

Minutes

PENSIONS BOARD

25 November 2020

Meeting held virtually



	LIVE RECORDING COMMENCED	
	<p>Employer Representatives: Hayley Seabrook</p> <p>Employee Representatives: Roger Hackett and Tony Noakes</p> <p>Apology for Absence: None</p> <p>Also Present: Daniel Kanaris (AON Hewitt) and Cllr Martin Goddard</p> <p>LBH Officers Present: James Lake (Chief Accountant), Yvonne Thompson-Hoyte (Interim Pension Fund Manager), Tunde Adekoya (Pension Fund Accountant), Seby Carvalho (Pension Fund Technical Officer) and Olivia Richards (Pension Fund Administration)</p>	
	<p>ELECTION OF TEMPORARY CHAIR (<i>Agenda Item 2</i>)</p> <p>Hayley Seabrook was elected to chair this meeting. The chair will rotate throughout the year with equal distribution of employer and employee representation.</p>	
	<p>DECLARATIONS OF INTEREST AND ANY CONFLICTS OF INTEREST (<i>Agenda Item 3</i>)</p> <p>Hayley Seabrook declared her role within the London Borough of Hillingdon as the HR and Payroll Manager.</p>	
	<p>MINUTES OF THE MEETING HELD ON 09 SEPTEMBER 2020 (<i>Agenda Item 4</i>)</p> <p>Agreed as an accurate record.</p> <p>Matters Arising:</p> <ul style="list-style-type: none">• Officers confirmed that guidance has been issued on how to apply the £95k cap and that this had been agreed with the Director of Finance and the Head of HR. Officers confirmed that Members would receive a copy of the guidance that was sent to employers.• Officers requested that the employers' approach to managing instances of staff exits under the £95k cap be discussed as a part II item.• Officers confirmed that the documents requested in Item 6; the updated Governance and Compliance Statement has been	

	<p>uploaded to the website. A link will be circulated to Members.</p>	
	<p>EXCLUSION OF PRESS AND PUBLIC (<i>Agenda Item 5</i>)</p> <p>That Agenda Items 10, 11, 12 and 13 be considered in private.</p> <p>Roger Hackett – Employee Representative enquired as to why the appointment to the vacancy on the Board (item 13) was in Part II of the Agenda. He further expressed that the public would be interested in the in the appointment of a new Board member along with the terms of Reference of the Board. Officers explained that the reason for this will be expanded on in part II of the meeting.</p>	
	<p>TPR CODE OF PRACTICE 14 COMPLIANCE (<i>Agenda Item 6</i>)</p> <p>James Lake – Chief Accountant presented the updated TPR Code of Practice Compliance checklist.</p> <p>The Board were provided with an update on the items that were partially compliant at the last meeting and explaining what actions the Fund is implementing to bring these up to fully compliant.</p> <p>Members requested for item K6 ‘A list of core documents recording policy about the administration of the Fund’ to be added onto an additional webpage on the Hillingdon website.</p> <p>Members and Officers discussed the next steps once the Fund is fully compliant. Daniel, the Funds Governance Advisor mentioned the good governance project which is in addition to the TPR Code of Practice. This has two different paths of reviewing the Fund. The Pension Regulator Code of Practice, which is ultimately a tick box exercise of whether a Fund is complaint or not. The Good Governance review is more subjective and reviews the Fund in greater depth. The Pension Regulator will also be replacing the current Code of Practice at some point in the future. It currently is public sector specific, so once replaced it will cover a broader spectrum encompassing the private sector too.</p> <p>Members asked of the time frame in which the code of practice needs to be reviewed. Officers advised that they review this quarterly to track compliance. But in terms of a full policy review, this would be reviewed every three years or if there was a change to warrant such a review to take place.</p> <p>Resolved: The Pension Board noted the compliance checklist.</p>	
	<p>ADMINISTRATION UPDATE (<i>Agenda Item 7</i>)</p> <p>Yvonne Thompson-Hoyte – Interim Pension Fund Manager presented the administration update to the Board.</p> <p>The Board were advised there was a steady increase in the uptake of Member Self Service (MSS) particularly among the active members and that this would continue to be promoted.</p> <p>The Board also heard that the KPI reporting data to the end of October</p>	

