

## Minutes

### PENSIONS BOARD

27 January 2022

Meeting held virtually



HILLINGDON  
LONDON

	<b>LIVE RECORDING COMMENCED</b>	
	<b>Employer Representatives:</b> Anil Mehta Shane Woodhatch  <b>Scheme Member Representatives:</b> Roger Hackett (Chair) Tony Noakes (Part 2 only)  <b>Apology for Absence:</b> None  <b>Also Present:</b> Cllr Martin Goddard – Chair Pensions Committee Daniel Kanaris (AON) – Governance Advisor  <b>LBH Officers Present:</b> James Lake (Head of Finance – Statutory Accounts and Pension Fund), Tunde Adekoya (Pension Fund Accountant), Seby Carvalho (Pension Fund Technical Officer),	
1	<b>Appoint Roger Hackett as Scheme Member Representative for the requisite 4-year term ending December 2025</b> <i>(Agenda Item 1)</i>  <b>APPROVED</b>	Approved
2	<b>Appoint Roger Hackett as Pension Board Chair for 2022</b> <i>(Agenda item 2)</i>  <b>APPROVED</b>	Approved
3	<b>Apologies for Absence</b> <i>(Agenda item 3)</i>  <b>No Apologies</b>	None
4	<b>DECLARATIONS OF INTEREST AND ANY CONFLICTS OF INTEREST</b> <i>(Agenda Item 4)</i>  None.	None

5	<b>MINUTES OF THE MEETING HELD ON 3 NOVEMBER 2021</b> <i>(Agenda Item 5)</i>  Agreed as an accurate record.	Approved
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6	<p><b>EXCLUSION OF PRESS AND PUBLIC</b> (<i>Agenda Item 6</i>)</p> <p>That Agenda Items in part 2 be considered in private.</p>	Noted
7	<p><b>Pension Administration Report</b> (<i>Agenda item 7</i>)</p> <p>JL presented the administration report by Hampshire which provided an update on Hampshire’s KPI’s and portal sign-up. It also noted the Fund was due to receive the Data Improvement Plan from Hampshire imminently, which had now been received. Also noted was that the Fund remained 100% compliant with COP14. Latest information on regulatory issues was also noted in the report.</p> <p>Cllr Goddard queried sign up level compared to Surrey before change of administration. JL advised this had built up after 5 years whereas the Fund had only been with HCC for 3 months. Further take-up was expected in March for pensioners and July/August for active and deferred members, where in both cases desirable information (Payslips &amp; ABS’s) would only be available on the portal (subject to those opting out). The numbers would be monitored and assessed after these events.</p> <p>SW: Requested breakdown of sign up by employer to assist with compelling members at HCUC to sign up. JL will request information from HPS.</p> <p>RH: impressed by HPS performance target meeting 100% across the board and especially compared to Surrey. He requested information on unprocessed leavers and what the plan was. JL responded by explaining unprocessed leavers are from Surrey, outlining plan by HPS to dedicate 3 full time staff to the case at a cost of £199k. RH: Would like to discuss the remedy cost of unprocessed leavers in part 2.</p> <p>RH further commented on few numbers of complaints about changeover of Pensioners payroll date. JL informed the Board a few calls came through on 15th November and 15<sup>th</sup> December 2021 and they were dealt with without too many problems. This was attributed to comprehensive communication of change before the effective date. Only two immaterial advances were needed to tide over pensioners. Overall, it was agreed the transition of pay date was a success.</p> <p>RH: Enquired about migration of policies to HPS site and JL confirmed this has been completed.</p> <p>Data improvement plan was next issue raised by RH noting we had submitted our data scores to the TPR and although both common and specific scores had gone down slightly, we have had no response from the TPR, with no further action currently being required. With the data improvement plan implementation over the coming year the scores are expected to improve for the next submission. JL clarified data improvement reference in the report was solely on unprocessed leavers. General data improvement would form part of BAU and other specific projects may be identified.</p>	Noted

