

Improving engagement in the Cambridgeshire Pension Fund



West
Northamptonshire
Council



Cambridgeshire
County Council

Administered in partnership

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1. Background

1.1 Legal framework

We have a legal requirement to:

- Prepare, maintain, and publish a written statement setting out our policy concerning communications with:
 - scheme members (active, deferred, retired and dependant)
 - representatives of scheme members
 - prospective scheme members
 - scheme employers

1.2 Communications strategy

Our communications strategy is published on the [key documents page of our website](#) and aims to deliver the following objectives:

- Promote the scheme as a valuable benefit
- Deliver consistent plain English communications to stakeholders
- Provide scheme members with up to date information about the scheme so they can make informed decisions about their benefits.

It details how we propose to implement each of these objectives and our key measures for success.

2. Engagement

Our communications strategy and communications plan set out the different ways we engage with our stakeholders and outlines our planned engagement activities for each scheme year. Most of the engagement is with scheme members and their employers. The following provides some detail on the different ways we engage with members and employers, our typical engagement rates and how these compare to industry benchmarks.

2.1 Consultations

We consult our stakeholders when developing certain policies and strategies. During the 2021/22 scheme year we have carried out consultations around changes to our funding strategy statement (FSS) and investment strategy statement (ISS) both of which are statutory documents.

The Consultation Institute notes that the *average response rate* for UK public consultations stands at 0.7% and consultations that achieve *higher than a 1% response rate* are considered 'good'. From the table over the page you can see that with members and employers combined we had an 'average' response rate for the ISS consultation.

ISS response rates

	Number emailed	Number replied	Response rate
Members	27,120	191	0.70%
Employers	238	4	1.68%
Total	27,358	195	0.71%

Funding strategy statement response rates

We also consulted with employers on our fund strategy statement (FSS) in August 2021 and out of the 469 contacts that we emailed; 23 completed full responses giving a 4.9% response rate, classed as 'good' by the Consultation Institute.

Different approaches

There were some differences in the way in which we asked for feedback between the two consultations.

With the ISS consultation we sent a bulk email just to the senior finance contact for each employer, and members which directed them to a web page to explain the changes we'd made to the strategy and then at the end of the page we had a link to the survey.

With the FSS consultation, we sent emails directly from SurveyMonkey to both the senior finance and the person with overall responsibility for pensions for each employer. We also acknowledge that if you have a smaller sample of people to consult with then typically you need a higher response rate to achieve a statistically significant result.

2.2 Surveys

Periodically throughout the scheme year, we issue satisfaction surveys to both scheme members and their employers. This is done monthly for members, targeting those who've recently interacted with us to collect feedback on their experience.

SmartSurvey state that the average response rate for external (non-staff) surveys is 10-15% with anything above that to 49% as 'good' and anything of 50% and above as 'excellent'. Based on this scale our employer response rate was average and members survey good. Many factors can affect response rates including the length of the survey. Our employer survey is issued less frequently than our members survey and is more in depth, taking on average 13 minutes to complete. Our members survey only had two questions:

- Rate the quality of our service from 1-5
- If you weren't completely satisfied with our service, how can we improve?

taking an average of one minute to complete.

Employer survey

Our employers survey is sent out annually seeking feedback from employers on their satisfaction when they communicate with us and when we communicate with them, including feedback on how engaging and useful our communications are.

Our last survey was sent to 1,389 employer contacts and we received a total of 166 responses giving a 12% response rate.

Members survey

Our members survey is sent out monthly to those that have either:

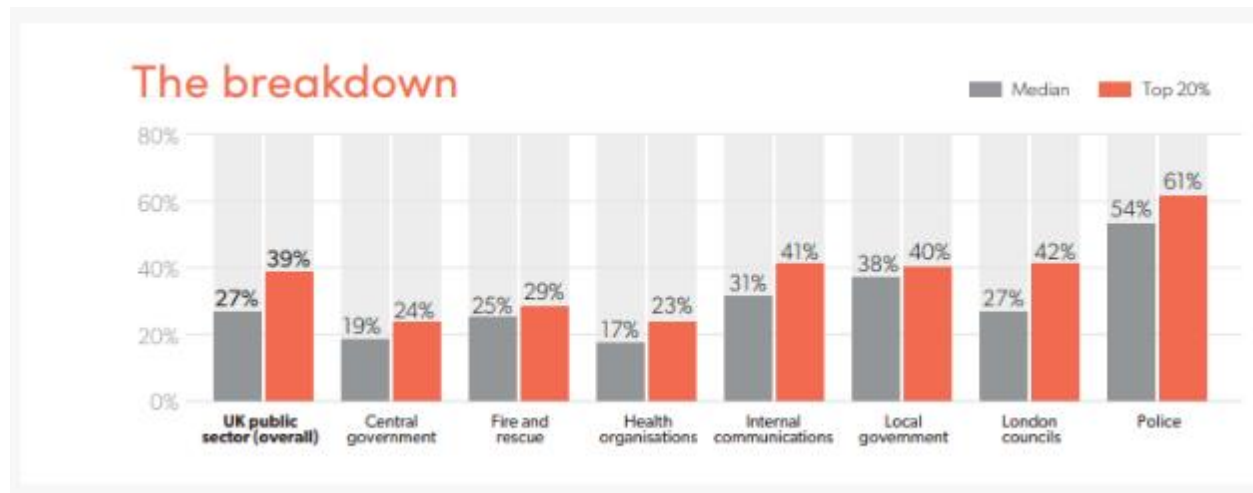
- contacted us recently, or
- we've recently completed some work on their pension records.

