

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

The Pensions Committee is asked to note:

1. The engagement activity and informed service development.
2. The specific engagement with Prudential regarding Additional Voluntary Contribution (AVC) provision.

## 1.0 Purpose

- 1.1 To provide the Committee with an update of the Fund's customer engagement activity from 1 October 2021 to 31 December 2021 and to cover future planned customer engagement activity in the context of the Fund's Customer Engagement Strategy.
- 1.2 To also cover more specific elements of engagement including that with Prudential on AVC provision.

## 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 & communication

- 3.1 The Member Services team continues to deliver member support via digital channels including member webinars, which are followed up with individual telephone consultations as required. The webinars mirror our normal suite of member presentations and during this reporting period **998** members attended our webinars and workshops. These were followed by **256** individual member telephone consultations. Webinars have been scheduled to enable "real-time" interaction with Fund Officers, at various times throughout the day to accommodate attendance around member work commitments. This delivery and the associated feedback are summarised in appendix A.
- 3.2 During this reporting period the team provided **10** satellite support events to **60** hard to reach members who may not normally be able to access our services due to the nature of their work and location, which might include access to web-based delivery (i.e. computer facilities), working hours or 'satellite' locations.
- 3.3 Through the "Be Pension Smart & Take Control of your benefits" campaign the Fund continues to encourage members to view and manage their pension record online using the pensions portal. During this reporting period registrations increased by **1,292** bringing the total pension portal registrations to **114,705** at the end of December 2021.
- 3.4 The Fund continues to promote aspects of our work via the social media platform LinkedIn. Since the last reporting period a further **6,732** people have interacted with our articles which in an increase of **662** compared to the last reporting period.
- 3.5 During this reporting period the Fund's member video suite, providing on-demand support and guidance to members, has been expanded to include new videos providing information on Additional Pension Contributions, deferred member retirement planning and updating Fund nomination forms.

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- 3.6 A total of **264** Pension Saving Statements were sent to members on the 5 October 2021 who had exceeded the annual allowance limit. The Member Services team followed these statements up with offering high earners the chance to book on Pension Tax Webinars to which we received a record high of **161** registrations.
- 3.7 The Fund produced its annual “Be Pension Smart newsletter” for our active members. This newsletter was emailed out to **68,649** active members (those we hold email addresses for) during November and put on the Fund’s website. The newsletter contained important updates for members including the opportunity for them to be part of a new active engagement forum.
- 3.8 Noting the importance of cleansing data, the Fund wrote out to **4,081** members on the 3<sup>rd</sup> December 2021 who we believe may have changed their email address. We asked them to update it on the Pensions Portal. The Fund has previously written to **c7,000** members about this and we can report that **c2,900** members have positively engaged with the Fund and updated their email address following the previous letter sent.
- 3.9 The Fund offers bespoke member support to all its employers; we were approached by one large district council to request support with helping members understand the impacts that mandatory leave could have on benefits and to show members how they buy back pension. The Fund created a bespoke support package which included webinars, a video, and an electronic leaflet.
- 3.10 Member information leaflets and videos have been updated and are now being uploaded to the Fund’s website. There have been **362,000** website views in this quarter.
- 3.11 Customer feedback is key to understanding our customer’s journey, highlighting our strengths and any gaps in the service we deliver so that we can continually improve the services we offer. Some service enhancements made over the period includes:
- Revising a number of telephone logs to increase the information available to the Customer Services Team during calls.
  - The procedure for sending outgoing emails to members has been streamlined.

During the quarter, several 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 85%, which is slightly below the target set of 90%. This will in part be due to higher-than-average volumes of queries in tandem with the delivery of statutory exercises such as GMP (Guaranteed Minimum Pension) reconciliation and McCloud engagement with employers, which may have resulted in an increase in complaints. As noted in the feedback in appendix A, the Member Services delivery remains popular amongst members, as do the webinars provided for employers, and this serves to offset complaints in the context of overall customer satisfaction.

## **4.0 Employer engagement**

### **4.1 Employer Peer Group**

4.1.1 The third session of the Fund's virtual Employer Peer Group cycle for 2021/2022 took place in December. Eighteen employer representatives were present, with the content for the meeting including:

- 2022 Actuarial Valuation
- Keeping Informed: McCloud and Employer Hub updates
- 2021 Annual Employer Survey - results and feedback
- Technical session – 85-year rule, bulk data files and TUPE requirements

4.1.2 As part of the discussion around the 2022 Actuarial Valuation, the group were provided with a copy of the proposed new provisional results schedule ahead of the meeting for review and comment.

4.1.3 The final meeting of the current group will take place in March 2022, following that, invites will be extended to all employer contacts for the 2022/23 cycle due to commence in June.

### **4.2 Employer Webinars**

4.2.1 The Employer Services team has continued to deliver a programme of employer education over the quarter with a further 7 virtual sessions delivered to 92 attendees representing 361 organisations, some of whom provide payroll services for many other employers within the Fund. The sessions are free to attend and provide a useful refresher for existing staff or as an introduction to processes for those who are new to Fund administration.

4.2.2 Sessions delivered over the quarter are set out below and will continue to be rolled out over the course of the year. An increased suite of webinars is now available each month and employers are able to easily sign up for these via the Fund's website.