	<p>RH: Commented McCloud was the next issue and opined we are fully compliant and on schedule to implement in Spring 2023. James agreed and sought DK (AON) opinion on the implementation of McCloud who also agreed.</p> <p>Cllr Goddard alluded to discussion of leavers in part two. Commended HPS for level of communication and quality of reporting from them compared to Surrey.</p> <p>SW: Sought clarification on progress report on compliance with deadline for McCloud submission and implementation. JL confirmed HPS has advised they have sufficient resources to accomplish.</p> <p><b>Recommendation - Noted</b></p> <p><b>Action: Breakdown of portal sign up by employer to be requested.</b></p>	
8	<p><b>Pension Board Training Update</b> (<i>Agenda Item 8</i>)</p> <p>JL provided an update on the Board’s training. At this stage only RH has completed all AON modules. JL urged other Board members to complete these as soon as possible as access will cease at the end of March.</p> <p>RH enjoined other members to try and complete the training. SW and AM promised to try and complete the CIPFA Knowledge &amp; Skills Framework.</p> <p>RH: Commented on Actuarial Training by Hymans. SW and Cllr MG were impressed with the training. RH Informed members that next training will be in February by Baillie Gifford.</p> <p><b>Recommendations - Noted</b></p>	<b>Noted</b>
9	<p><b>Work Programme</b> (<i>Agenda Item 9</i>)</p> <p>JL Introduced the upcoming work programme with the normal high-level topics to be covered. It was also noted there will be updates on the triennial valuation, data cleansing and cyber security.</p> <p>DK noted inconsistency in one meeting date which JL advised he would amend.</p> <p><b>Recommendations - Noted</b></p> <p><b>Action: JL to rectify date inconsistency</b></p>	<b>Noted</b>

10	<p><b>Cyber Security &amp; Pension Scam Update</b> (<i>Agenda item 10</i>)</p> <p>JL advised Hampshire has completed their Cyber compliance statement, upgraded portal security, implemented and documented the new transfer process and they are currently undergoing penetration testing. Following Cllr's Goddard's suggestion, the Fund requested internal audit report information, which HCC are looking into. They intend to add high level IA outcomes to their regular reporting. In addition there is potential for 3rd party internal control reporting compliance audits, SSAE16 or ISAE3402, but this will need to be agreed and paid for by all partners.</p> <p>JL advised the Fund has also begun the cyber mapping exercise which was now reviewed by AON with some suggested clarifications. Further to this LBH IA will be looking into out cyber mapping to give an independent level of assurance and provide recommendations if necessary.</p> <p>DK (AON) explained the complexities of the mapping exercise and hopeful the mapping process should be completed very soon. He explained flow chart of asset overviews are not necessarily cash assets but documents exchanged.</p> <p>SW suggested HPS adopt sending password alerts to both email and mobile phones as it easier to track phone than email. RH suggested the security around safety of mobile phone should be investigated. JL will take up with HPS.</p> <p>RH pointed out a subvention for beefing-up cyber security from government (£38m). JL commented he was unaware of it and that if it is directed at councils, the PF will not benefit much from it. This was confirmed by Cllr MG and noted it was an immaterial amount once spread across all councils.</p> <p><b>Recommendations - Noted</b></p> <p><b>Action Point: JL to investigate sms one-time pass codes.</b></p>	<b>Noted</b>
11	<p><b>Pension Board Annual Report</b> (<i>Item 11</i>)</p> <p>JL advised the Board is required to prepare an annual report for the Committee. Based on the prescribed SAB guidance RH &amp; JL had drafted the proposed report for the Board's comment and approval.</p> <p>DK noted inconsistency in one meeting date. JL advised he would amend.</p> <p><b>Recommendations - Approved</b></p> <p><b>Action Point: JL to amend meeting date</b></p>	<b>Approved</b>
	<b>LIVE RECORDING ENDED</b>	
	The meeting, which commenced at 2:00 pm, adjourned at 3:54 pm.	

