Rachel Brothwood

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Our ref: IL2/TS/ES/PENS/WMPF

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Please ask for: Pensions Section

Date: 28th August 2024

Dear Ms Brothwood

We are writing to express our extreme concern and dissatisfaction with the lack of progress that has been made to resolve backlogs and system issues over the last six months. Although we understand that with a new system there can be problems and that it takes time to adjust, we have now passed the 12-month anniversary of the new system. Our employees are not receiving the experience or necessary information they need to be making such a significant financial decision. More importantly staff arewaiting unreasonable timescales to receive their pension payments, causing significant hardship and stress.

Sandwell Council recognise the increase in communication and meetings to keep management updated as you seek to resolve outstanding issues. However**,** the scale and volume of problems and slow speed of change has left us with limited confidence that the significant outstanding issues are going to be resolved within any reasonable timescale. The figures shared for outstanding retirements, deferments and deaths are now higher than they were in January this year, which suggests that the fixes and resolutions you have put in place are not adequate for the scale of the backlog.

Employees are not getting a clear view of what is happening behind closed doors at the fund. They see what makes the news and only the information we share internally. The only figures and updates you appear willing to share are the improvements in the turnaround of your calls and emails. There is no quote of timescales or backlog numbers anywhere to be seen, which could lead to an employee choosing to take retirement with no warning or preparation for the likelihood currently that they may without an income for 6+ months.

Looking on your website you state in FAQs that you understand that ‘several’ members are currently waiting for payment of benefits, this is not a truthful picture, when it is currently thousands. The latest customer servicing update is dated as June 2024. Members have not received an update for July 2024, which is not acceptable given we are now mid-August.

The timescales our staff are experiencing do not match the figures being provided in your updates to us an employer. This has been raised by us as a matter of concern, however we only know about delayed cases when an ex-employee gets in touch to raise a complaint or raise financial hardship. We have no way to track when these employees are contacted by WMPF and then paid their pension.

You have recently advised all local authority employers in the fund that the timescale for a retirement to be processed is down to 3-4 months, with a further period of up to 8 weeks for payment to commence (this is usually paid within 4 weeks). This month alone we have had employees call to chase us for their retirement, and upon investigation they have been waiting 19/20 weeks since we submitted their retirement and are yet to receive their figure options letter, from which date there is still up to 8 weeks for them to receive their pension.

As another example, we raised a wellbeing case to you for an ex-employee who is struggling financially due to waiting for her deferred pension to be released. When chasing yourselves we were told this application is still awaiting a signature for it to be released on your side. This employee has called and emailed us every day to the point we started to get concerned for her wellbeing. You say these cases are dealt with within 48 hours, but at the 6th August this person was still waiting to be contacted, having been told by the fund that this would be released within 12 weeks. However, we are now at 29 weeks even with multiple escalations and calls from ourselves and the member.

We are finding more and more employees are holding off on retirement due to our communication of your delays, or are taking flexible retirement to avoid being without an income, as no one can realistically be without an income for 6-7 months. This then has a corresponding impact on business and workforce planning.

The examples shared above are sadly not isolated.

With delays over a month late for payment of the lump sum, you are paying interest on the sum to the employees of 1% above the Bank of England base rate. Can you confirm how much this has cost the fund so far, as it is the employer that foots the bill for this through our contributions.

We write this letter to express our deepest concerns regarding the need to address these problems quicky, effectively, and will full transparency. We ask for reassurance that the delays will be rectified, communicated to employees and to be provided with a realistic timeline in writing as to when the backlog will be cleared, and normal timescales will be resumed.

We look forward to hearing from you.

Yours sincerely



**Councillor Paul Moore**

**Deputy Leader of the Council and Chair of the Joint Consultation Committee**

on behalf of Sandwell Council and GMB, Unison, and Unite unions

c.c. Julian Allam – Chair of Pensions Committee

  