

Minutes

PENSIONS BOARD

13 November 2018

Meeting held at Committee Room 2 - Civic Centre,
High Street, Uxbridge UB8 1UW



	<p>Employer Representatives: Zak Muneer and Hayley Seabrook</p> <p>Employee Representatives: Roger Hackett and Venetia Rogers.</p> <p>Apology for Absence: None</p> <p>Also Present: Daniel Kanaris (AON Hewitt)</p> <p>LBH Officers Present: Ken Chisholm (Corporate Pensions Manager), Sian Kunert (Head of Pensions Treasury and Statutory Accounts), Tunde Adekoya (Pension Fund Accountant)</p>
	<p>ELECTION OF TEMPORARY CHAIR (<i>Agenda Item 2</i>)</p> <p>Venetia Rogers was elected to chair this meeting. The chair will rotate throughout the year with equal distribution of employer and employee representatives.</p>
	<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 4 OCTOBER 2018 (<i>Agenda Item 4</i>)</p> <p>Agreed as an accurate record.</p> <p>Board members requested dates for the newsletters that will be sent annually. Advised Actives newsletter was sent in November and Pensioner and Deferred will be in February</p> <p>Members confirmed future meetings to take place during work hours. Members asked about GDPR implementation and were advised that now fully compliant.</p> <p>Outstanding actions from last meeting</p> <ul style="list-style-type: none">• Members requested an updated list of related party companies to ensure all declarations and conflicts identified• Add item to work plan to discuss in detail cyber security

	<p>EXCLUSION OF PRESS AND PUBLIC (<i>Agenda Item 5</i>)</p> <p>That Agenda Item 12 be considered in private for the reasons stated on the agenda.</p>	
	<p>ADMINISTRATION UPDATE (<i>Agenda Item 6</i>)</p> <p>Board members discussed the improved performance in relation to Annual Benefit statements. Zak queried why extra ABS runs were required and was informed that the 2nd run was to pick up missing employer returns and later runs to deal with corrections. Officers discussed that SCC were looking at introducing i-connect that would lead to more ownership of data to the employers. I-connect includes consistency checking software on entry to help with the ongoing improvement of data quality.</p> <p>Members discussed the uptake in membership of my pensions self service currently at 31% of membership and discussed how to encourage more members to sign up to help improve data quality. In particular members were interested in encouraging more pensioners to sign up and discussed whether those needing to complete tax returns would only be able to access P60s via the portal.</p> <p>Board were updated that SCC is undergoing a significant resourcing change at manager level with 9 new recruits coming into the team.</p> <p>Members were reminded that the triennial valuation would take place based on March 2019 data. Also that Hillingdon as an employer were required to go through auto enrolment as at 1st April 2019 – members asked if we were not already compliant but were advised every three years all employees who have opted out are re-enrolled and have to actively opt out again.</p> <p>Members were advised that the GMP equalization exercise was ongoing and on track.</p> <p>Members discussed the initial results from the data score and were generally happy that they sounded realistic and as expected. 79% for common data was considered relatively low however it was expected this was likely to be due to out of date addresses for a number of deferred members. 79% for scheme specific data seemed relatively high and it was hoped this was as a result of the data quality improvement made over the course of the SCC contract. Next steps will be data improvement plans once the detailed report from the data score is received.</p> <p>Members discussed the uptake of 50:50 scheme and whether the fund should do more to increase people to access. Members were advised that when people do opt out of the scheme the 50:50 scheme information is provided to ensure members are aware of this option. Officers advised those who are leaving the scheme are not generally those that 50:50 scheme was introduced to help.</p> <p>Members asked if the fund has sufficient resources to carry out its responsibilities and were advised the fund is operating at the required level and is not restricted to budget cuts in the same way as ordinary</p>	

	Council services due to the funding mechanisms.	
	<p>GAD S13 REPORT (<i>Agenda Item 7</i>)</p> <p>Members discussed a report outlining the GAD (Government Actuaries Department) Section 13 report on the LGPS actuarial valuations 2016. The report outlined the areas GAD reported on, review results and standardized valuation methodology for all funds. The report also noticed concerns laid out by the LGPS actuaries over the report.</p> <p>Members asked what the purposes of the report was and were advised it was an attempt at creating a consistent view across the industry. Hymans clients were generally considered to be on the prudent side of the scale. There was a discussion as to why actuaries approach valuations in different ways including different discount rates and mortality assumptions.</p> <p>Members were advised that the triennial valuation and the FRS102 accounting valuations were different and were not linked.</p>	
	<p>TRAINING UPDATE (<i>Agenda Item 8</i>)</p> <p>Members discussed the report provided on training which highlighted an improvement in attendance on courses with the revised board structure. Members thanked officers for providing suitable training. The provision of bite size training at the start of Pensions committee added value and continuous training is needed.</p> <p>Board members advised the Hymans training on FRS102 valuations was good</p> <p>Members requested to get information on the next round of CIPFA seminars for Pensions Board which are in February</p> <p>Members asked if officers attending the officer training prior to the pension board training they attend themselves but were advised officers attend other training instead that is more cost effective.</p>	TA
	<p>ANNUAL REPORT TO PENSIONS COMMITTEE (<i>Agenda item 9</i>)</p> <p>Members reviewed the draft report to Pension Committee on the work that has been carried out over the past year.</p> <p>Members requested that an extra section be added to highlight areas where board have challenged and queried over the year such as whether the fund have sufficient resources available, implementation of self service and publicity, data quality, GMP, GDPR and challenge over KPIs.</p> <p>No further comments or additions.</p>	
	<p>TPR CHECKLIST - FOCUS F - Maintaining accurate member data and G - Maintaining contributions (<i>Agenda item 10</i>)</p> <p>Members queried whether the fund should be assessing its self against the Public Service Pensions Scheme self assessment instead of the version in which it currently reviews compliance and completion. Members</p>	

	<p>were informed that the version the fund currently assesses itself is more comprehensive than the one provided on tPR website which is quite basic. Members thanked officers for using the more comprehensive version and agreed it was better for ongoing use.</p>	
	<p>WORK PROGRAMME 2018/19 (Agenda Item 11)</p> <p>The Board discussed frequency of meetings, timing and work flow items as suggested in the papers and felt they were well distributed and appropriate. Members agreed in line with tPR on regularity of meetings</p> <p>Members requested that the August meeting be arranged for early September.</p> <p>Members requested that in addition to the suggested programme of Cyber security should be included as a specific item beyond the risk register to gain further assurance over arrangements to expected standards set out by tPR.</p> <p>Members requested a report, or training, to cover specific roles within the fund, i.e. Administering authority, Administrator, Board, Committee, Employers.</p>	
	<p>REVIEW OF PENSION COMMITTEE REPORTS (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>The Board was provided with the agenda for the last Pensions Committee which took place on 29 October 2018.</p> <p>The Board noted the reports and decisions made at Pensions Committee that papers were clear. Roger Zak and Hayley were all in attendance at the Pensions Committee. Board advised that the training on infrastructure investment was helpful and gave them a better understanding of this subject.</p>	
	<p>Members thanked Venetia for her involvement on the Local Pensions Board since its creation in 2015. Venetia is stepping down from the role of employee representative. Applications for a replacement close on 26 November.</p> <p>The meeting, which commenced at 5.00 pm, closed at 6.25 pm.</p>	

These are the minutes of the above meeting.