

# AGREEMENT AND ACTIONS

**Communications Working Group**  
**11am to 2pm – 21<sup>st</sup> May 2015**  
**7.1 & 7.2 Rathbone Room, Local Government House**

## **Present**

Andy Brooks (Gwent (Torfaen) Pension Fund)  
Ben Altoft (Avon Pension Fund)  
Carol Haywood (Leicestershire Pension Fund)  
Cheryl Platts (Buckinghamshire Pension Fund)  
David Williams (Environment Agency Pension Fund)  
David Carrington (West Yorkshire Pension Fund)  
Guy Hayton (Merseyside Pension Fund)  
Heather Chambers - Chair (Tyne and Wear Pension Fund)  
Jenny Wylie (Oxfordshire Pension Fund)  
Mandy Judd (Hampshire Pension Fund)  
Martin Griffiths (Staffordshire Pension Fund)  
Mary Lambe (LGPC Secretariat)  
Mathew James (Dyfed Pension Fund)  
Neil Lewins (LPFA)  
Rebecca Purfit (Shropshire Pension Fund)  
Steve Makin (Avon Pension Fund)  
Victoria Bennett (West Midlands Pension Fund)  
Zoe Stannard (Wiltshire Pension Fund)

## **Apologies**

Antony Ellis (West Midlands Pension Fund)  
Jenny Gregory (West Yorkshire Pension Fund)

## **1. Actions and agreements from last meeting held 21 February 2014**

Chair reviewed minutes from the last meeting all agreed that these were a true reflection of the meeting on the 21 February 2015.

Mary (ML) confirmed that the AE guide was updated in March in line with annual updates. A further update will be made in due course to reflect the changes made via SI 2015/501 (the Occupational and Personal Pension Schemes (Automatic Enrolment) (Amendment) Regulations 2015).

Neil (NL) asked if further details will be added to the AE guide on re-enrolment given that re-enrolment dates will shortly be with some of the LGPSs larger employers.

**Action 1:** Secretariat to check guide and provide update to CWG at next meeting.

## **2. Communications Working Group**

### ***New Members and group membership***

CWG welcomed Victoria Bennett (VB) to the group; Victoria will replace

Antony who is leaving West Midlands at the end of June. The group noted their thanks for Antony and the role he played on the group.

#### ***LGPC Secretariat***

ML provided an update on the provision of Secretariat ahead of her departure from the LGA at the end of May. Lorraine Bennett will be joining the LGA/LGPC Secretariat on the 20<sup>th</sup> July and will take over the role of LGPC Secretariat for the group.

#### ***Confirmation of Chair and Vice Chair***

Confirmed that Heather (HC) will continue in the role of chair for the group and the group thanked her for doing so. Mathew (MJ) put forward his name for the role of vice-chair of the group and was confirmed in the role, again the group thanked him for doing so.

Regional Communications Groups - the group had a discussion around the role of regional communications groups and how they feed into the national CWG. Whilst at present there are no formal link between both national and regional some regional groups do base their meetings around the timing of the national meeting to provide relevant updates. Noted that the group could do more to link between national and regional groups and suggestion that this is looked at in more detail at a future meeting.

#### ***CWG Plan***

All agreed that Plan was up to date and can be uploaded to the LGPS Regulations website.

### **3. Member website**

ML provided an update on the work to develop the LGPS member website and provided a demonstration of the information on the test website.

Rebecca (RP) asked if a copy of the sitemap could be shared with the group.

**Action 2:** Secretariat to share map with CWG members. **Post meeting update map emailed to group 28/05/2015.**

Discussion about the search facility to be added to the website particularly trying to locate a search engine for the site which is useful for the users. Difficult to provide a really excellent search facility on the site but ML to investigate further. Need for development of FAQs and Glossary.

### **4. Annual Benefit Statements**

#### ***Customer Journey Mapping***

VB provided update to the group on the customer journey mapping which WMPF undertook in April on their 2014 statement alongside some focus group testing on their new ABS template for 2015, which is based heavily on the national template.

VB confirmed that she will share the updated WMPF ABS template once this has been amended with the CWG.

VB also mentioned that they plan to provide video tutorials for each section of their ABS this year to help members understand what information is being provided.

### ***Updated Active ABS Template***

Chair noted that new ABS template (v1.1) now available on LGPS Regulations website. ML confirmed that amendments and additions followed the lessons learned from the focus group held at WMPF which the LGA took part in. It is becoming evident that the information we are required to supply to scheme members as part of their ABS is difficult for most members to understand. Zoe (ZS) noted that whilst preparing her Funds ABS the volume of information that was required was becoming burdensome. Carol (CH) noted the importance of the summary section and a need to emphasise that so that those members who required a quick figure of what they are worth at 31 March 2015 can locate that information easily.

Discussion around service history inclusion. Guy (GH) referenced some software related considerations for how service history can be shown on ABSs. Funds all appear to be doing something different in respect of provision of service history/membership details. Appears from group discussions that as many are not asking for up to date service history details from employers (except on member leaving an employment) it does mean that providing membership details post 1 April 2014 is more difficult. For others using member self-serve means that members can more easily identify their service history details and will be directed to do so.

CWG also agreed that members will share copies of their guidance notes with each other, first draft versions would be helpful even in the first instance to ensure everyone is on track.

David (DW) asked the group if their Funds are providing converted lump sum figures? A small number confirmed they would provide that information but some adding that those types of figures could potentially lessen the attraction of freedom and choice.

Jenny (JW) noted that what the LGPS could benefit from is an online 'lump sum modeller' to help people see the potential for tax-free cash lump sum from the scheme.

Chair noted that another potential option is actually showing the CETV value of the member's benefits on their ABS.

