

DERBYSHIRE COUNTY COUNCIL
PENSIONS AND INVESTMENTS COMMITTEE

8 May 2019

Report of the Director of Finance and ICT

Derbyshire Pension Fund Communications Policy Statement

1 Purpose of the Report

To seek approval for the draft Communications Policy Statement attached as Appendix 1.

2 Background

Regulation 61 of the Local Government Pension Scheme Regulations 2013 requires each Local Government Pension Scheme administering authority to produce and publish a policy statement describing how it communicates with its stakeholders.

Derbyshire Pension Fund's (the Fund) previous policy statement was published in 2015 and has been reviewed to reflect the developments since then in the Fund's approach to communicating with its stakeholders.

It is intended that the statement will be reviewed annually.

3 Financial Considerations

None

4 Other Considerations

In preparing this report the relevance of the following further factors has been considered: legal, human rights, human resources, equality and diversity, health, environmental, transport, property, and prevention of crime and disorder.

5 Background Papers

None

6 Officer's Recommendation

That the Committee approves the attached Communications Policy Statement.

Peter Handford
Director of Finance and ICT



Communications Policy Statement 2019

Date: May 2019

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Communications Policy Statement

Introduction

This is the Communications Policy Statement (the Statement) of Derbyshire Pension Fund (the Fund), which is managed and administered by Derbyshire County Council. The Fund is part of the Local Government Pension Scheme which provides pension benefits to eligible public sector workers, including those employed by councils, universities, colleges, academies, charities and private companies who deliver public services.

One of the Fund's core objectives is to deliver clear, timely and relevant communication to all stakeholders. This Statement sets out how the Fund communicates with its members, employers, staff and wider stakeholders and has been produced in accordance with the Local Government Pension Scheme Regulations 2013 (Regulation 61). This requires authorities that administer the Local Government Pension Scheme (LGPS) to prepare, maintain and publish a statement of policy concerning communications with:

- members;
- representatives of members;
- prospective members; and
- Scheme employers.

The statement must set out the policy with regard to:

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

The Fund aims to ensure that its communications:

- are timely and relevant, and are easy to read and understand;
- are tailored to meet the specific needs of the audience; and
- foster an improved understanding of the Local Government Pension Scheme to enable informed decision making.

Derbyshire Pension Fund currently has around 280 participating employers and around 100,000 members. A dedicated team has been established to focus on the interpretation of legislative and governance requirements and to communicate Scheme information to all of the Fund's stakeholders.

Audience

The Fund has a varied audience of stakeholders with whom it communicates, including:

- Scheme members (active/deferred/pensioner) and their representatives;
- Prospective scheme members;
- Scheme employers;
- Pensions Fund staff; and
- Other bodies, for example Pensions & Investments Committee and Pension Board.

In addition, there are a number of other bodies with whom the Fund communicates on a regular basis, such as Her Majesty's Revenue and Customs (HMRC), the Ministry of Housing, Communities and Local Government (MHCLG), the LGPS Scheme Advisory Board (SAB), the Pensions Regulator (TPR), the Pensions Advisory Service, and other pension providers.

Objectives

The Fund's overriding objective is to ensure that it delivers clear, timely and accessible communications to its stakeholders. To achieve this, the Fund will:

- Communicate information about the Scheme's rules and regulations in an effective, jargon-free and timely manner to the different groups of customers and stakeholders to enable them to make fully informed pensions decisions;
- Keep customers and stakeholders informed about the management and administration of the Fund;
- Consult with key stakeholders on changes to policies and procedures that affect the Fund and its stakeholders;
- Seek to continually improve the Fund's communication methods by requesting and analysing feedback;
- Promote the LGPS as an attractive benefit to Scheme members and an important tool in recruitment to employers;
- Work with employers to enable them to fulfil their responsibility to communicate and share information with members in relation to the Scheme;
- Communicate with stakeholders in a cost effective manner, utilising technology to its fullest potential;
- Maintain the Fund's commitment to regional and national initiatives, taking advantage of partnership working and innovative communication methods developed and tested elsewhere, and sharing the Fund's own experience in return;
- Enable equality of access to Pension Fund communications; and
- Manage information securely to the standards required by the Data Protection Act 2018.

