

Communications Working Group

Agreements and actions

Thursday 11 April 2024

1. Apologies and introductions

Present

Amanda Jupp (**AJu**) Kent Pension Fund
Andy Hemming (**AH**) West Midlands Pension Fund
Becky Clough (**BC**) SAB Secretariat
Bethany Goss (**BG**) Surrey Pension Fund
Guy Hayton (**GH**) Merseyside Pension Fund
Jacinta Wilmot (**JW**) Environment Agency
Karen Thomas (**KT**) Gwent (Torfaen) Pension Fund
Kath Meacock (**KM**) Flintshire Pension Fund
Kevin Gerard (**KG**) Carmarthenshire Pension Fund
Lindsey Davison (**LD**) Tyne and Wear Pension Fund
Lorraine Bennett (**LB**) LGPC Secretariat
Louise Campbell (**LC**) North East Scotland Pension Fund
Madelena da Costa (**MdC**) Buckinghamshire Pension Fund
Mandy Judd (**MJ**) Hampshire Pension Fund
Martin Griffiths (**Chair**) Warwickshire Pension Fund
Rachel Abbey (**RA**) LGPC Secretariat
Rebecca O'Shea (**RO**) Oxfordshire Pension Fund
Sharon Grimshaw (**SG**) Northamptonshire Pension Fund
Sinead Nicholson (**SN**) NILGOSC
Stuart Duncombe (**SD**) West Yorkshire Pension Fund
Tim O'Connor (**TO**) Enfield Pension Fund

Apologies

Alastair Johnston (**AJo**) Durham Pension Fund
Ben Altoft (**BA**) Avon Pension Fund

2. Subgroups

Digital engagement subgroup: Becky O'Shea, Kath Meacock, Stuart Duncombe, Jacinta Wilmot, Amanda Jupp, Sharon Grimshaw.

McCloud ABS subgroup: Guy Hayton, Jacinta Wilmot, Louise Campbell, Stuart Duncombe, Kevin Gerard.

McCloud letter templates subgroups: Stuart Duncombe, Martin Griffiths, Amanda Judd, Karen Thomas, Lindsey Davison.

LGPS promotion project subgroup: Guy Hayton, Rebecca O'Shea, Sinead Nicholson, Tim O'Connor, Becky Clough.

Pension awareness week subgroup: Stuart Duncombe, Andy Hemming, Bethany Goss, Louise Campbell, Kath Meacock.

Lump sum declaration form subgroup: Martin Griffiths, Guy Hayton, Andy Hemmings, Stuart Duncombe, Karen Thomas.

3. Actions and agreements from last meeting held 11 January 2024

- Action 1: RA has corrected the relevant FAQ
- Action 2: No ideas for news articles received
- Action 3: RA has completed the annual updates to the member website. LGA are considering updating the carousel to promote the videos section
- Action 4: The digital engagement survey has been run and will be discussed later
- Action 6: Infographic from Surrey received – RA to share with the group. Lincolnshire's was a work in progress and will be shared once they have completed it
- Action 7: LGPS promotion group met in February – to be covered later at this meeting
- Action 8: JW confirmed that the company that produced the EA video would be willing to work with us. But it is more likely we will use our existing style for any new resources, and so likely a different provider
- Action 9: McCloud letters – to be carried forwards
- Action 10: McCloud ABS subgroup met in February – covered later
- Action 11: SN and BG to share their pensions dashboards articles with the group – not yet received
- Action 11: LGA published a draft version of the new lump sum declaration form. It was not possible to check and revise the form before the 6 April deadline.

- Action 12: The Pension awareness week subgroup met in February. This will be covered later at the meeting
- Action 13: RA shared the draft workplan for 2024/25 with the group. This will be discussed later at this meeting
- Action 14: The proposed midlife pensions MOT to be considered at the October meeting.

4. Member website

News section

The LGA published news articles in February covering the new contribution bands and annual pensions increase. Updates to the website for 2024 are underway, with a few pages left to finalise. Updates include the new contribution bands, new APC limit and the removal of the lifetime allowance.

Action 1: LGA to finish website updates for April 2024 changes – Tax page and calculators.

AH reported that a problem with the lost pension calculator not accepting pence input has recurred.

Action 2: LGA to work on solving the error in the lost pension calculator.

Other website updates

The LGA will be making improvements to the calculators available on the member website this year. The lump sum calculator will be enhanced, allowing users to input AVC fund values. We will also introduce a new AVC calculator.

The LGA will update template factsheets and guides by the end of May.

