

**Private & Confidential**

Nikki Bugden  
Clerk & Responsible Financial Officer  
Nash Mills Parish Council  
PO Box 1602  
Hemel Hempstead  
HP1 9ST

April 2022

Dear Nikki Bugden

**Ill Health Liability Insurance – Hertfordshire Pension Fund– G74283-103– Nash Mills Parish Council****Renewal – 1<sup>st</sup> April 2022**

This letter sets out further information relating to the renewal of the above scheme for policyholders. The key points are summarised below.

**Key points**

Ill Health Liability Insurance (“IHLI”) is provided by Legal & General Assurance Society Limited (“Legal & General”; “the insurer”). All policies fall due for renewal on 1<sup>st</sup> April each year. In line with previous years, **your policy will be automatically renewed by Legal & General on 1<sup>st</sup> April 2022. If you do not wish the policy to automatically renew, please let us know as soon as possible.** Your renewal pack contains a letter from Legal & General detailing your cancellation rights.

The insurer has determined that this year’s premium rate will be **£1.65 per £100 of LGPS pensionable pay (i.e. 1.65 % of pay)** for insured employers in Hertfordshire Pension Fund (the “Fund”), which is part of the Local Government Pension Scheme (“the LGPS”). See ‘2022 rate’ section for details.

**All policyholders are required to submit membership data as at 1<sup>st</sup> April annually.** The data requirements are set out in the ‘Membership data’ section of this letter.

Your method of paying the premium is set out in the documentation from Legal & General contained within your renewal pack. See also ‘Paying the premium’ section of this letter.

If you are (or should you become) aware of the potential ill health early retirement of one of your members during the policy year, please inform our IHLI team as soon as you can, as this may result in a claim. See ‘Claims’ section of this letter.

### **‘2022 rate’**

Legal & General determine the premium rates payable by insured employers each year. Premium rates are set at LGPS pension fund level using each fund’s own ill health early retirement data (e.g. rates of incidence, associated strain costs and potential exposure costs for active members). Each fund’s premium rate is applicable to all insured employers in that fund.

Legal & General have undertaken their review of the Fund data and have determined that the 2022 rate will be:

- **A unit rate of £1.65 per £100 of LGPS pensionable pay (i.e.1.65% of pay).**

This rate remains unchanged from the previous rate of 1.65% of pay and it will remain guaranteed\* for the renewal period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

Any change in rate may lead to a corresponding change in employer contribution rate payable to the Fund for some employers. Policyholders should liaise directly with their payroll providers to ensure this change is implemented (where applicable).

\*Please note that any future change (increase or decrease) in the underlying anticipated costs of providing ill health benefits within the Fund *may* result in a corresponding change (again, increase or decrease) in the premium rate to reflect the new costs. Examples of such future changes include changes to the early retirement factors used by the Fund to calculate ill health strain costs and changes to LGPS regulations, Government guidance or UK laws, which may impact the calculation methodology for ill health benefits and/or strain costs.

### **Membership data**

Legal & General require annual membership data to both determine the appropriate insurance premium (in pounds and pence) payable by each policyholder for the coming policy year and to ensure that individual employees can be identified in the event of a claim. The insurer requires the following data for each active LGPS member in your employment:

- Forename or initials;
- Surname;
- Gender;
- Date of birth;
- Age\*\*; and
- Gross annual LGPS pensionable pay (including any overtime and bonuses).
- Total number of members to be covered and total salary roll should be detailed at the end of the data spreadsheet.

\*\*Please ensure you only include members who are eligible for ill health early retirement from the LGPS. Exclude members under 16 or over State Pension Age at the renewal date. If such members are not excluded, the insurer *may* include them for costing purposes.

All employees eligible to join the LGPS are covered by the insurance with effect from their date of employment, providing they are both 'Actively at Work' (as defined in the Glossary on page 17 of Legal & General's Technical Guide for IHLI) and an active member of the LGPS. For all employees who join the company after 1<sup>st</sup> April 2022:

- Those who do not join the LGPS at their first opportunity will not be covered until they do join the LGPS; and
- Those who are not Actively at Work will not be covered until they return to full active employment and are physically able to perform all the duties associated with their normal role.

Data should only be provided for the specific fields listed above. Any additional data fields must be excluded. Datasets containing additional data will be deleted and revised data requested.

Data must be provided electronically, in spreadsheet format, with one member's data entered per line. We are unable to accept PDF data, MS Word documents, hard copy data or data where each member's data is detailed over multiple lines. All such data will be returned for amendment, and this may lead to delays in issuing invoices, statements and accounts.

The data should be sent via encrypted channels to [ihli@hymans.co.uk](mailto:ihli@hymans.co.uk) as soon as possible after the renewal date, and ideally within 30 days. If you require any assistance to send the data via encrypted channels or you are unable to provide data in the format or within the period requested, please call our IHLI team on 0121 210 4356 for assistance.

### **Paying the premium**

Your method of paying the premium is set out in the documentation from Legal & General contained within your renewal pack. To ensure continuity of cover whilst the renewal process is completed, Legal & General will:

- *for those policyholders who currently pay by monthly Direct Debit:*
  - continue to collect your monthly premium by the existing direct debit mandate. Please ensure that the existing mandate continues to operate at the current level.
- *for those policyholders who currently pay via lump sum:*
  - Legal & General will require payment of a deposit premium invoice, a copy of which is included within this pack. Deposit premium invoices are based upon the annualised premium calculated in the 2021 policy year. Payment should be received no later than the payment due date shown on the invoice. Failure to pay the deposit premium by the due date may lead to a delay in any claims being processed. Please make cheques payable to Legal & General.