- Employer Discretions
- Ill health Retirement processing for employers
- Early retirement estimates and associated strain costs
- Monthly Data Collection x 2
- Pay and Service x 2
- S4 Retirements, Refunds and Deferred x 6
- TUPE requirements
- LGPS Basics

### **4.3 Employer Performance**

- 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 8 feedback and performance meetings with 3 major and 3 smaller employers and had 2 meetings with a third-party payroll provider. Collectively these employers and payroll service providers are responsible for submitting the data for almost 30,000 active members to the Fund.
- 4.3.3 The work and engagement that has taken place with these employers has contributed towards the increased availability of Annual Benefit Statements for members and ensures data positions are reviewed and cleansed for accuracy ahead of the 2022 actuarial valuation.

### **4.4 McCloud: Employer Support**

- 4.4.1 Requirements for McCloud data continued to be discussed with our employers or their payroll providers as part of the regular performance engagement meetings detailed above or in other day to day engagement.
- 4.4.2 An extensive array of comprehensive online McCloud support Tools, including a FAQ's document, sample files, checklists, a file checker, reports, and other resources have been produced by the Fund to assist employers. Two follow up webinars were delivered during the period. These sessions provided a recap of the original sessions delivered earlier in the year and were attended by over 60 individuals representing 267 organisations.
- 4.4.3 During the period, the employer services team in collaboration with the McCloud project team, held meetings with 8 employers to provide support and guidance with the submission of data. The employer services team continues to support the submission of data files making daily telephone calls to unresponsive employers to provide assistance and arrange support meetings where appropriate.

### **5.0 Prudential engagement**

- 5.1 The Fund appointed Prudential as our AVC provider over twenty years ago with subsequent independent reviews of the products and services undertaken and reported back to the Committee. Over the year the Fund has sought to actively raise member awareness of the benefits of making Additional Voluntary Contributions (AVCs) and worked closely with the Prudential to provide an information service for members.

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- 5.2 Late in 2020, Prudential undertook a restructure of their business and changed their administration system provider from Capita to Diligenta (a subsidiary of TATA Consultancy Services). The switch of administration systems brought unforeseen challenges and issues, which meant that Prudential were not able to adhere to their usual levels of service and consequently fell short of the Fund and member expectations and the flow of information to the Fund and provision of information for member statements and processing of retirement benefits was also impacted.
- 5.3 Early in 2021 the Fund raised several concerns with Prudential about the levels of business performance and customer service with a meeting held with the Head of Corporate Pensions to discuss a plan of action. Whilst sympathetic to Prudential's difficulties and the impact the Covid pandemic had on their staffing levels, it was paramount that member experience should be significantly improved.
- 5.4 Since this initial meeting we have maintained regular dialogue with our account manager and are pleased to report that retirement claims are now paid on time and back within their KPIs, and call waiting times have reduced by over 80%.
- 5.5 Nonetheless a handful of concerns remain, including escalated individual queries and the production of member annual statements. This has been escalated by the Fund directly to Prudential, and via collective engagement through the Metropolitan Group of LGPS Pension Funds. Similarly, dialogue and escalation has been undertaken at national level through the LGPS Scheme Advisory Board.
- 5.6 The position will continue to be monitored, with regular review and dialogue. Where required, further escalation and evidence of demonstrable action from Prudential will be sought.

## **6.0 Future engagement**

- 6.1 As the government guidance has now been relaxed in relation to covid restrictions, from February 2022 the Member Services team have recommenced provision of a hybrid mix of face-to-face and digital member engagement.
- 6.2 From the 17 January 2022 to 1 February 2022, the Member Services Team delivered virtual Pension Roadshows across district councils to explain members annual benefit statements and to encourage them to engage with their benefits. The team delivered **16** digital roadshows which attracted **342** members.
- 6.3 The Member Service Team is now preparing to deliver face-to-face roadshows at depot locations across the West Midlands region. Further information on these events will follow in the June Customer Engagement Update report.
- 6.4 On the back of the success of the award won by the Fund for "Pensions Marketing Campaign of the Year" we have expanded our retirement planning support to deferred members. This entails notification to all deferred members as they approach age 55, highlighting a member toolkit they can use and inviting them to a new Pre-Retirement

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Webinar. Our first invitation was sent out to members on the 28<sup>th</sup> February 2022, and therefore we aim to provide statistics and feedback in the next report.

- 6.5 March/April is the time of year where we send out P60s and newsletters to our pensioners. This year the pensioner newsletter contains useful information such as pension pay day dates, pensions increase, explaining members P60s and updates on the Fund combatting climate change and much more (appendix B).
- 6.6 The Fund is finding that it can be challenging to locate beneficiary pensioners if they move address and do not inform the Fund, or more unfortunately if they pass away. A campaign has been designed to write out to our 13,000 beneficiary pensioners asking them to complete an alternative contact form so if we lose touch with these members, we can contact their registered alternative contact to locate them.

## **7.0 Financial implications**

- 7.1 There are no financial implications associated with this report.

## **8.0 Legal implications**

- 8.1 There are no legal implications associated with this report.

## **9.0 Equalities implications**

- 9.1 The report contains no direct equalities implications.

## **10.0 Other Potential implications**

- 10.1 This report contains no other potential implications.

## **11.0 Schedule of Background Papers**

- 11.1 None

## **12.0 Appendices**

- 12.1 Appendix A – Review of member events
- 12.2 Appendix B – Pensioner Newsletter