In November 2021 we emailed 273 members and we received 69 responses, giving a 25% response rate.

2.3 Emails

We use a bulk email system called GovDelivery to send our emails and this gives us data on open and click through rates. We typically email active and deferred scheme members to let them know their annual benefit statements are ready and new joiners to the scheme to get them to sign up to their online pension account and let them know about some immediate actions they need to take. We email employers to let them know about key changes to LGPS legislation, updates on our policies and strategies, training webinars, and employer forums.

The government and public sector consistently exceed the private and non-profit sectors email performance. Granicus, the company that own the GovDelivery bulk email system, compared email open rates from 200 public services and you can see the average and top 20% overall and by public sector type over the page.



Our open rates range from 70%+ for our member communications like:

- new pension administration / branding
- welcome information for new joiners of the scheme
- annual benefit statements

to 20% and below for employer communications like:

- updates to the website of policy/strategy documents
- LGPS webinars
- requests to pass information on to their employees

One of the reasons that employer open rates are significantly lower than member open rates could be the way that an [‘open’ is recorded](#). Not only does someone have to have physically clicked on the email to open it rather than read it as some people do in the preview pane, but also have clicked on the download images link. Most people will access their personal emails through sites like Gmail or through their phone on Apple mail and these applications automatically download the picture content of an email. However, most offices use MS Outlook which prevents the automatic download of pictures.

Our average email open rate for members is 60% which is significantly higher than the top 20% for the UK public sector. Our average open rate for employers is 29%, which is more aligned to the average of the UK public sector and the average for both employers and members combined is 44%. This tells us that our focus for improvement should primarily be with increasing employer engagement.

2.4 Newsletters

We publish an annual newsletter in June/July for deferred members and in August for active members which aligns to when their annual benefit statements are ready. We work on this jointly with other Funds and use them as an opportunity to explain how their pension works, update them on any upcoming changes that might affect their pension like McCloud, warn them about scams, and let them know how they can interact with their pension more by using their online pension account. For pensioners we publish a newsletter in March and as well as the topics above, we use it to tell them how much their pension will increase by in April and what dates they will get paid each month.

For employers we publish newsletters and bulletins more frequently and typically publish 'news in brief' shorter articles like letting them know about consultations, employer forums, annual benefit statements etc, longer articles that are more to educate on topics like McCloud or staff transfers and a 'dates for your diary' section to let them know about upcoming webinars and forums.

Our average open rate for emails that have our employer newsletter is 21%, and our average open rate for emails containing our member newsletters is 66% (also typically tells them their annual benefit statement is ready) giving an average open rate of 44%.

3. What we've done so far to improve engagement

3.1 Communications officer

Previously, communications were part of the employer liaison role. However, due to the growing number of employers, complexity of the work in non-communications activities, and the increasing pace of change in the LGPS leading to more frequent communications, we needed to recruit a dedicated resource that could focus time and appropriate skills on planning and delivering effective communications campaigns. Having a dedicated resource focused purely on communications has helped us to deliver some of the initiatives below.

3.2 Bulk email system – GovDelivery

MS Outlook isn't designed for bulk email campaigns and is very labour intensive if you try to use it in this way. It also doesn't have the functionality to create engaging templates. Through meeting with other Funds as part of the communication working groups GovDelivery seemed to be the most versatile tool. The results recorded in section 3.3 show that this initiative has been beneficial in giving us open rates much higher than the industry average.

3.3 Text messaging service – GOV.UK Notify

For many of our members we don't have an email address registered for them and we also recognise that some segments are more likely to respond to texts than emails. We use texts to let our members know that their annual benefit statement is ready, to get new joiners to the scheme to sign up to their online pension account to see their welcome letter and immediate actions they need to take, and in our business continuity planning.