Accessibility

The Fund aims to ensure that all members can access its services, whatever their needs, and is committed to increasing digital access and delivery of services; making the best use of technology. The Fund's website is designed to meet the World Wide Web Consortium Accessibility Guidelines (version two) "Double-A" standard, which is currently the recommended minimum standard for all council websites. However, more traditional methods of communications will continue to be offered as required.

All print and electronic communications are designed with consideration for those with additional needs. A phone contact number (01629 538704) is available for anyone experiencing difficulty in understanding any of the Fund's documents.

A distinct identity has been developed for Derbyshire Pension Fund to provide Fund members and other stakeholders with additional clarity on the role of the County Council as the administering authority.

Communication methods

The Fund has developed a variety of communication methods to ensure that all stakeholders are informed and up to date. A number of these communication methods are targeted at specific stakeholder groups and are set out later in this Statement. The following methods are used to communicate with all stakeholders:

- **Derbyshire Pension Fund website**

Via the website, www.derbyshirepensionfund.org.uk, the Fund provides access to an extensive range of information for active, deferred and pensioner Scheme members, prospective members and Scheme employers. The website is the prime source of information on the Pension Scheme and ensures timely, up-to-date and easy-to-access information for all the Fund's audiences. It contains links to other relevant organisations and is regularly updated with all new legislation and relevant information.

As well as an information resource on the LGPS, the website contains downloadable forms and factsheets for members on a range of topics, including the Scheme guide, Additional Voluntary Contributions (AVCs), transfers etc. This is a valuable resource centre for all stakeholders including Pension Fund staff. It will also be used as the portal for the Fund's online member self-service facility which is expected to go live in 2020.

The website includes a general enquiry form to enable members to easily submit queries to the Fund, a feedback form for members to express opinion on the service delivered to them, and also a death notification form for family and/or employers to inform the Fund in writing of the death of a member. All forms are securely transferred to our main inbox for action.

Additionally, information relating to the business of both the Derbyshire County Council Pensions and Investments Committee and Pension Board can be found on or via the Fund's website.

The Fund will continue to maintain and develop this key resource.

- **Email**

The Fund has a generic email address for all enquiries: pensions@derbyshire.gov.uk.

- **Telephone**

The fund has a dedicated Pensions Helpline number, 01629 538900, which is available Monday to Friday 8.30am to 5.00pm.

- **Annual Report**

An Annual Report will continue to be produced and published by the Fund. This report sets out the governance, operational, financial and investment management arrangements of the Fund during the financial year. It also includes a copy of the most up to date Actuarial Valuation of the Fund, together with the Fund's key policy statements and the Fund's Statement of Accounts for the financial year.

The Annual Report is available on request. However, it can be accessed via the Fund's website. All participating employers are notified when the Annual Report has been published.

- **Funding and Investment Strategy Statements**

The Funding Strategy Statement focuses on how employer liabilities are measured, the pace at which the liabilities are funded and how employers, or pools of employers, pay for their own liabilities. It is prepared by the County Council as the administering authority of the Pension Fund in collaboration with the Fund's actuary and following consultation with the Fund's employers and other stakeholders.

The Investment Strategy Statement sets out long term investment strategy of the Pension Fund. It is prepared by the County Council, as the administering authority of the Pension Fund in collaboration with the Fund's independent investment adviser and following consultation with the Fund's stakeholders.

A core objective of the Fund is to ensure sufficient assets are available to meet members' benefit payments. These payments are guaranteed by regulations and will be met by contributions resulting from the funding strategy or asset returns and income resulting from the investment strategy. As key documents, both are made available to all stakeholders via the Fund's website and will be reviewed regularly.

Communications to our members

There are 3 categories of Scheme member;

- Active members who are contributing to the Scheme;
- Deferred members who have left the Scheme, but have not yet accessed their pension benefits; and
- Pensioner members who are in receipt of their pension.

It is recognised that communication with each category requires a different, specific approach.

- **Communication with active members**

On joining the scheme, new active members are provided with a Membership Certificate, a link to the Scheme information on the website, and forms and information to enable them to request a transfer-in of any previous pensionable service.

