

Communications Working Group

Agreements and actions

Tuesday 26 April 2022 – Microsoft Teams meeting

1. Apologies and introductions

Present

Alastair Johnston (**AJo**) Durham Pension Fund

Amanda Jupp (**AJu**) Surrey Pension Fund

Ayesha Green (**AG**) Dyfed Pension Fund

Becky Clough (**BC**) Shropshire Pension Fund

Ben Altoft (**BA**) Avon Pension Fund

Guy Hayton (**GH**) Merseyside Pension Fund

Jacinta Wilmot (**JW**) Environment Agency

Karen Brooker (**KB**) Kent Pension Fund

Karen Thomas (**KT**) Gwent (Torfaen) Pension Fund

Kath Meacock (**KM**) Flintshire Pension Fund

Lindsey Davison (**LD**) Tyne and Wear Pension Fund

Lorraine Bennett (**LB**) LGPC Secretariat

Mandy Judd (**MJ**) Hampshire Pension Fund

Matthew Allen (**vice-chair**) Cornwall Pension Fund

Rachel Abbey (**RA**) LGPC Secretariat

Rebecca O'Shea (**RO**) Oxfordshire Pension Fund

Sharon Grimshaw (**SG**) Northamptonshire Pension Fund

Sinead Nicholson (**SN**) NILGOSC

Apologies

Martin Griffiths (**chair**) Staffordshire Pension Fund

Andy Hemming (**AH**) West Midlands Pension Fund

Stuart Duncombe (**SD**) West Yorkshire Pension Fund

The group welcomed Ayesha Green to her first meeting and introduced themselves. LB informed the group that Pamela Bruce has now retired from Lothian Pension Fund and no Scottish authorities are represented on the group.

Steven Moseley from the LGA pensions team will ask Scottish authorities if they want to send a representative to future meetings.

2. Subgroups

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

Letter templates subgroup: Stuart Duncombe, Sharon Grimshaw, Ben Altoft, Karen Thomas.

Employer ill health briefing note subgroup: Stuart Duncombe, Guy Hayton, Mandy Judd (or another rep from Hampshire), Martin Griffiths.

McCloud subgroup: Martin Griffiths, Matthew Allen, Kath Meacock, Lindsey Davison and Amanda Jupp.

Exit payment reform employer subgroup: Matthew Allen, Guy Hayton, Stuart Duncombe and Rebecca Clough.

Exit payment reform member subgroup: Martin Griffiths, Amanda Judd, Rebecca O’Shea, Jacinta Wilmot and Steve Jones.

3. Actions and agreements from last meeting held 11 January 2022

The Vice-chair confirmed that actions relating to the member website had been completed. The website launch is covered in a later agenda item.

Pension credit wording had been shared with the subgroup in advance of the meeting. LB is happy with the wording and intends to take pension credit wording off the workplan.

Action 1: LB to share approved pension credit wording with the rest of the group.

Post meeting update: we decided to include the wording in the minutes so that all funds can access it:

“Claiming pension credit

If you are over State Pension age (SPa) and on a low income, you may be entitled to extra money to help with your living costs. This is known as pension credit and is separate from your State Pension.

You can apply for pension credit up to four months before you reach your SPa. You can apply after you reach SPa but your application can only be backdated three months.

Find out about pension credit and how to apply on the [GOV.UK website](#) or call the pension credit claim line on **0800 99 1234**.

If you need help completing benefit claim forms, make an appointment at your local Citizen's Advice Bureau. They have advisors that will help you.”

4. COVID-19

Updates from the group

The Vice-chair asked the group for updates on working practices as a result of the pandemic. The discussion centred on infection levels, demand for in-person events and longer-term plans for hybrid working:

- Most teams are returning to the office for a fixed number of days per week – generally one or two days. Some teams are not at this stage yet but expect a return to the office two or three days per week.
- A small number of teams have not returned to regular working in the office and do not expect to do so. Working in the office will be reserved for projects and collaborative working.
- Many teams have seen a higher rate of sickness in recent months, in some cases connected with the return to the office.
- Those who have been infected generally display mild symptoms and many of them can continue to work.
- Some funds reported a change in attitude to home working, with this being the norm if a team member displays any symptoms, even if they are testing negative for COVID-19. One authority has reverted to a policy of office working except for those who have made a formal request to work from home.
- Rules about desk spacing have been relaxed in recent months, although a level of social distancing in the office is still encouraged.
- As Scheme employers return to office working, demand for in-person pension events is increasing. However, many people are now used to online training and events. Demand is lower for in-person events because

of nervousness about the pandemic but people also appreciate the convenience and lack of travel costs.

