member Services team.

7.3 In addition, the Fund is in the process of rolling-out the following:

- A short video, to be placed on the Fund's website, to explain how the 50:50 scheme works.
- An awareness leaflet, which will sit in front of the opt-out form, therefore providing an opportunity for members to consider the 50:50 scheme as an alternative to opting-out.
- Additional wording to be included in statutory notifications issued to members by employers.
- Working with employers to ensure details of the 50:50 scheme are provided to employees at their re-enrolment date for auto enrolment purposes.

7.4 The Fund has begun piloting a number of these methods with the City of Wolverhampton Council in its role as Administering Authority.

## **8.0 Employer performance**

8.1 The Fund continues to engage with participating employers to cover both the Fund's own performance and the performance of individual employers in line with the Pensions Administration Strategy (PAS). As covered in a separate report, the PAS has been revised, effective 1 July 2018, following a consultation process with employers.

8.2 The performance of the Fund and participating employers is covered at both the Mid-Year Review and Annual General Meeting events, with summary performance covered in the Employer Briefing Note issued every two months.

8.3 The Fund has been developing a performance dashboard which provides a summary of performance against key data sets and responsibilities set out in the PAS. As part of rolling-out these dashboards they were trialled with key contacts at major employers and the Employer Peer Group to obtain valuable feedback. In line with the revision required

for the PAS (to reflect the move to monthly data submissions from the previous annual cycle) the Fund has reviewed the dashboards, to factor in the feedback received from employers as part of the consultation process. A revised version of the dashboards and performance monitoring guidance will be released in due course.

## **9.0 Employer Peer Group**

- 9.1 The Fund has reviewed and refreshed the terms of reference for the Employer Peer Group as well as considering the attendees with a view to widening the diversity of representation within the group.
- 9.2 This employer forum provides the Fund with valuable feedback from its employer base, which is becoming ever more important and relevant given the increase in numbers and diversity of employers within the Fund. The group also allows the Fund an essential opportunity to trial new methods, procedures and ideas, before implementation, to include both member processing efficiencies and employer initiatives. As covered in the 21 March 2018 Committee papers, the Employer Peer Group recently underwent a review, one outcome of which was to increase the scope of attendees to ensure wider representation of the different employer groups.
- 9.3 The most recent Employer Peer Group meeting was held on 14 March 2018. Following the review of the terms of reference for the group and an extended invite for new participants, a number of new participants have been added to the group.
- 9.4 A number of topical issues were covered including:
- The 2017/2018-year end process and requirements
  - The possible introduction of Employer dashboards in order to increase feedback for employers on performance levels, particularly where a third-party payroll provider has been appointed
  - The concept of a 'Pension Awareness' video to be rolled out by the Fund

## **10.0 Employer Coaching**

- 10.1 One of the Fund's objectives is to partner for success, of which a key element are our customers. The Fund's Pensions Administration Strategy (PAS) sets out the roles and responsibilities for both the Fund and our participating employers. In order to provide employers with the required support and guidance to achieve these responsibilities, the Fund provides employer coaching sessions, with a planned schedule of events set out for each calendar year.
- 10.2 The planned dates for 2018 are as follows:
- 7th February 2018
  - 18th April 2018
  - 13th June 2018
  - 12th September 2018
  - 14th November 2018

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10.3 At the most recent employer coaching session held on 13 June 2018, there were 12 attendees. Feedback was positive with over 80% of attendees rating the session as excellent. A new element added at this session was an interactive assessment of the group's learning from the day, to ensure that the key points had been absorbed, the results of which were very encouraging.

10.4 The Fund received specific feedback on topics the group would like incorporated into the coaching offering, which will be reviewed and implemented where possible.

### **11.0 Support & communication on the horizon over the next quarter**

11.1 The Fund will be providing various support and communication to its customers and stakeholders over the horizon, for information this will include:

- Presentation at the Solihull Academy and Schools Business Managers meeting on 6 July 2018.
- Local Government Association (LGA) - Joint Annual Benefits Statement project, to review contents and layout of the Annual Benefit Statements, with proposed changes due to take effect in 2020.
- Active & Deferred newsletters, working with nine other LGPS administering authorities to design an active & deferred newsletter, branded "WMPF Pensions Link".
- Digital transformation – videos. Initially developing three short animated videos to create awareness on Annual Benefit Statements, Opting Out and the 50/50 section, and a step by step guide to registering for My Pensions Portal.

### **12.0 Prudential**

12.1 On 11 May 2018 M&G Prudential announced a company-wide transformation programme designed to modernise the business. As part of this programme changes are to be made to the Corporate Pensions Team which provides member presentations and individual meetings in the workplace.

12.2 As a result of these changes, with immediate effect, member presentations and individual meetings will no longer be provided by Prudential, across LGPS funds, however the full range of online services and telephony support will be maintained via the Retirement Specialist Team.

12.3 Prudential have confirmed that they will contact the relevant employers to inform them of this decision.

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- 12.4 The Fund will engage with Prudential over the forthcoming month to better understand the changes being made to the Corporate Team and the potential impact on the provision of LGPS AVCs. At this stage, it is not envisaged that there will be any impact on member retirement benefits or the provision of new AVC accounts, however the changes are likely to affect the member presentations made in conjunction with the Fund, the promotion of Prudential AVCs and employer led initiatives such as Shared Cost Salary Sacrifice arrangements.
- 12.5 As the Fund is structured to incorporate a dedicated Member Services Team, for which the Fund receives very good feedback and recognition, there will be limited impact on the services provided to members. As illustrated earlier in the report, just over 15% of members provided with face to face support over the period attended the joint presentations with Prudential. Fund Officers will continue to raise awareness of member pension saving options (including AVCs as appropriate) within its presentations going forward.
- 12.6 The only area the Fund currently envisages this announcement will affect initially is the promotion of employer initiatives led by Prudential direct (i.e. without Fund involvement), such as Shared Cost Salary Sacrifice arrangements.
- 12.7 Prudential accounts for a significant proportion of LGPS AVCs, therefore the Fund will work with other LGPS funds affected and liaise closely with Prudential to consider the service implications and any further action required.

### **13.0 Financial implications**

- 13.1 Dependent upon the outcome of the Fund's website review there could be financial implications for the Fund, both in terms of a potential change of contract terms and conditions or a change in provider.

### **14.0 Legal implications**

- 14.1 The report contains no direct legal implications

### **15.0 Equalities implications**

- 15.1 The report contains no direct equalities implications.

### **16.0 Environmental implications**

- 16.1 The report contains no direct environmental implications.

### **17.0 Human resources implications**

- 17.1 The report contains no direct human resources implications.

**18.0 Corporate landlord implications**

18.1 The report contains no direct corporate landlord implications.

**19.0 Schedule of Appendices**

19.1 Appendix A – Employer Mid-Year Review Meeting feedback