Thereafter, Annual Benefit Statements are provided, summarising each member's pension account balance, together with a projection of entitlement to their normal pension age. These statements are currently posted to the members' home addresses.

The Fund also produces an Active Members' Newsletter each year and publishes it on the Fund website. Active members are directed to the newsletter via a link provided in their Annual Benefit Statement. The content comprises current pension topics within the LGPS and the pensions industry in general, plus important repeated messages.

Face to face communications with active members are carried out via Member Presentations and Drop-in Sessions at various venues around the County. The presentations are used to help explain a significant change in the LGPS Regulations, or to assist where the members' employer is going through a restructuring or outsourcing exercise that will have pension-related implications. The Drop-In sessions are targeted to coincide with particular events, such as the issue of the Annual Benefit Statements.

- **Communication with deferred members**

Annual Benefit Statements are provided, summarising each member's pension account balance, together with a projection of entitlement to their normal pension age. These statements are currently posted to members' home addresses.

The Fund also produces a Deferred Members' Newsletter each year and publishes it on the Fund website. Deferred members are directed to the newsletter via a link provided in their Annual Benefit Statement. The content comprises current pension topics within the LGPS and the pensions industry in general, plus important repeated messages.

- **Communication with pensioner members**

The Fund issues pay advice slips to pensioners each March, April and May notifying them of the percentage rate of annual Pensions Increase and explaining how it is applied. Pensioners are also alerted to any variations in their net monthly amount of 1% or more by the issue of a payslip. The Fund issues P60s annually in respect of the pension received in the previous financial year.

Life certificates are issued each year to pensioners living abroad to ensure that they maintain eligibility for benefit. With regard to domestic pensioners, the Fund participates in the National Fraud Initiative and may share information with other bodies responsible for auditing or administering public funds for the purpose of preventing and detecting fraud.

- **Communication with prospective members**

Communication with prospective Scheme members is initially achieved via their employers. Employers are supported in promoting the scheme to all of their staff and information is provided by employers within contracts of employment directing employees to the Fund website and the benefits of LGPS membership.

Communications with scheme employers

The Fund published the Derbyshire Pension Fund Pensions Administration Strategy in 2015, and updated it in 2018 in accordance with the LGPS Regulations. The Pensions Administration Strategy sets out the standards of performance and best practice that the Fund and Scheme employers should aim to meet when carrying out their Scheme functions and responsibilities. It also sets out the approach the Fund will take to underperformance by employers, including a structure for the charging of avoidable administration costs.

Regular, large-scale employer events are provided at various venues, some aimed at all employers and others targeted at particular groups, such as academies. Site visits and workshops are also undertaken to assist individual employers with specific issues and / or provide direct training to their staff. The visits are often requested by employers, but the Fund will also be proactive where it identifies that a particular employer would benefit from assistance.

Employers are invited to events and kept up to date with developments that impact on their application of the LGPS regulations by Employer Newsletters which are emailed to key contacts. At least one Newsletter is produced each quarter and both the receipt and the opening of the email are monitored, which assists the Fund in maintaining an up to date circulation list of employer contacts.

Communications with Pension Fund staff

It is important to ensure that all Pension Fund staff have access to the relevant information and technical knowledge to enable them to perform their duties. This is achieved via use of email, internal meetings, as well as internal and external training events on specific topics.

Communications with other key stakeholders

The Pensions and Investments Committee is responsible for the management and administration of the Fund on behalf of the County Council and meets eight times each year. Pension Fund staff work closely with the Chair, Deputy Chair and Members of the Committee to ensure that they are fully informed about Pension Fund matters and that they are fully supported in fulfilling their duties and responsibilities.

The Derbyshire Pension Board was set up in 2015 (in accordance with the Public Services Pensions Act 2013) to assist Derbyshire County Council in its role as the administering authority in complying with Scheme governance and administration responsibilities and complying with the requirements of the Pensions Regulator's code of practice for the governance and administration of public service pension schemes. The Board comprises a Chair, two Employer Representatives and two Fund Member Representatives. Pension Fund staff work closely with the Pension Board, attending the quarterly meetings and ensuring that Board members can fulfil their duties and responsibilities.

Communications Policy Statement review

This Statement will be reviewed annually.