

## Minutes

### PENSIONS BOARD

20 July 2022



Meeting held in Committee Room 3, Civic Centre, Uxbridge

	<p><b>Employer Representatives:</b> None</p> <p><b>Scheme Member Representatives:</b> Roger Hackett – Chair (RH) Tony Noakes (TN)</p> <p><b>Apology for Absence:</b> Shane Woodhatch (Employer Representative) Anil Mehta (Employer Representative) Cllr Martin Goddard</p> <p><b>Also Present:</b> Cllr Stuart Mathers – Chair Pensions Committee (SM) Cllr Tony Burles – Vice Chair, Pensions Committee (TB) Daniel Kanaris (AON) – Governance Advisor (DK)</p> <p><b>LBH Officers Present:</b> James Lake, Head of Pensions Treasury &amp; Statutory Accounts (JL), Tunde Adekoya, Pension Fund Accountant (TA), Seby Carvalho, Pension Fund Technical Officer (SC), Shyam Pitroda, Finance Apprentice (SP), Ann-Marie Pereira, Executive Assistant – Minutes (AP)</p>	
AGENDA ITEM	MINUTES/ACTION	ACTION/ LEAD
Agenda item 1	<p><b>Apologies for Absence</b></p> <p>Anil Mehta, Shane Woodhatch and Cllr Martin Goddard.</p> <p>JL advised that Anil will be leaving so will need to be replaced as Employer Representative on the Board. <b>Action: JL to progress replacement.</b></p>	Noted  JL
Agenda item 2	<p><b>DECLARATIONS OF INTEREST AND ANY CONFLICT OF INTEREST</b></p> <p>None.</p>	None
Agenda item 3	<p><b>MINUTES OF THE MEETING HELD ON 11 MAY 2022</b></p> <p>Agreed as an accurate record.</p>	Approved

	<p><b>Matters Arising</b></p> <p>None, that are not on the agenda.</p>	
<p><b>Agenda item 4</b></p>	<p><b>TO CONFIRM THE ITEMS OF BUSINESS MARKED PART 1 WILL BE CONSIDERED IN PUBLIC AND THAT ITEMS MARKED PART 2 WILL BE CONSIDERED IN PRIVATE</b></p> <p>That agenda items in Part 2 be considered in private.</p>	<p>Agreed</p>
	<p><b>PART 1</b></p>	
<p><b>Agenda item 5</b></p>	<p><b>ADMINISTRATION REPORT AND TPR CODE OF PRACTICE 14 COMPLIANCE</b></p> <p>For the sake of new members, RH commented that the Pensions Board's (PB) role was to be a 'critical friend.' To make this work PB, Pensions Committee (PC) and Officers had worked together to create a positive working relationship and PB hoped this would continue. PB's have a wide remit, so PB has taken the advice of The Pensions Regulator (TPR) and prioritises data accuracy and cyber security/scams. In referring to Hampshire Pensions Service (HPS) because the service was so much better than previously, the frequently positive comments on the service should not be seen as complacency on the part of PB. RH and SM had previously had a introductory meeting.</p> <p><b>Administration report</b></p> <p>The report highlights HCC activities for the last month, to end-May 2022. Although not available at the time of writing, the Board were subsequently furnished with a copy of the June 2022 report on which to comment. A key highlight is the member portal take-up where numbers have continuously increased and are moving closer to levels (around 30%) to when we left Surrey's pension service; a further increase in uptake is expected in August when benefit statements are released. HCC have a number of initiatives to encourage members to sign up.</p> <p>To note, all statements are sent electronically unless a paper version is specifically requested. Scheme members receive an email advising that the statement is available; members who do not have access to email are only likely to ask for a paper copy if there is a specific need. It is a member's choice whether or not they sign up to the service provided. The online portal saves the scheme a fair amount of money (eg postage costs).</p> <p>SM queried whether complaints were monitored; JL advised that HCC reports on both complaints and compliments received, on a monthly basis.</p>	