Once the 2022 renewal data has been received, Legal & General will calculate the accurate premium (allowing for the 2022 insurance premium rate) and will issue a Statement of Costs reflecting any additional payments or refunds due. They will also confirm the new monthly Direct Debit amounts for policyholders who use this payment method.

### Claims

If you are (or should you become) aware of the potential ill health early retirement of one of your employees during the policy year, please inform our IHLI team at [IHLI@hymans.co.uk](mailto:IHLI@hymans.co.uk) as soon as possible. We will explain the IHLI claim process, provide copies of the claim forms and help with any questions you may have. **Legal & General have a 90-day notification period for claims so it is important for policyholders to instigate the claim process as soon as they can.** The 90-day period is 90 days from the later of the member's date of retirement and the date when the decision was taken to award ill health early retirement.

### Care Concierge

Legal and General launched a new Care Concierge service in 2021 that can be accessed by all IHLI policyholders and their employees. Care Concierge is a confidential telephone guidance service which allows employees to speak directly to a care expert about later life care needs for a loved one. All your employees (i.e. not just your LGPS employees detailed in the membership data) will automatically have access to the **Guidance** package level of the service for free. Benefits of this level of the service include:

- A 30-minute telephone consultation with a care expert.
- Support and an understanding of what type of care is needed, as well as how to arrange it.
- Guidance on typical care costs and the available options towards paying for care.
- An e-mail summarising everything discussed, tailored care guides, and a list of relevant services.

Employees can also access additional levels of support over and above the free Guidance package level. These additional levels are not free but are provided at discounted rates.

Employees can access the Care Concierge service by calling Freephone **08000 608823** (Monday – Friday, 9am-5pm).

Full details about the service can be found on Legal & General's website, [here](#). You can download brochures (separate employer and employee versions) using links at the bottom of the above webpage. Additionally, there are separate webpages for employees ([here](#)) and for the Later life care service ([here](#)).

## **Employee Assistance Programme (EAP)**

IHLI policyholders continue to have access to L&G's EAP service. All your employees (i.e. not just your LGPS employees detailed in the membership data) are eligible to access this service using either of the methods below:

- Calling the Freephone 24-hour telephone helpline on **0800 316 9337**. **Callers will be asked to confirm the name of the LGPS pension fund they participate in and/or name of their employer.**
- Visiting the website at: [www.legalandgeneral.com/eap](http://www.legalandgeneral.com/eap) and logging in by entering the case sensitive Username & Password, both of which are:
  - *Worklifeeap.*

More detailed information about the EAP can be found at the links below:

[IHLI EAP brochure](#)

[IHLI POSTER](#)

## **The General Data Protection Regulation ("GDPR")**

The annual membership data required includes Personal Data (and, in respect of our provision of services to you in relation to your policy, Sensitive Personal Data). Unless we have agreed other data processing terms which apply from 25<sup>th</sup> May 2018 with you, the following link will take you to the terms upon which we will process any Personal Data and Sensitive Personal Data you send to us in respect of your Ill Health Liability Insurance policy. The terms are unchanged from those which were issued in 2018.

### [GDPR Terms](#)

In providing Personal Data to us, you are accepting those terms (and confirming that you are authorised to accept the terms on behalf of Nash Mills Parish Council. As a Data Controller, you must have grounds for processing the Personal Data (and Sensitive Personal Data) - such as explicit consent of the members. You confirm that fair processing notices have been made available to (and/or, as applicable, consents obtained from) members in connection with the processing we carry out on your behalf.

In addition, by providing the data, you consent to our passing any data you send to us (whether as part of the renewal exercise or otherwise) to Legal & General in relation to your Ill Health Liability Insurance policy. Please note that Legal & General are not processing data/acting as a Data Processor for Hymans Robertson and we have no responsibility for their acts or omissions, including how the data is handled by them.

Personal Data, Sensitive Personal Data, Data Controller, Data Processor and General Data Protection Regulation will have the meanings set out in the terms accessible at the link above.

**Remuneration**

Hymans Robertson is an Ancillary Insurance Intermediary and we carry out promotional and administration services on behalf of Legal & General. Legal & General pay us 10% of the annual premiums paid for the Ill Health Liability Insurance. If the insurance premium rate decreases/increases, there will be a corresponding decrease/increase in the fee we receive, in pounds and pence, as this remains at 10% of premiums paid.

In particular, any change in early retirement factors which may have been implemented by the Fund, if recommended to do so by the Actuary (whether or not Hymans Robertson is the Actuary), may give rise to a change in the premium rate (and therefore fees paid to Hymans Robertson accordingly). Any change in factors will be to reflect the change in anticipated costs of providing ill-health benefits in current market conditions.

**Further information**

Further information regarding IHLI can be found in Legal & General's Technical Guide. The latest version can be found at the following location:

[Legal & General Technical Guide](#)

Alternatively, should you have any questions, please do not hesitate to contact our IHLI team directly on 0121 210 4356 or by email at: [ihli@hymans.co.uk](mailto:ihli@hymans.co.uk).

We look forward to receiving the requested data from you in the near future.

Yours sincerely

IHLI Team

For and on behalf of Hymans Robertson LLP

DDI 0121 210 4356