5. Engagement

Digital engagement survey

The LGA ran the digital engagement survey in February and March. The survey has now closed and the results collected. The numerical data is useful – showing the percentage of different member groups signed up to the portal – but the more subjective data about significant problems or benefits seems less useful, with few trends that funds do not already know about. The group now needs to decide how to display the results, whether to run the survey again, and if so, how frequently.

There was some disagreement about how the results from the recent survey should be published.

Action 3: The LGA and subgroup to consider the best way to make the responses to the recent survey available, publish the information and decide whether the survey will be needed in the future.

BC pointed out that new [Annual report guidance](#) includes questions covering the same numerical information about portal sign-up rates – see refs C1 to C6 of the guidance. She provided an overview of the guidance:

- the guidance was approved by CIPFA reporting committee in February and published on 28 March 2024
- KPIs: there are more administration KPIs than there were in the previous version of the guidance. The legal timescales have been removed. ‘Best endeavours’ basis for administering authorities to supply the information for the 2023/24 year
- The new guidance is free, unlike the 2019 guidance
- The Scheme Advisory Board (SAB) encourages feedback on the guidance from the national technical group and from this group.

Some members of the group expressed concern about the intention to capture information about the number of telephone calls, emails and other communications received. BC explained this is a structured way to identify the amount of work being done by administering authorities. Reporting the number of cases completed does not capture the full breadth of work done by pension administration teams. TO and KG recognised the value in finding out how long is spent on communications. This can be used to identify training needs if there are differences in the average time spent on phone calls within the team.

Action 4: Add the annual report guidance to the agenda for the next meeting. Primarily, we would expect feedback from this group to cover communications issues.

The scheme annual report could replace the numerical results from the survey going forwards. Members of the group may wish to raise any particular problems or successes they have had using a portal at future meetings of this group. This should remove the need for the more subjective questions included in the survey.

LGPS promotion project

The LGPS promotion subgroup met in February to consider what resources could be produced for use by administering authorities and Scheme employers. There is considerable enthusiasm for the project, but it still needs focus to decide on a number of issues:

- Whether to produce materials for administering authorities or employers to use
- What medium to use – animation, e-learning and/or something else
- Who to target – new employees/members, employees who have opted out or to improve understanding among existing employees.

The original intention was to ask administering authorities for their views at the regional meetings held in spring, but it was not possible to finalise our questions and give authorities time to raise them with their fund employers before that round of meetings started.

BC let the group know that the SAB was planning to survey councils in the next few weeks about opt out rates and the importance of the LGPS to recruitment and retention. It may be possible to add questions relating to promotion of the scheme to that survey.

Action 5: LGA to work with the SAB team on questions to add to the employer survey about promotion of the LGPS.

6. Accessibility

AH asked whether the group had any concerns about using ‘see’ and ‘look’ in their standard communications as these could be offensive to members with a visual impairment. Based on information available online, there is a consensus that such words do not need to be avoided. See the [Vision Foundation factsheet](#) or the [UK Coaching team guidance for communicating with a visually impaired person](#), for example.

RA alerted the group to new a new version of the Web Content Accessibility Guidelines (WCAG) that were published on 5 October 2023. [What’s new in WCAG 2.2](#) lists the new success criteria.

7. McCloud remedy

Update on latest position

DLUHC recently published a limited consultation on draft statutory guidance on implementing the McCloud remedy. This includes a new interpretation on the rules about eligibility for protection which will be problematic for administering authorities. Instead of being protected or not, a member’s protection status could change as a result of the transfer of a separate deferred benefit or deferred refund. The LGA is seeking an independent legal opinion on this topic.

The LGA is considering changes to the NI database to help administering authorities navigate the McCloud project. Those changes are:

- including a McCloud indicator
- adding the date of leaving for non-active members
- allowing funds in England and Wales see data from Scottish funds and vice versa. LGPS Northern Ireland are considering whether they wish to be included.

LB is getting legal advice on whether these changes can be made by issuing an addendum to the existing data sharing agreement. Getting a new data sharing agreement signed by all funds would take significant time and effort.

LB is also working with Heywood on the development of an API that will allow pensions administration software to 'talk to' the NI database directly as part of a task. Other software suppliers are not currently involved but may adopt this development later.

McCloud letter templates

HMRC has recently announced that interest payable on McCloud top-up payments will be unauthorised in some cases. We expect GAD to produce a calculator to assist funds work out the interest and any unauthorised payment tax charge. None of the group was planning to start to make McCloud top-up payments until the GAD calculator is available.