	<p>TN asked about benchmarking with other schemes and what 'good' looks like in comparison with other schemes with regard to our 30% sign-up to the portal. <b>Action: JL to ask about for sign-up by members of the other schemes administered by HCC (West Sussex &amp; Westminster).</b></p> <p>Pensions Benefits &amp; Payroll Calculations Audit: achieved substantial assurance. HCC provides results of all audits carried out.</p> <p>TPR Code and Good Governance: no new updates.</p> <p>Pension dashboard: HCC in regular discussions with Civica around procurement of their Integrated Service Provider system. Noted that the Dashboard connection deadline had recently been extended to September 2024. The fund must have its Dashboard system up, running, and accessible by users with accurate data by the deadline</p> <p>RH pointed out that the Local government Pensions Committee (LGPC) had expressed concern that Funds would be unable to meet the original April 2024 deadline because of the workload to meet the October 2023 deadline for McCloud.</p> <p>Two issues raised by the Pensions regulator are the inputting of up-to-date data and staffing implications; for info, there will be a Pensions regulator webinar on 28 July 2022.</p> <p>Cost implications: any associated costs should be known in about 3 – 6 months' time; these should include any oncosts particularly if the information provided is accurate.</p> <p>TN asked whether current inflation levels were impacting on members not paying contributions; JL advised that cashflow is monitored. SC also advised that existing members are not opting out.</p> <p>Data improvement and cleansing: of the 3840 cases outstanding at the time of onboarding, 3571 remain outstanding. HCC have a team of 3 working on the backlog with an average of 150 cases a month; 140 leavers forms completed in May 2022. This work is projected to last 2 years.</p> <p>Making and disclosure of special severance payments: it is employer's responsibility, and to ensure 'best value' for the taxpayer. JL has communicated with the HR team and confirmed that there is no change to the current arrangements that the new guidance requires apart from a change in the formal arrangements for authorisations. Any strain cost is borne by the employer.</p> <p>GMPs: There is no deadline, but HCC has commenced the 3-</p>	<p>JL</p>
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	<p>stage process of reconciliation, rectification and equalization and is hoping to complete this by March 2023 before the next pension increase goes through.</p> <p>McCloud: 37 returns due; HCC is working with Hillingdon and other employers to get the data in. PB was assured that the project is on course and HPS expect to meet the October 2023 deadline and the September 2024 Dashboard Deadline</p> <p>In terms of performance, SA queried whether other HCC members push a little harder; JL advised that all had the same KPI's (100%) hence it was agreed that we need to benchmark with another good performing contract (neighbouring). RH pointed out the discussion at the previous meeting when all KPIs were at 100% and TN asked whether the bar had been set too low. <b>Action: JL/TA to review previous (third party) annual reports of similar size pension pots and those outsourced. SM will also liaise with other Pension Committee Chairs.</b></p> <p>TA pointed out that whilst HCC service is light years ahead of other suppliers, there are some issues on the accounting side, which TA is working to resolve; HCC is receptive to conversations and agreed that one size does not fit all. Like every contract, contract management and relationship building is necessary.</p> <p>HPS are asking employers to correctly comply with the pensions regulations and provide information and returns that had not previously been requested, resulting in complaints by some employers to the team. However, this is being managed and employers are being supported in meeting these requirements</p>	<p>JL/TA SM</p>
<p><b>Agenda Item 6</b></p>	<p><b>TRAINING UPDATE AND LOG</b></p> <p>Noted that RH has attended a few more courses.</p> <p>RH highlighted the importance of conducting skills audit once the combined code comes out. Pension Board members are required to undertake sufficient training to ensure they are able to fulfil the knowledge and understanding requirements of their roles.</p> <p>DK advised that AON is working on applying the new CIPFA skills required to their comprehensive training programme.</p> <ul style="list-style-type: none"> <li>- Anil's replacement will need to undergo all relevant training.</li> <li>- TB has signed up to the fundamentals LGA training.</li> <li>- RH and SW have completed the AON training.</li> <li>- TN will undertake training that he feels is worthwhile and adds value; he has completed the CIPFA training and has good knowledge of key requirements of the board. JL to update the report to reflect that TN has the knowledge and understanding to carry out his role; TN will participate in the skills audit when released, highlighting any gaps in knowledge.</li> </ul>	

	RH advised that Cllr Goddard had mentioned the stewardship code developments; no specific training required.	
<b>Agenda item 7</b>	<b>WORK PROGRAMME 2022</b> Fairly similar to last time. No additional items requested by the Board.	
	The meeting ended at 3.50 pm.	