3.4 Accessibility improvements

We engaged an accessibility specialist called ShawTrust to audit our website using a team of pan-disabled testers with assistive technologies. Their audit found that we met 44% of the applicable success criteria required for level A conformance and 75% of the applicable success criteria required for level AA. Some of the areas that we passed included having a meaningful sequence with consistent navigation and identification, not purely relying on colour to convey a meaning, being able to resize text and being able to hover over links to see where they go. Some of the areas where we failed include strength of contrast between background and foreground colours, missing skip navigation, missing alt text and potential seizure trigger.

As a result of their findings we made the following changes:

- Amended our branding so that there was sufficient colour contrast to help people with low vision or who are colour blind read the content.
- Implemented skip navigation to our website so that screen readers can get to the main content of the page.
- Adjusted the enter button on our home page so that it no longer flickers and flashes at a rate that could cause a seizure.
- Updated any missing alt text on our images.

We've also provided communications in CD, Braille and foreign languages on request. We work with other Funds to share best practice in writing communications and use the Plain English company to check them.

3.5 Partnership working

We work with several Funds to produce joint communications, where appropriate, and share best practice through our membership and active collaboration with the following groups:

- [Communications working group \(CWG\)](#) run by the Local Government Pensions Committee Secretariat (LGPC)
- Joint communications working group (JCWG) chaired by Shropshire Pension Fund

This ensures that our communications and engagement practices are in line with standards across the LGPS.

3.6 Increasing the number of members registering for their online pension account

One of our priorities has been to increase member engagement through their online pension account and we had a campaign for all member types to increase the number of people signing up to their online pension account. Through GovDelivery we could see how many people had clicked through to register and we could also measure how many members signed up. The table over the page shows that we've increased registrations by 26% in the first 9 months of the year compared to a 15% increase across 12 months the year before.

MSS registrations	2019	2020	Increase	Jan-Sep 2021	Increase
Active members	7,424	7,835	6%	8,955	14%
Deferred members	6,409	7,486	17%	9,718	30%
Pensioner members	3,290	4,420	34%	6,271	42%
Total	17,123	19,741	15%	24,944	26%

4. Barriers to engagement

4.1 Members

4.1.1 General apathy

The Reward and Employee Benefits Association (REBA) state that there are many behavioural barriers to overcome when trying to engage more effectively with members about their pensions, as people naturally shy away from things that might be perceived as complex, scary and costly. This is especially true with young and mid-career workers who are likely to 'live for today' and think they're unable to afford to save for the distant future. People sense they may not be doing enough to save for their retirement but don't want that to be confirmed so it's easier to ignore it. They also place a disproportionate bias on the benefits felt today versus the benefits felt for saving for retirement as they

can't picture themselves as that older person. These behavioural barriers contribute to a sense of inertia that can make it difficult to increase people's engagement with their pension.

NMG Consulting found in their pension research that around two thirds of their respondents fell into the 'less engaged' category as opposed to the 'moderately engaged' or 'more engaged' categories. The demographics of the 'less engaged' group were typically:

- under the age of 35 when joining the pension and saw it as a 'tick box exercise'
- 'millennials' (<35) who were time poor and whom retirement provision lacks immediacy
- 'generation X' (35-53) who took out the pension more than 15 years ago and may have stopped contributing (deferreds)
- more likely to fall into lower wealth bands

4.1.2 Lack of interaction

Unlike a bank account where there's regular activity of money coming in and out - a pension is a long term investment scheme where very little changes on a day-to-day basis. You could also say that auto-enrolment has made people's active involvement with pensions less, as they've gone with the path of least resistance of being auto-enrolled.

4.1.3 Deferred members

Nearly 40% of our members are classed as 'deferred' those members who are no longer contributing to the scheme but we're looking after their pension for them until they retire. They may have left their job with local government and may have started a different pension scheme with their new employer. Their deferred pension with us, therefore, won't be top of mind and they may forget to update their personal details if they change, which makes it more difficult for us to keep in touch and increase engagement with this segment.

4.1.4 Lack of email addresses

As mentioned in section 4, we've managed to increase engagement by implementing a bulk email system. However, the table over the page highlights that we don't have email addresses for just over half of our members.

Email address held	Yes	%	No	%	Total
Active members	15,422	56%	12,274	44%	27,696
Deferred members	13,740	44%	17,166	56%	30,906
Pensioner members	8,310	44%	10,658	56%	18,968
Total	37,472	48%	40,098	52%	77,570

We're trying to address this with asking new members to sign up to their online pension account when they join but we still have an issue with losing touch with the current member base, sometimes referred to as the 'black hole' members as they have not opted out of electronic communications, but we do not have an email address.

4.1.5 Anxiety over digital fraud

Whilst the coronavirus pandemic has accelerated the number of people turning towards digital communications, it has also heightened awareness of how easy it is to become a victim of digital fraud. This can make some people wary of clicking on links and of receiving emails that have been sent in bulk.