The letter subgroup will meet again after a final version of the lump sum declaration form has been published. That form will be the basis of any declaration form related to the payment of pension arrears.

DLUHC statutory guidance on McCloud implementation

This limited consultation ran from 1 March to 12 April 2024. The LGA is preparing a response which highlights our major concerns about the guidance:

- the new interpretation of the eligibility rules, which mean a member's protection status could change
- the difficulties administering authorities will have to meet the deadline given the lateness of the publication of the guidance and other relevant information
- the level of complexity involved in the proposed calculation of non-Club transfers of remediable service.

McCloud ABS wording

The subgroup met in February and agreed that they would not be in a position to send differentiated messages based on McCloud protection status in 2024 statements. Their priority was for the requirements for 2025 statements to be agreed so that these can be shared with the software suppliers. Once that is done, the group will discuss what wording is needed to accompany the new information that will be included in the statements.

Action 6: RA to update the Annual Benefit Statement technical guide to include the 2025 requirements for McCloud information by the end of May 2024.

The LGA continues to work with DLUHC on McCloud issues. One issue concerns benefit statements for deferred members who are over NPA. McCloud figures will need to include late retirement increases and so must be based on a particular date. 31 March does not seem an appropriate date as this is before pensions increase is applied. A decision is needed on what date to use.

The group discussed the 2024 statements and the need to reference McCloud in them.

Action 7: Subgroup to agree on template wording for 2024 annual benefit statements in time for the April LGPC bulletin.

SN asked about communications from the civil service pension scheme about the implications of the McCloud remedy on past annual allowance calculations. The group agreed that this was not a major issue in the LGPS. Members of the unfunded schemes will move from one scheme to another, changing their annual allowance figures for every year of the remedy period. Past annual allowance figures in the LGPS will only change for members who had a tax charge or a pension saving statement for the year of retirement **and** they had an increase to their pension because of the 'old' underpin. If a member took flexible retirement or returned to LGPS membership after retirement, a pension saving statement or tax charge for one of the three years following their earlier retirement may be affected.

8. Pensions dashboards

Latest updates

DWP released [guidance on the staged timetable](#) on 25 March 2024, confirming a connection date of 31 October 2025 for public service pension schemes. This is a month later than had previously been suggested to allow a connection break in

summer 2025. The timetable is not mandatory, but schemes must have regard to the guidance.

TPR will 'nudge' public service schemes about the connection date from August 2024 (15 months ahead of the staging date) and will issue a survey in September 2024 as part of the nudge programme.

MG asked whether all administering authorities are discussing pensions dashboards and the possible need for extra resources to deal with dashboards queries with their pensions boards. Most funds in the group already have dashboards on the agenda for pension board meetings.

[TPR's Preparing to connect checklist](#), part of its pensions dashboards initial guidance sets out its expectation that schemes will regularly discuss pensions dashboards at board meetings. This is expanded on in section 5 of the [LGA Pensions Dashboards connection guide for administering authorities](#).

TPR plans to attend each regional pensions officer group to talk about pensions dashboards and will attend individual funds if they are invited.

9. Pension awareness week 2024

AH updated on the progress of the pension awareness subgroup which met twice since the last meeting. The group plans to produce a toolkit for administering authorities to use for their own pensions awareness week events. They recognise that some funds have limited resources for this type of project and want to produce generic resources that can be used by any fund, making use of their in-house design capabilities. They intend to produce:

- A Powerpoint presentation which can be used as the basis of webinars or in-person events for members
- Written materials to promote useful resources such as tools on the national member website
- A background to use in Teams/Zoom meetings during pensions awareness week
- Email footer for pension awareness week
- Template social media posts
- QR codes for useful online resources.

The group discussed the possibility of delivering national LGPS presentations. With our current technological resources, we could not deliver a live presentation to thousands of LGPS members. One benefit of 'live' events is the ability for members to ask questions and this would not be practical at a very large

webinar. It would not be possible to deliver useful fund-specific information at a national webinar.

SN noted that they record the webinars they deliver. This allows members who cannot attend at a particular time of day to see them. They must publish a transcript, which means it can take some time to publish after the event.

The group decided it would not be achievable to deliver any national events this year. We will concentrate on the toolkit for this year and consider whether it would be viable to provide a recorded webinar in 2025.

Action 8: Subgroup to finish slide deck before the next meeting (4 July 2024).