All group members agreed that this year's ABS exercise is going to be a difficult exercise given the volume of information to be provided and the fact that last year saw us only provide figures at 31 March 2014. All agreed that a review of ABSs needs to be undertaken by the group after 31 August 2015 and it is agreed that the group put this on the agenda for future meetings in

September and November.

### **Deferred ABS**

Discussion about progress on Deferred ABS at each Fund. Martin (MG) to share Staffordshire's statement with group for information.

Some Funds noted that they are not sending statements to those with post 2014 CARE deferred benefits.

Agreed that all CWG members share Deferred ABS templates and notes with each other over coming weeks.

**Action 3:** CWG members to share copies of Deferred ABSs and notes with each other over coming weeks.

## **5. Freedom and Choice**

Update on member communications developed since the last meeting including

- Technical note
- Q&A for Funds
- Q&A for Scheme Members
- Q&A for Employers

Overall these were well received by the group.

One comment noted by ZQ and GH was that the brief employees guide did not contain enough information about F&C. ML to review this document as part of next set of amendments due before end of May.

**Action 4:** Secretariat to review brief employee guide to ensure it has sufficient information included relating to F&C

Overall group members noted an increase in queries however that is not translating into an increase in transfer requests. Those most vociferous are often financial advisers.

Some members noted that employers were interested in options to encourage deferred members to transfer therefore removing future.

The Chair also noted the various other **consequences for transfers** following the introduction of F&C legislation.

These include:

If a member already in receipt of a pension from the LGPS (other than as a Pension Credit member) re-joins the scheme and builds up further rights, then leaves that further period of membership with a deferred benefit, they will not be entitled to a CETV under the Act in respect of that further period of employment. This is because they fail Condition 2 of section 93 of the Pension Schemes Act 1993 i.e. they have already had a crystallisation event

in relation to their accrued rights to defined benefits in the scheme.

Post meeting note: The LGPC Secretariat are checking whether the above also includes survivor benefits in payment - checks are being made with DWP and an update will be made the Technical Paper on F&C in due course.

If a member has a deferred benefit in the LGPS, subsequently re-joins the scheme and does not aggregate the membership (i.e. retains separate benefits), the member would not (whilst still an active member in the new employment) be entitled to a CETV under the Act in respect of the deferred benefit. This is because the member fails Condition 3 of section 93 of the Pension Schemes Act 1993 i.e. they are still accruing rights to defined benefits in the LGPS.

If a member is within 12 months of, or has already attained, their normal Pension Age when they voluntarily retire then, although they can defer drawing their LGPS benefits until, at the latest, age 75 they have not right to a CETV under the Act.

Andy (AB) also made reference to work his fund is undertaking around due diligence including a ten point plan.

Finally ML made reference to a recent change from QROPS to ROPS and a recent email which the Secretariat issued on this subject.

## **6. AVCs**

Chair noted the current position regarding AVCs and ML noted the latest position as provided for in Bulletin 126 (March 2015).

Chair also provided an update from the recent PRU user group on AVCs. Some areas of discussion included the interpretation of what 'ceasing an AVC' actually includes, for example suspending contracts or stopping payment as well as updates on information to be provided under disclosure requirements for DC schemes or 'wake-up packs' and also reference to changes to Annual allowance and the new special rules when taking any "flexible access" benefits from a money purchase (defined contribution) arrangement.

## **7. Amending Regulations - SI 2015/755**

Discussion on the draft member communications document shared with the group and confirmation that LGPC Secretariat will be issuing a Bulletin shortly to confirm details behind the changes from SI2015/755.

JW raised a query over what type of service a deferred benefit as a result of an opt out on or after 11 April 2015 would be, for example in respect of that member re-joining and having less than 2 years membership?

**ML TO CHECK -**

## **8. Updates to Member Communications since last meeting**

ML provided an update to the group on recent amendments to employee and councillor guide, the aggregation leaflet and the APC calculator.

Cheryl (CP) noted the font size used in the councillor full scheme guide in England and asked that this could be reviewed.

**Action 5:** Secretariat to review councillor guide regarding font size as part of next update to that document.

## **9. NI Database and Tell us Once (TUO) update**

Database: ML provided demonstration of the new NI Database and confirmed that the database was now being tested by a group of Funds with that testing to be completed by 4<sup>th</sup> June. Depending on how that testing goes the expectation is that the Database would go live during the summer.

TUO: ML confirmed that email being issued to Funds in coming days seeking commitment that all LGPS Funds will sign up to TUO which is expected to go live in September 2015. This is required before the LGPC sign a letter of intent confirming that the LGPS will sign up for the extension of the TUO service.

## **10. New State Pension/ End of Contracting out**

ML provided a quick update following a national DWP meeting on new State Pension Communications and confirmed that handouts would be shared with the group. That meeting covered technical information on how the 'starting amount for SPA is worked out', 'how an individual can increase their amount' and 'how derived rights work'. DWP have also confirmed that a leaflet covering the ending of contracting out impacting on members of public service pension schemes is also expected in the coming weeks.

## **11. A.O.B**

**Group asked to consider whether information for new employers (particularly academies) should be developed centrally or do group members think sufficient information is being developed locally with Funds?**

Following group discussion agreement that information prepared and delivered to new employers was robust and much work has been done locally to improve these employer welcome packs given the number of new employers with most Funds have had over recent years. Some of the issues that Funds do find with new employers is that many outsource services and therefore information is not fully shared with all who require it.

In respect of Academies group members agreed that more needs to be done by DfE at the very first point of contact on moving to academy status on the

subject of pensions.

**12. Next Meetings**

- 9 September 2015 - 11am to 2pm in Rooms A&B Layden House.
- 25 November 2015 - 11am to 2pm in Rathbone Rooms 7.1 & 7.2 in Local Government House.