4.2 Employers

4% of employers in our survey said they didn't find our communications useful and 8% said they didn't find them engaging. The most common reasons given were that:

- they didn't have time to read them
- the majority of pension liaison was done on their behalf by an outsourced payroll provider, so they saw it as less relevant
- they perceived pensions as a boring subject.

We asked them 'What priority does Pensions have in relation to your day to day workload?' and 66% said they classed it as a lower priority or not a priority as part of their everyday job, which makes engagement challenging.

5. How we plan to improve engagement

This report shows that we're already in a pretty good place when it comes to engaging with our key stakeholders versus industry benchmarks and that we've implemented some useful tools to help us to engage better. However, we appreciate that there's always room for improvement and have identified some areas below that we'd like to investigate further.

5.1 Use best practice when conducting consultations

Snap Surveys suggest that potential respondents should be made aware of the purpose and potential benefits of the forthcoming consultation, so that it receives a better reception when it arrives. The Consultation and Engagement team also offer the following advice which we plan to consider for future consultations:

- Ensure you are appropriately communicating with all the stakeholders, and factor in reminders
- Make the communications engaging to the respondents
- Ensure the consultation is easily accessible (and to offer alternative formats should they be required) and easy to locate online etc
- Make it clear at the outset what is open for influence (respondents are giving up their time to feedback so it needs to be clear what they can and can't influence)
- Ensure it is easy for respondents to understand the detail of what is being consulted and can easily engage with the consultation – i.e. a large document being consulted on could be broken down into easy to access/view key sections within the consultation questions – with the full document being published for those respondents that want to see the detail
- Ensure there is sufficient supporting information, including FAQs and/or plain English explanations to support the consultation, especially if the contents are technical or complex
- Allowing adequate time for respondents to consider the proposals and have their say
- Ensure feedback is shared with respondents/stakeholders including how their feedback has been incorporated, as this closes the feedback loop and encourages future participation
- Consider if alternative techniques would be beneficial i.e. focus groups etc

5.2 Work with other Funds to share best practice

We recognise that member and employer engagement is a challenge that is faced not just within the Cambridgeshire Pension Fund, but also with other Funds administering the Local Government Pension Scheme (LGPS). We're already part of the national and regional communication working groups and plan to join the subgroup that is focussed on digital engagement. As part of this group we'll propose that we start to share key metrics like the percentage of members signing up for their online pension account so that we have benchmarks to measure ourselves against and are therefore able to identify where best practice can be shared.

5.3 Work more closely on joint communications with larger organisations

Pensions is relevant for all the working population and some of the challenges we face affect other organisations too. Anxiety over digital fraud is a good example of this and is an area where we plan to work more closely with organisations like Unison and some of our larger employers.

5.4 Use videos to help members and employers

People are becoming used to seeing videos more through social media and streaming sites like YouTube. We've created some pensions made simple videos on our website and we intend to work with employers and Unison to create engaging content to direct members to these videos. We also plan to trial using video to promote the use of our online pension service, to help members register and show them how best to use it. If members can access all their pension details in one place and use the calculators to try out different scenarios, like what impact it would have on their pension if they were to retire at the age of 55, then they're more likely to be engaged. If successful, we could use video more with employers to help them with their monthly returns on i-Connect.

5.5 Conduct a website review

We're planning to engage the WNC Digital team to help us to carry out a review of our website including stakeholder feedback so we can make sure that the website meets user needs. One of the sub communication groups we've been involved with has been creating a new national LGPS member website. Some of their learnings were that people primarily go to the site due to a specific need, for example they want to retire, they'd like to pay more and by structuring their website accordingly it has helped to reduce repeated content and the number of pages that need to be kept up to date.

We appreciate that keeping up with the latest accessibility standards is an ongoing process and are keen that as many people as possible can access the information they need. We plan to run frequent checks with accessibility software like SiteMorse to make sure we continue to check the current site and any future enhancements against the accessibility standards.

5.6 Plan life stage communications

The Association of British Insurers (ABI) recommend tailoring messages to the following different age groups in their publication 'Communications through the life course':

- Getting started (18-25) – reassuring them that it's the right decision to stay enrolled in the LGPS
- Building your savings (25-40) – saving for a pension is value for money
- Taking ownership (40-50) – take stock of where you want to be and what you need to do to get there
- Making a plan (50-State Pension age) – make a plan for retirement and address any shortfalls

We aim to test communicating with some of these segments and review engagements rates.

5.7 Test different approaches

When sending out key member or employer communications, we plan to test different approaches from different subject titles within emails to newsletters in pdf formats versus email template format. We hope this will give us some insight in which approaches are more successful to help us to improve engagement.

6. Reviewing progress

We'll review the progress we've made on an annual basis in Q4 as this will help us to update our communications plan and strategy.