10. Abolition of the lifetime allowance

Latest updates

The lifetime allowance (LTA) was abolished from 6 April 2024. HMRC had a limited time to make the necessary changes. Regulations, guidance and the pensions tax manual were still being updated at the last minute and the LGA has identified mistakes and contradictions in legislation and guidance. The LGA did publish a first draft of their technical guide shortly before the changes took effect. They expect to have to update the guidance as HMRC and DLUHC make further changes, decisions and clarifications.

Lump sum declaration form

Although very few people will have to pay a tax charge under the new rules, pension schemes will have to ask for more complicated information than they were required to in the past before they pay a lump sum. The information is not needed when a member takes a pension with no lump sum. The LGA team published a draft version of a declaration form for LGPS administering authorities to use to gather this information. Initial feedback is that the first draft is too long and can be improved.

Most administering authorities have not yet adopted the new form. They are using existing lifetime allowance forms to identify any retiring members who may be affected by the new lump sum limits.

Action 9: Subgroup to meet the week after this meeting to discuss how to shorten and improve the LGPS lump sum declaration form.

Members who had a BCE but did not take the maximum lump sum permitted may apply for a transitional tax-free amount certificate (TTFAC). They can only do so before they take a lump sum from a pension after 5 April 2024. HMRC guidance

suggests that anyone who did not take the maximum tax-free cash option should apply. In reality, it is only those individuals with large pension who may be affected by the new lump sum tax charges and would therefore benefit from using a TTFAC. Time limits apply for providing a TTFAC, but a pension scheme can decline an application if the member does not provide complete evidence. Members have to declare that they hold a TTFAC, and it must apply at every RBCE, even if the member is worse off.

The LGA will consider producing a template TTFAC for LGPS administering authorities.

There are significant problems with the new rules for trivial commutation payments. The LGA expects rules changes in this area to prevent members from trivially commuting larger pensions.

Administering authorities will need to issue annual RBCE statements to members who retire from 6 April 2024. These will include monetary amounts instead of lifetime allowance percentages and P60s can still be used to communicate this information to member.

Other information

TO is looking at an online version of the declaration form. This would be dynamic and only the relevant sections would be displayed, based on the member's responses.

It is not possible for the LGA to say when the guide will be finalised. We expect further changes to legislation and HMRC guidance and we will continue to update our guide to reflect those changes as soon as possible after they are announced.

Action 10: LGA to add news articles to the member websites about the new lump sum limits.

11. Regional communication groups

The Welsh Communications Group has not met since the last meeting of this group.

The Regional Communications Group met in February. The group had a discussion with a speaker from the PLSA:

- PLSA focuses on producing DC resources which are not useful to LGPS members
- Pension awareness week events had a similar DC focus

- PLSA retirement living standards are not realistic for LGPS members who on average retire with a pension of around £5,000 per year
- PLSA is looking to set up a subgroup to produce LGPS versions of their communications
- some LGPS funds pay extra to fund PLSA research, but they don't think the results are relevant to the LGPS or its members.

The regional group also discussed:

- Member newsletters
- Positive feedback about the McCloud resources on the national LGPS member website
- possible events for Pension awareness week
- their support for the LGPS promotion project
- suggestions to take forward to this national group.

12. Communications work plan

MG ran through the draft workplan for 2024/25, in particular the terms of reference of the group:

- The group will continue to meet four times a year, twice in person and twice hybrid with the option of attending in person at Smith Square. RA to consider moving the summer meeting to the end of June instead of the beginning of July in future years.
- There is no plan to increase the number of places on the group. We operate a waiting list for places that become free when an existing member leaves the group.
- MG thanked the LGA for the support they provide to this group and to administering authorities generally.
- The terms of reference have been amended to make it clear that this is a working group. Each member should take part in one of the subgroups so the workload is spread fairly across the group.

The group voted on the proposal to allow members of the group to send a substitute to a meeting if they are not able to attend. The group voted against this proposal and so substitutes will not attend future meetings.

The group recognised that this is a working group that relies on members to participate and attend meetings. Members who miss more than one meeting in a year when there are no extenuating circumstances may be asked to leave the group.

Action 11: RA to update the workplan with the decisions about substitutes, minimum attendance at meetings and subgroups and publish it.

Action 12: Any member of the group who wishes to join one of the subgroups should contact RA and MG.

13. AOB

The group asked whether there had been any indication of progress on exit payment reform. RA confirmed that this remained a Government commitment, but there had been no movement so far. It seems unlikely that any progress will be made before the general election.

14. Future Meetings

4 July 2024 – 11am to 2.30pm, hybrid

3 October 2024 – 11am to 2.30pm, in person