

London Borough of Hillingdon
Administering Authority for the
London Borough of Hillingdon Pension Fund

COMMUNICATIONS STRATEGY

July 2017

PART I – MEMBERS, PUBLIC & PRESS

Pension Board - 24 July 2017

COMMUNICATIONS STRATEGY

Introduction and Background

This is the Statement outlining our Pension Communication Strategy for the London Borough of Hillingdon Pension Fund (“the Fund”) and has been developed following consultation with employers in the Fund, scheme member representatives, Pension Board members and other interested stakeholders.

The aim of this Communication Strategy is to ensure that scheme members appreciate the benefits of the scheme and all stakeholders are kept informed of developments within the Pension Fund, and effective communications will also help to maintain the efficient running of the Scheme.

London Borough of Hillingdon (the “administering authority”) is responsible for the local administration of the Fund, which is part of the Local Government Pension Scheme (“the LGPS”). Operationally, the administration of the Fund is undertaken by Surrey County Council under a delegation agreement and the team at Surrey and Hillingdon Council staff work together to provide a seamless service to scheme employers and members, and as such effective communication *between* the two organisations is vitally important. This policy focuses on effective communication between the Fund (i.e. the Council and Surrey County Council as administrator) and its external stakeholders.

The Statement sets out who we will communicate with, how this will be done and how the effectiveness of that communication will be monitored.

Implementation

This Strategy outlines the type of communications the administering authority would like to provide to scheme members and employers. It includes making more use of technology to provide quicker and more efficient communications for the Fund's stakeholders.

The London Borough of Hillingdon Pension Fund's administration was moved from the outsourced administrator Capita Employee benefits to a delegation agreement with Surrey County Council in November 2016, which was a significant project. As part of improving our service to scheme members we are looking at a number of projects which will improve communications and help meet the aims and objectives of this Strategy. These include:

- a review of the Fund's website, and what information will be available on the Surrey website;
- a review of the information provided to members by Surrey;
- implementing self-service web functionality to scheme members and employers.

This Strategy will be effective from 1 July 2017 and the performance indicators mentioned herein will demonstrate ongoing progress towards the Strategy's aims and objectives.

Regulatory Basis

The LGPS is a statutory scheme, established by an Act of Parliament. Regulation 61 of the Local Government Pension Scheme Regulations 2013, reproduced below, provides the conditions and regulatory guidance surrounding the production and implementation of Communications Strategies:

Statements of policy concerning communications with members and Scheme employers

61. (1) *An administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with —*

- (a) members;*
- (b) representatives of members;*
- (c) prospective members; and*
- (d) Scheme employers.*

(2) In particular the statement must set out its policy on —

- (a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;*
- (b) the format, frequency and method of distributing such information or publicity; and*
- (c) the promotion of the Scheme to prospective members and their employers.*

(3) The statement must be revised and published by the administering authority following a material change in their policy on any of the matters referred to in paragraph (2).

This statement has been developed to include the information required by those provisions and to describe our approach in relation to meeting these requirements in the delivery of communications.

Our Aims and Objectives

Mission Statement

The primary objectives of the London Borough of Hillingdon Pension Fund are:

- to be known as forward thinking, responsive, proactive and professional providing excellent focused, reputable and credible service to all stakeholders.
- to have instilled a corporate culture of risk awareness, financial governance, and to provide the highest quality, distinctive services within the resource budget.
- to work effectively with partners, being solution focused with a 'can do' approach.

In addition, we have specific aims and objectives in relation to our communication responsibilities as set out below.

Communication Aims and Objectives

This Communications Strategy has a number of specific objectives relating to how we communicate with our stakeholders, as follows;

- Promote the Scheme as a valuable benefit and provide sufficient information to educate members to help them to make informed decisions about their benefits.
- Communicate in a clear, concise manner.
- Ensure we use the most appropriate means of communication, taking into account the different needs of different stakeholders.
- Look for efficiencies in delivering communications, including through greater use of technology and partnership working, with the view that digital communications is the preferred long term communications solution.
- Annual review of the effectiveness of communications and shape future communications appropriately.