- The group reported that people appeared to be more likely not to turn up for a free online event.
- LB noted the mixed picture in demand for LGA training events. Demand was high for one-day training courses online, but low for in person training. The reverse was true for the Insight course for new pensions administration staff. LB reminded the group to let the LGA team know if you are unable to book on to a course that you want to attend. We will do our best to satisfy demand for the courses we are offering.
- A reduction in demand for employer training offered by the LGA may be due to actuarial firms offering free courses on this subject. LB's view is that with more than 16,000 Scheme employers, there is room for multiple suppliers.
- The group agreed that training and upskilling new staff was much harder remotely than in person. Returning to the office should make knowledge transfer easier and speed up the training process.
- The results of the LGA survey on salaries may give funds some leverage to explain the national position to their council and ask for higher wages. LB assured the group that results of the survey would be shared anonymously with administering authorities only. There is no connection between the survey and comments from DLUHC about consolidating LGPS administration.

5. Member website

Launch of new member website

The Vice-chair welcomed the launch of the member website, citing its improved accessibility and ease of use. He asked for feedback from the group:

- Some funds have used the launch materials to promote the website to their members and employers in newsletters and on social media.
- Those funds that have their own comprehensive website are less likely to promote the national site. However, some are considering using links to the national site more frequently instead of maintaining a large amount of content that they must keep up to date.

- Some people who are familiar with the old site, including administrators, are having some difficulty finding the content they are looking for. Information about death in particular was now harder to find.
- LB pointed out that the search facility has been significantly improved and can be used to find specific content. The information about death was included on multiple pages of the old site and there was a considerable amount of repetition. Moving all information about the benefits payable on death to the FAQs should reduce duplication and make improve member understanding.

LB reported that there has been an increase in the number of people visiting the site and that the bounce rate is down. The LGA will engage a company to undertake an accessibility audit to identify any areas for improvement.

6. Digital engagement

Subgroup update

RA thanked the subgroup for the work they have done on producing the digital engagement guide.

Action 2: RA to complete a check of the document and share a final version with the subgroup by the end of May 2022.

Member engagement

The Vice-chair's authority has only recently launched a member portal. One aim is to reduce the cost of sending paper statements and newsletters. He plans member events to increase engagement. He asked the group to share their progress and experiences.

- Many pension boards and committees are now showing an interest in member engagement, including sign up rates for member portals. The group welcomed any advice from administering authorities that had achieved a higher than average sign up rate for the portal. Sign up rates were generally in the 25 to 30% range.
- SG has produced a report for their board showing that engagement rates compare well with industry figures.

Action 3: SG to share industry data used to produce the report with the group.

- Certain changes may encourage members to take action – either to sign up or opt out of digital communications. Actions taken by the group include

issuing pensioner newsletters digitally only and moving from 'opt in' to 'opt out' for pensioner members.

- Some funds noted that the move to digital has increased the workload in certain areas of the team. Issuing annual benefit statements used to be a single process to produce paper statements. Now the process involves producing and uploading electronic statements, communicating with members by email, dealing with returned emails and producing paper statements for those who have opted for them and those without a valid email address. More resources are needed on the communications side and supporting members struggling with the sign-up process.
- Use of the portal does mean that workload has reduced for other parts of the team such as producing retirement estimates.
- Some funds had increased participation by encouraging and helping members to sign up in person at pension events or roadshows. An online guide to the sign-up process was also mentioned. Heywood offer a tool to identify sign-up rates at employer level, which may present an opportunity to target efforts to boost sign-up rates.
- The group recognised that the launch of pensions dashboards may present an opportunity to capitalise on interest in pensions generally.

Action 4: LB to add Pensions dashboards to the agenda when the connection deadline is nearer.

- The Scheme Advisory Board Good governance guidance recommends that funds issue satisfaction surveys to members and employers. The view of the group was that shorter surveys got a better response rate from members. There were mixed views on whether to send surveys regularly, such as monthly or quarterly, or to send one at the end of a 'transaction'.
- Employer surveys were generally longer. Some funds include questions about the employer's satisfaction with the service they receive from the pensions team and on the employer's roles and responsibilities.

7. McCloud remedy

Communication with employers

The SAB guidance recommended that employers were given a deadline of 31 March 2022 to provide service and hours data necessary to implement the

McCloud remedy. Some funds used this deadline, others chose a later one as the timetable for regulation amendments has also changed.

Funds have reported that the quality of some data they have received from employers is poor. Loading the data and dealing with the resulting queries is a lengthy process.

Some employers have not yet supplied the data. Those that have changed payroll provider in the remedy period face a significant challenge. Funds are chasing for the data, but not urgently as the timescales are not clear.

