

Report to: Pension Board

Date: 8 February 2024

By: Chief Finance Officer

Title: Employer Engagement and Communications Report

Purpose: This report provides an update on activities by the Employer Engagement team and on Fund Communications activities.

RECOMMENDATION

The Pension Board is recommended to note the report.

1. Background

1.1 This report is brought to the Pension Board to provide an update on employer engagement tasks that directly affect the East Sussex Pension Fund (the Fund) and Communications activity of the Fund.

1.2 Scheme Employers (scheduled and admitted bodies) are required to pay both employee and employer contributions to the Fund monthly, no later than 19 days of the following month in which the contributions were deducted from payroll. The contribution rates for members are set annually by the LGPS and are based on salary bandings. The Employer contribution rate is set at the triennial valuation and recorded in the rates and adjustment certificate issued by the Funds actuary or set on admission to the Fund agreed by the Fund's actuary.

1.3 The Fund has a Communications Strategy which defines the main methods of communication we provide for our key stakeholders. This includes making the best use of technology where appropriate, to provide quicker and more efficient communications for the Fund's stakeholders. The Fund will ensure that communication methods are accessible to all.

2. i-Connect

2.1. The i-Connect onboarding project is continuing; the i-Connect team have received some test files from employers, which they have been reviewing. Feedback has been provided around formatting and data queries, so that these employers can work on these issues in order to proceed with onboarding. It can be challenging and time consuming for employers and the i-Connect team to resolve these queries and can take a significant number of calls and time with the employer and their payroll provider to get the first file ready before it can be loaded onto the i-Connect portal.

2.2. The i-Connect team have also been busy maintaining existing employers and there have been further staff changes occurring among employers and payroll providers. This causes a lot of retraining and multiple calls to establish the correct contacts are in place and that they understand the specifications and requirements of i-Connect each month. Officers have emphasised that any changes to staff or payroll systems need to be communicated to the Pension Fund at the earliest possible stage to manage the transition accordingly. Generally, employers and payroll providers do inform the Fund within a reasonable timescale of such changes, however it does take up time and resource within the team.

2.3. The current numbers for the i-connect project:

Still to engage with	Initial enquiries ongoing	In Progress to onboard	Onboarded
0	9	11	125

2.4. Fund Officers are continuing to work with Brighton and Hove City Council to resolve queries from their March 2023 submission and to support them with progressing with further onboarding. The Fund received a significant proportion of outstanding data queries back in mid-January and will be working through processing this in the coming weeks, as this will now need to be actioned in order for onboarding to re-commence. BHCC have informed Fund officers that they have been working on their April 2023 file in preparation, although this has not yet been received by the i-Connect Team.

3. Training

3.1. As previously indicated, the Engagement Team launched a pilot programme of bite size/lunchtime learning sessions within ESCC in September 2023 and the final sessions will be taking place in January and February 2024. The training covers an introduction to the LGPS, a pensions MOT and planning for retirement sessions.

3.2. It is the intention that once the pilot has concluded and full feedback received and reviewed, this training will be offered to all scheme employers. It is likely that this roll out will commence once a new Employer Engagement Manager has been appointed.

4. Employer Forum

4.1. The Employer Forum took place on 30th November 2023. 40 individuals from employers attended alongside Fund Officers, Board and Committee members.

4.2. The feedback from the forum was very positive – with an overall score of 8.55 out of a possible 10.

5. Employer Contributions

5.1. The below table sets out the number of late payments, received after 19 days have elapsed following contributions deducted from payroll. Up to November 2023.

Overall	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Total Payments Due	138	139	140	140	141	141	141	140	139	143	142	142
Payments Received Late	0	1	1	1	0	0	0	1	1	2	1	1

5.2. In the last 12-month period, there have been 9 late payments of contributions out of 1,707 expected payments (<1%).

5.3. The same employer failed to pay in September, October and November 23, and this has been recorded as a breach. The employer is an admitted body who has ceased trading, and the Fund are engaging with the audit and compliance team of the letting employer to resolve.

6. Communications

6.1. Employer newsletter – An employer newsletter was issued in December centred around reminding employers about the support material available to both themselves and their employees. It also provided a reminder of what was covered at the Employer Forum, i-Connect and McCloud updates.

6.2. Website – The website continues to be updated with relevant and engaging information for members and employers. The Fund is reviewing improved website analytics data. The main website

and MSS must now work on being ready to embed the latest accessibility guidelines by October 2024.

6.3. McCloud – the Communications Manager has been working alongside the Governance and Administration teams to capture and implement changes to transfer/leavers/retirement/divorce processes and letters needed as a result of the McCloud regulations coming into force. This included issuing a letter to all members, within three months of the regulations coming into effect, who were potentially in-scope for McCloud as the changes were a material change to legislation.

6.4. Pensioners move to electronic communications – The 1st letter to pensioners advising of the Fund's intention to move payslips and P60s online was issued in mid-November. This explained what was happening and gave pensioners the ability to opt out and retain paper correspondence if necessary. The 2nd letter (of 3) will be issued in mid-January. Opt out rate at 17th of January was approx. 17%, but this is expected to rise by the end of the exercise.

7. Staffing changes

7.1. Tim Hillman has now left East Sussex Pension Fund and the post of Employer Engagement Manager is currently vacant. The position is out to advert.

8. Conclusion and reasons for recommendation

8.1. The Pension Board is recommended to note the updates provided in the report.

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