Ultimately, achieving these objectives should result in fewer member and employer queries, which will help all stakeholders whilst maintaining and improving the efficient running of the Scheme.

Delivery of Communications

London Borough of Hillingdon has delegated responsibility for the management of the Pension Fund to the London Borough of Hillingdon Pensions Committee, taking into consideration the thoughts of the Pensions Board. The Committee will monitor the implementation of this Strategy on a regular basis as outlined later in this statement.

Operationally, the communications of the Fund are undertaken partially by Surrey and partly 'in-house' within London Borough of Hillingdon. The London Borough of Hillingdon will also look for opportunities to work collaboratively with other Administering Authorities so as to reduce development costs and enhance the quality of information. This might include:

- working with other administering authorities through the Pensions Officer Group networks to produce communications, which can then be customised further where necessary to the needs of the London Borough of Hillingdon Pension Fund
- participating in joint training sessions with other administering authorities.

How we Communicate

Ensuring that key stakeholders are well informed about the LGPS is of paramount importance, and London Borough of Hillingdon recognises that communicating in a clear informative style is vital in achieving this aim.

Who we Communicate with

London Borough of Hillingdon recognises that there are several distinct stakeholder groups, such as:

- Scheme Members (active, deferred, pensioner and dependant members) and prospective Scheme Members
- Scheme Employers and prospective Scheme Employers
- Pension Fund Committee and Pension Board members
- Pension Fund Staff
- Other interested organisations including Government Departments, Scheme Advisory Board and Advisors to the Pension Fund.

The main means of communication with these key stakeholders are outlined in the next section.

Diversity of Communication

The London Borough of Hillingdon Pension Fund's information is also available in alternative formats for example, Braille or large print on request. The London Borough of Hillingdon Pension Fund always aims to use the most appropriate communication medium(s) for the audience receiving the information. However, the London Borough of Hillingdon acknowledges that digital communications is the preferred long term communications solution.

Methods of Communication

a) With Scheme Members and Prospective Scheme Members

Effective communication reminds, or alerts, employees to the value of the LGPS which negates misleading media information and aids recruitment, retention and the motivation of the workforce.

Website

All members have access to the Fund's website <http://www.hillingdon.gov.uk/pensions> which contains information about the Fund and the LGPS, and members are able to download scheme literature and forms. The website also links to the Surrey website <https://mypension.surreycc.gov.uk/> which provides a self-service facility for them to update their personal details online (including their expression of wish for any death grant that may become payable), calculate their own pension projections and check their membership history.

Annual Benefit Statements

These statements are distributed annually to all active and deferred scheme members and are currently distributed to home addresses. From 2018 these will be made available online rather than posted to home addresses

Newsletters

The Fund issues a periodic newsletter to contributing members, bringing to their attention information such as changes to scheme rules. The Fund also sends an annual newsletter to its pensioners. This is sent with the annual pensions increase notification and explains how their new annual rate of pension has been calculated. It also includes topical information such as relating to the budget and State benefits. The newsletter to contributing members is distributed electronically and the pensioner's notification is sent to home addresses

Telephone and email

All members have the opportunity to telephone, fax or email the London Borough of Hillingdon Pension Fund / Surrey County Council Pension Fund (as appropriate) for information in addition to the other lines of communication open to them.

Literature

The London Borough of Hillingdon Fund makes pension-related literature available to scheme members, including:

- A New Joiner Option Form which is the responsibility of employers to issue to all new members upon joining the London Borough of Hillingdon Pension Fund.
- A retirement pack sent to all members about to retire from the London Borough of Hillingdon Pension Fund.
- A welcome letter which is sent to all members joining the scheme to confirm their membership and provide information about the option to transfer in benefits and pay additional contributions if they wish.

Pensions Taxation Correspondence

Where appropriate, letters are distributed to all members who are affected by the Annual Allowance or the Lifetime Allowance, explaining changes to taxation rules and how this may affect their pension savings.

Annual Report

The Annual Report is published to highlight how the Fund has performed during the previous financial year. It also includes statements with regards to investment principles, funding strategy, and governance. It is available on the Fund's website.

b) With Employers

Effective communication between an administering authority and its Fund employers reduces errors, improves efficiency and leads to good working relationships. The main means of communication with employers are outlined below.