McCloud communications

The LGA has recommended that funds include a paragraph about McCloud in annual benefit statements in the last two years. As DLUHC has not yet responded to the consultation, and draft regulations have not yet been published, LB's view is that the same wording can be used in 2022 statements.

Action 5: LB to review the wording and share with the group if it is suitable for use this year.

Post meeting update: the wording is copied below. It is suitable for use again this year.

“When the LGPS changed from a final salary to a career average pension scheme in 2014, protections for older scheme members were introduced. Similar protections were provided in other public sector pension schemes. The Court of Appeal ruled that younger members of the Judges’ and Firefighters’ Pension schemes have been discriminated against because the protections do not apply to them. The Government has confirmed that there will be changes to all main public sector schemes, including the LGPS, to remove this age discrimination. This ruling is often called the ‘McCloud judgment’.

The Government is still considering exactly what changes need to be made to remove the discrimination from the LGPS. This means it has not been possible to reflect the impact of the judgment in your annual benefit statement this year. If you qualify for protection, it will apply automatically - you do not need to make a claim. For more information, see [the frequently asked questions on the national LGPS website](#).”

KM asked whether the McCloud remedy should be referenced in pension savings statements. People who face a tax charge because of the impact of a large salary rise on their final salary benefits are more likely to be affected by the

revised underpin. We are not certain how the McCloud remedy will be reflected in annual allowance calculations. We expect members who face an annual allowance tax charge solely because of the remedy to be compensated. The group agreed it was not appropriate to add McCloud wording to pension saving statements until the Government's position was clear.

8. Regional communication groups

BC gave an update on the work of the Joint communications group chaired by Shropshire which last met in January 2022:

- Benefit statements and newsletters and the move to digital
- Sharing email templates and guides that have proved successful in increasing engagement
- The ongoing challenge of making content accessible and further training for the group
- Funds' approach to the TPR Pension Scams pledge.

The group agreed that improving accessibility is taking up significant time and resources. The group discussed different approaches to lessen the burden:

- Using a third party supplier
- Design software to convert a pdf into an accessible online e-book (Turtl)
- The need to create a culture of accessibility throughout the organisation, not relying on one person.
- Including a caveat where a document is not accessible and advising readers how to access an alternative format.

9. Communications work plan

Progress review

LB gave an update on the work plan.

- Many items will be carried forward to 2022/23 because the expected regulation amendments have not yet been made – McCloud, exit payment cap. We expect McCloud regulations in 2022/23. The exit cap does not appear to be a priority of the Government but remains on the plan because funds will need significant guidance when the cap is introduced.

- Aggregation letters and ill health will also be carried forward to 2022/23.
- Factsheets to remain on the workplan

KT asked about the standard transfer pack. This is being progressed by the LGA team, but not as part of this group's remit. A document is currently being produced which will include steps relating to avoiding pension scams.

Action 6: LB to update 2022/23 workplan.

10.AOB

Increase to NMPA: The Finance Act 2022 increases the normal minimum pension age (NMPA) from 55 to 57 from April 2028. The LGPS regulations do not mention NMPA, just age 55. DLUHC will have to amend the regulations to implement the change. We do not yet know if they will introduce a protected pension age, allowing existing members to continue to access their pension between age 55 and 57. Protected pension ages transfer when a member transfers their pension, which has introduced new complexity.

See the article on Finance (No.2) Bill 2021/22 in Bulletin 216 for information about what actions funds may wish to make now in relation to transfers.

Bulletin 223 includes an article on the disclosure requirements in relation to the increase in NMPA. The article recommends that funds consider whether to include the increase in communications with members. This should include communication with new starters.

Cost of living crisis: RO asked about the possibility of promoting the 50/50 section to encourage those members in a tough financial situation to remain in the Scheme. LB noted that the 50/50 section is a qualifying scheme for automatic enrolment purposes. Funds should provide information about the 50/50 section but not advise members to join it. Some funds already provide information about the 50/50 section in response to requests to queries about opting out.

JW is involved in setting up a salary sacrifice AVC scheme which allows members and employers to save on national insurance. She may also cover 50/50 when promoting the AVC scheme to members. JW asked for anyone with experience with AVC Wise to share their experiences.

Prudential: Some funds reported an improvement in service with AVC payments being paid within four or five days. Other funds still had not received end of year accounts and AVC statements had not yet been issued.

11. Future Meetings

The group expressed a preference for hybrid meetings to avoid travel time and costs, and as a result of the ongoing pandemic. However, the group was keen to meet in person once a year.

LB will schedule the next year of meetings. The next three will be hybrid, the April 2023 meeting will be in person.

It has proved difficult for those attending hybrid meetings virtually to identify who is speaking. LB asked those who attend the hybrid meetings in person to join the meeting through their laptop with their camera on so that it is easier to see who is speaking.