	<p>continued to show decline especially in the areas of death grant notifications down from 68% to 58%. It was further explained that Officers met with SCC and that SCC cited resourcing issues with members of staff being on leave and also reviewing of the current processes as the reason for the decline. SCC advised that improvements to the reporting would be seen from December 2020.</p> <p>Officers confirmed that the Annual Scheme Return had been completed and submitted to the TPR. It was also reported that the results of the scheme data score exercise had been received with improvements achieved in both the scheme specific and common data areas since 2019. Regarding the conditional data report Officers believe there was more improvements to be made especially in the areas of addresses and that there were two major improvements schemes planned for January 2021 focusing on address tracing and pensioners mortality tracing to support this.</p> <p>Members questioned the backlog other schemes were facing and whether this affected the Fund. Officers discussed with members that they have requested a more enhanced report to enable Officers to have a clearer view and that further discussion would take place in part II of the meeting.</p> <p>Members mentioned the common score and the scheme specific score were Red and Amber on the criteria used by Aquila Hayward. These are reported as part of the Fund’s annual return and asked Officers on how to improve this situation. Officers explained that the data improved project that will be taking place in January 2021 will provide improvement. This will be explained further in part II of the meeting.</p> <p>In response to a query raised regarding the progress on the GMP exercise, Officers explained that the Mercer, who is doing this project, had completed as much as they could and were awaiting a final data cut from HMRC to complete the final phase.</p> <p>Members expressed concern about the amount of current exercises that Officers were undertaking but felt reassured that Officers are engaging with external bodies for assistance.</p> <p>Resolved: The Pensions Board note the administration update.</p>	
	<p>TRAINING UPDATE AND LOG (<i>Agenda Item 8</i>)</p> <p>James Lake – Chief Accountant, explained that Board Members have a statutory duty to undertake requisite training to enable them to competently dispense their duties.</p> <p>The Board were presented with a log of the current training each of them had completed. Members were asked to comment on their own training needs to enable Officers to assist by way of providing training courses to meet the needs of members.</p> <p>It was noted the areas that needed to be improved upon being the CIPFA knowledge and the self-assessment.</p>	

	<p>Members raised a query relating to the conflicts of interest training. If members complete this training via the toolkit, would further training on this subject be required? Officers explained that the TPR toolkit gives general examples, however a more specific tailored training focused on the Fund and potential conflicts would be of great benefit.</p> <p>Roger Hackett – Employee Representative pointed out that an area of training was not shown to have been completed, referring to an AON webinar on Cyber Security. Officers explained that this was due to the timing of the training taking place and the report going to print. It was confirmed that this would be added to the log for the next Board meeting.</p> <p>Resolved: The Pensions Board agreed to complete the areas of training shown to be outstanding by the next Pension Board Meeting in February.</p>	
	<p>WORK PROGRAMME 2020 (<i>Agenda item 9</i>)</p> <p>James Lake – Chief Accountant presented to the members the future work program. Officers asked for input from board members as to whether there are any specific requirements or additional areas they would like added to the work program. Members requested for more information relating to the McCloud ruling and the £95k exit cap and for an administration update at each meeting. Officers agreed that these items will be added to the work program with the administration update being added to each subsequent meeting.</p> <p>Future meeting dates for the Pension Committee have been circulated so the board will be able to arrange future meeting dates for 2021.</p> <p>Resolved: The Pensions Board noted and agreed the future work program.</p>	
	<p>LIVE RECORDING ENDED</p>	
	<p>INTERNAL CONTROLS AND CYBER SECURITY UPDATE (<i>Agenda item 10</i>)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	<p>BREACHES LOG (<i>Agenda Item 11</i>)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the</i></p>	

	<i>schedule to the Act).</i>	
	<p>PENSIONS BOARD VACANCY AND TERMS OF REFERENCE (Agenda Item 12)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	<p>REVIEW OF PENSION COMMITTEE PAPERS AND GOVERNANCE DECISION MAKING (Agenda item 13)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	The meeting, which commenced at 3 pm, closed at 5:12 pm.	