Employer key contact officers and meetings

We expect each employer in the Fund to designate a named individual to act as their key contact officer; this individual will be the main contact with regard to any aspect of administering the LGPS and the employer must keep the administering authority aware of the contact details for that person.

The Fund, where appropriate, will contact, and where relevant, meet with the employer key contact officer to discuss any issues relating to the LGPS and/or raise any issues around the performance of the employer or services provided by the administering authority. Meetings will be arranged if necessary (particularly if specific issues around the performance of the employer arise).

Individual Employer Meetings

Employers have the opportunity to meet with members of staff from the London Borough of Hillingdon Pension Fund / Surrey County Council Pension Fund (as appropriate) to discuss any issues with regard to the Local Government Pension Scheme. These meetings take place as and when they are required.

Administration Strategy

Introduced in April 2016, the administration strategy provides an overview of how the administering authority and employers will work together to achieve a high quality service. It is available on the Fund's website.

Website

The London Borough of Hillingdon Pension Fund website <http://www.hillingdon.gov.uk/pensions> includes a range of information relating to the scheme benefits and also management of the London Borough of Hillingdon Pension Fund. Employers are able to download password protected pensions forms which must be completed by the employer in order for pension benefits to be calculated. The London Borough of Hillingdon Pension Fund can also update employers via the website on urgent LGPS issues. Greater self-service functionality will be introduced for employers on the website during 2017/18 including the ability for employers to set up new joiner records online and calculate early retirement projections in respect of their employees.

Email Updates

We will often communicate with employers using an email distribution list of all employers. This is how we highlight general updates about the LGPS. This email distribution list is also used to remind employers of facilities available to them and their staff, i.e. pension presentations and drop-in sessions.

Employer specific events

The Pension Administration Section will also be happy to attend any employer specific events to assist employers understand their responsibilities.

c) With Pension Committee and Pension Board members:

Effective communication ensures that Pension Committee and Pension Board members are appropriately knowledgeable and able to act in the best interests of the Fund and its members:

Members are provided with regular reporting on all areas relevant to pensions, including investment, funding, audit, governance, administration and risk. This is communicated in a variety of formats including via the external website, the intranet, the annual report and accounts, through committee meetings and through regular training in line with the Fund's training policy. The majority of reports provided to Pension Committee / Pension Board members, together with the meeting minutes, are available on the Democratic Service pages of the Council's website.

d) With Fund Staff:

Effective communication ensures that both Hillingdon and Surrey staff are confident and prepared to undertake their role, as follows:

Pension Manager

The London Borough of Hillingdon and Surrey County Council Pension Managers maintain open-door policies and are available to staff both within and outside the Pensions Teams. In addition, staff have unrestricted access to their supervisors and senior colleagues to discuss and resolve work related issues.

Team Meetings

Office and/or Team meetings are held on a monthly basis to discuss operational issues, ensuring there is a shared understanding of any issues and developing a consistent approach towards addressing them. Any items arising from such meetings are escalated to the relevant Pension Manager and raised at Senior Management Team Meetings if required.

Intranet

Each member of staff has access to the relevant Fund's intranet so that it can be used as an information resource.

E-mail

All staff have access to the e-mail facility.

Internet

All staff have authority to access the internet to assist them in their role within Pension Services.

Induction and training

All new members of staff undergo an induction procedure to acquaint them with the operational running of the Pension Fund. Subsequently, all pension staff also receive both in-house and external training to enable them to administer the scheme effectively, answer member queries, and offer a good customer service and also to assist in their personal development.

Appraisal and Assessment

Staff at all levels in the Pension Team have annual assessments, with a mid-year review, during which there are open discussions of work issues and areas for development. This dialogue is supplemented by regular one-to-one meetings within team structures.

e) Communicating with other bodies:

There are a number of other interested parties with whom we communicate as required, including:

The Department for Communities and Local Government (DCLG)

We have regular contact with DCLG as Responsible Authority of the LGPS, participating and responding to consultations as required.

