

Minutes

PENSIONS BOARD

26 February 2020

Meeting held at Committee Room 4A - Civic Centre,
High Street, Uxbridge UB8 1UW



HILLINGDON
LONDON

	<p>Employer Representatives: Zak Muneer and Hayley Seabrook</p> <p>Employee Representatives: Roger Hackett and Tony Noakes</p> <p>Apology for Absence: Tunde Adekoya (Pension Fund Accountant)</p> <p>Also Present: Daniel Kanaris (AON Hewitt), Cllr Martin Goddard</p> <p>LBH Officers Present: James Lake (Chief Accountant), Yvonne Thompson-Hoyte (Interim Pension Fund Manager), 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>Zak Muneer was elected to chair this meeting. The chair will rotate throughout the year with equal distribution of employer and employee representation.</p> <p>Matters Arising:</p> <ul style="list-style-type: none">• There was a discussion on the possibility of a change to the current agreement of a rotating chair. Suggestions will be put forward to board members at the next meeting for discussion.
	<p>DECLARATIONS OF INTEREST AND ANY CONFLICTS OF INTEREST (<i>Agenda Item 3</i>)</p> <p>No conflicts of interest were declared.</p>
	<p>MINUTES OF THE MEETING HELD ON 26 NOVEMBER 2019 (<i>Agenda Item 4</i>)</p> <p>Agreed as an accurate record.</p> <p>Matters Arising:</p> <ul style="list-style-type: none">• Officers were asked to enquire with the Council when the Cyber Security Control Audit will be resumed as it had been deferred.• Officers to follow up on further questions raised regarding cyber security incident response plan including roles and responsibilities.• Officers to follow up on TPR requirements relating to cyber security and to review with risk register implications considered.• Officers to follow up Data improvement plan

	<ul style="list-style-type: none"> • Officers to pursue Administration Breaches 	
	<p>EXCLUSION OF PRESS AND PUBLIC (<i>Agenda Item 5</i>)</p> <p>That Agenda Item 12, 13 and 14 be considered in private.</p>	
	<p>TRAINING – ACCOUNTS AND AUDIT REGULATIONS (<i>Agenda Item 6</i>)</p> <p>James Lake – Chief Accountant provided training on Accounts and Audit Regulations. The training covered delivered over three broad areas:</p> <p>The key Legislations that governs the administration of the fund – The LGPS Regulation 2013 and Transitional 2014 Regulations and the Management and Investment of Funds regulations 2014</p> <p>The Accounting Framework – that governs the production of the Pension Fund Statement of accounts and when the Annual Report and Statement of accounts should be completed and published</p> <p>Third Party Assurance – that requires the Council assurance from all service providers, on the internal controls within their organisation.</p> <p>Members of the Board were given an opportunity to ask questions at the end.</p>	
	<p>TPR CODE OF PRACTICE 14 (CHECKLIST) REVIEW AND UPDATES SINCE REVIEW (<i>Agenda Item 7</i>)</p> <p>The Governance Advisor from Aon presented the results of the Pension Regulator’s Code of Practice 14 review (TPR CoP 14).</p> <p>It was explained to members that a full review was undertaken in January 2020 approximately 4 years after the last one. The general findings was that full compliance had been maintained in key areas with areas of partial compliance relatively minor areas.</p> <p>The main areas of partial compliance fell under the broad areas of:</p> <p>Internal dispute resolution and ill health procedures – the required list of stage 1 adjudicators from each employer was not being maintained. Officers response to this was that letters had since gone out to all employers requesting that they provide their nominated person or opt to use the Council appointed adjudicator, which most of them opted to do</p> <p>The absence of a pension fund specific conflicts of interest policy and a register of interest was another area of partial compliance. Officers responded to this by submitting a draft policy and register of interests to the Board for discussion. The Conflicts of Interest Policy will be tabled at the March Pensions Committee for approval. Officers have requested that board members complete the Conflicts of Interest Register and report upon completion to Yvonne Thompson-Hoyte.</p> <p>Another area for improvement was interaction with SCC regarding reporting back to LBH Officers. Officers explained that meetings have</p>	