Scheme Advisory Board

The national Scheme Advisory Board was established following the Public Services Pensions Act 2013 to provide advice to administering authorities and local pension boards in relation to the effective and efficient administration and management of the Scheme and their funds. We therefore liaise with the Scheme Advisory Board as appropriate.

The Pensions Regulator

The Pensions Regulator's remit has been extended to the Public Sector as a result of the Public Services Pensions Act 2013. We therefore liaise with the Regulator as required, and ensure that the London Borough of Hillingdon Fund is compliant with the Pensions Regulator's Code of Practice.

Trade Unions

We work with relevant trade unions to ensure the Scheme is understood by all interested parties. Efforts are made to ensure all pension related issues are communicated effectively with the trade unions.

Employer Representatives

We work with relevant employer representative bodies to ensure that the Fund's views are represented to employer groups. Employers are represented on the Pension Board.

Pension Fund Investment Managers, Advisers and Actuaries

We have regular meetings with;

- the Fund Managers who invest funds on behalf of the Fund
- Investment Advisers who provide help and advice on the asset allocation and investments of the Fund
- the Fund Actuary to discuss funding levels, employer contributions and valuation of the assets and liabilities of the Fund

Pension Fund Custodian

The Fund's Custodian ensures the safekeeping of the Funds investment transactions and all related share certificates.

AVC Provider

Additional Voluntary Contributions (AVC) are a way for members to top up their pension benefits, and in some instances provide tax free lump sum depending on the policy, and are held and invested separately from the LGPS. The Fund's preferred AVC provider is Prudential.

Pensions and Lifetime Savings Association (PLSA)

The Fund is a member of PLSA (formerly NAPF), which provides an opportunity for administering authorities to discuss issues of common interest and share best practice.

Regional Forums

The London Pension Officers Group takes place quarterly. It is an opportunity for the Pensions Managers and other Pension Officers from administering authorities in the region to share information and ensure uniform interpretation of the Local Government Pension Scheme, and other prevailing regulations.

Requests for Information (FOI)

Requests for information either under the Freedom of Information Act or otherwise, will be dealt with as openly and swiftly as allowed providing that such information does not breach confidentiality.

Consultations

There are occasions when the administering authority will consult with interested parties either as a result of potential changes to the regulations governing the LGPS or specific policy changes relating to the London Borough of Hillingdon Fund. In these instances, the most effective way of communicating with interested parties is to hold a period of consultation, during which, they are given the opportunity to respond to specific changes. Interested parties and representative groups will be approached to provide feedback to the policy changes before amendments are enacted.

Key Risks

The key risks to the delivery of this Strategy are outlined below. The London Borough of Hillingdon Corporate Pension Manager will work together with the Lead Pensions Manager at Surrey and with the Pension Committee and Pension Board in monitoring these and other key risks and considering how to respond to them.

- Lack or reduction of skilled resources due to difficulty retaining and recruiting staff members and also staff absence due to sickness
- Significant increase in the number of employing bodies causes strain on day to day delivery
- Significant external factors, such as national change, impacting on workload
- Issues in production of annual benefits statements, e.g. wrong address and printing errors due to external supplier
- Issuing incorrect or inaccurate communications
- Failure to maintain employer database leading to information not being sent to correct person
- Lack of clear communication to employers, scheme members and pensioners

Preparation and Review

This Strategy Statement was approved in June 2017 by the London Borough of Hillingdon Pension Committee. It is effective from 1 July 2017.

It will be formally reviewed and updated at least every three years or sooner if the communication management arrangements or other matters included within it merit reconsideration, including if there are any changes to the LGPS or other relevant Regulations or Guidance which need to be taken into account.

In preparing this Strategy we have consulted with the scheme member and employer representatives on the London Borough of Hillingdon Pension Board and other persons considered appropriate.

This Strategy Statement will be included within the Fund's Annual Report and Accounts and available on our website at: <http://www.hillingdon.gov.uk/pensions>.

Further Information

Any enquiries in relation to the Fund's communications or the principles or content of this Strategy should be sent to:

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