	<p>taken place and other were scheduled around service improvements issues</p> <p>The LGPS funds best practice is currently being written to cover all members, board, committees and advisors. It needs to be bespoke as the Council's policy might not cover all aspects. Members commended the progress that had been made in advance of the meeting.</p> <p>Discussions followed on how to best review the TPR code of practice in the future and the Pensions Regulator's plans to have a single code of practice for private and public sector pension funds. Aon will update the Board on any progress in this area.</p> <p>Aon commented that Hillingdon was in a good position compared with other London Boroughs and the report reflected that of a County Council with specific Governance teams.</p> <p>Resolved by the Pensions Board: That the review of TPR code of Practice be accepted and reviewed in one year's time.</p>	
	<p>FUNDING STRATEGY STATEMENT REVIEW (<i>Agenda Item 8</i>)</p> <p>The Funding Strategy Statement was presented to the Board for noting. Officers explained that it was approved by the Pensions Committee in October 20198 for consultation with employers. The Board was informed that there had been no requested changes arising from the consultation and that the final FSS would be presented to the Pensions Committee along with the valuation results in March for approval.</p> <p>Resolved: The Pensions Board noted the FSS</p>	
	<p>ADMINISTERING AUTHORITY DISCRETIONS POLICY REVIEW (<i>Agenda item 9</i>)</p> <p>Officers presented a progress report on the drafting of a single document to consolidate the existing 5 Council Discretions relating to the Hillingdon LGPS and including further discretions into a single Policy document. Officers will liaise with Human Resources to agree a policy on each discretion. The completed document will then be tabled at Pensions Committee for approval.</p> <p>Resolved: The Pensions Board noted the progress on the discretions policy review to date.</p>	
	<p>PENSIONS COMMUNICATION UPDATE (<i>Agenda item 10</i>)</p> <p>Officers updated the Board that 7 'made simple' videos and a presentation on lifetime allowance had been uploaded to the pension fund members area of the website. Communication was sent to all staff to notify them.</p> <p>Officers and members discussed various methods of promoting the LGPS internally to encourage members to join and also ways in which current members could also be encouraged to register onto the self-help portal.</p>	

	<p>It was noted that active efforts are being made by officers and Surrey Administration to promote the use of the portal by emailing members advising that their annual statements are now available online with a hyperlink to sign up to the portal, including this on payslips and verbally encouraging members that make phone with queries.</p> <p>The idea of arranging smaller bitesize workshops for SCC to give specific pension training sessions to members was also discussed. It was suggested that this would be more beneficial once all of the annual statements had been sent out.</p> <p>Action point – Link to videos to be sent to Zak Muneer by S. Carvalho</p> <p>Resolved: The Pensions Board agreed that officers should to explore the possibility of displaying posters within the Civic Centre.</p>	
	<p>WORK PROGRAMME 2020 (<i>Agenda Item 11</i>)</p> <p>Officers updated the Board on the progress made in the area of communication to members since the last meeting</p> <p>The Board discussed work flow items in the upcoming work plan.</p> <p>It was requested from members to receive conflict of interest training as it was agreed that this is a growing area and will be produced to the Committee for approval in March.</p> <p>A fund manager has offered to attend a board meeting to expand the current knowledge of the ESG.</p> <p>Requests were also made for a cyber-security response plan and how this relates to a local authority sector to be brought to a future meeting, as well as for the risk register to be updated to account for the cyber security risk.</p> <p>It was also agreed that officers would review and update the work programme to include all of the items discussed at the Pensions committee that would be due to come to board in the coming year.</p>	
	<p>INTERNAL CONTROLS UPDATE (<i>Agenda Item 12</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 13</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>REVIEW OF PENSION COMMITTEE PAPERS AND GOVERNANCE OF DECISION MAKING (<i>Agenda item 14</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>The meeting, which commenced at 3.04 pm, closed at 5:00 pm.</p>	