

Pension Fund Board 14 March 2018

Agenda Item	Page No
2 MINUTES OF PENSION FUND BOARD	3 - 8
6 ANNUAL REVIEW OF BUCKINGHAMSHIRE PENSION BOARD Report and appendix attached	9 - 14
9 FORWARD PLAN	15 - 16
10 ANNUAL BENEFITS STATEMENTS - ADMINISTRATION YEAR END UPDATE Report attached	17 - 18
11A ANNUAL BENEFITS STATEMENTS - CONFIDENTIAL APPENDIX	19 - 22
12 CONFIDENTIAL MINUTES OF THE PENSION FUND BOARD	23 - 26
13 CONFIDENTIAL MINUTES OF THE PENSION FUND COMMITTEE	27 - 30

Minutes

PENSION FUND BOARD

**MINUTES OF THE PENSION FUND BOARD HELD ON WEDNESDAY 18 OCTOBER 2017,
IN MEZZANINE ROOM 1, COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND
CONCLUDING AT 11.40 AM.**

MEMBERS PRESENT

Ms B Black, Ms R Ellis (Vice-Chairman), Mr S Mason (Chairman), Mr J McGovern,
Mr I Thompson and Ms L Wheaton

OFFICERS PRESENT

Ms J Edwards, Mrs C Lewis-Smith, Ms C Platts, Mr M Preston, Ms S Price and Mr C Thompson

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP/DECLARATIONS OF INTEREST/MINUTES

Apologies for Absence

There had not been any apologies for absence.

Changes in Membership

The Chairman welcomed everyone to the Board especially Ms L Wheaton who had joined the Board as an employer representative for Milton Keynes Council.

Mr R Bowman had left employment at Buckinghamshire County Council to take up a new role and had resigned his role as an employee representative on the Board. The Chairman thanked him for his contribution to the Board.

Declarations of Interest

There were no declarations of interest.

Minutes

The minutes from the meeting on 19 July 2017 were agreed as a correct record and signed by the Chairman.

The Chairman highlighted that under item 4 (Review of Buckinghamshire Pension Board Policies), relating to the Board having sight of the draft accounts, he had discussed the matter outside of the meeting with officers and there would be the opportunity for Board members to view them before they are taken to Pension Fund Committee.

2 MINUTES OF THE PENSION FUND COMMITTEE

The minutes from the Pension Fund Committee held on 27 July 2017 were noted by the Board.

3 BCC PENSION FUND EMPLOYER NEWSLETTER - SEPTEMBER 2017

The Chairman introduced the BCC Pension Fund Employer Newsletter for September 2017 and Board members highlighted the following:

- Mr I Thompson asked about the update on the Brunel Pension Partnership about new investment areas and the possibility of investing in debt. Ms J Edwards stated that the Buckinghamshire Pension Fund did not have any of these types of investments in its strategy and therefore that would not be relevant.
- Mr I Thompson questioned the progress on exit payment caps and whether there had been any notification as to when there would be legislation introduced. Mrs C Lewis-Smith stated that it was likely further information would be available and circulated in November 2017 and possibly draft legislation at that time. There would be a further consultation undertaken by the Department for Communities and Local Government (DCLG) possibly in November 2017. Mrs Lewis-Smith had been informed by the Technical Group that there would not be any retrospective exit payment caps.
- Mrs C Platts highlighted that there had been positive feedback on the employer training event. 38 employers attended over the three sessions (54 individuals).

RESOLVED

The Board NOTED the September 2017 issue of the BCC Pension Fund Employer newsletter.

4 PENSION FUND ANNUAL REPORT 2016/17

Mrs C Platts presented the report to the Board and the following was highlighted:

- The annual report had been presented to the Pension Fund Committee on 27 July 2017 and approved. It had then been published on the Pension Fund website on 31 July 2017.
- It was noted the administration performance statistics were not a true reflection as the system did not take into account where information had been awaited from employers/employees and a number of targets had been processed within the timeframe.
- The statistics did, however, provide the team with an overview of the customer experience and this would help the team to look at ways of improving the customer journey.
- The Benefit Administration team continued to maintain priority areas of work on a daily basis as well as dealing with the backlogs.

- The graphs on the Management and Financial Performance Report had not made it obvious that the results were only based on 6 survey results and this needed to be highlighted somewhere so that there was appropriate context.

ACTION: Mrs Platts

- Additionally it had been acknowledged by the Board that customers would often only complete surveys if they were unhappy with a service.
- The audit report had highlighted that Price Waterhouse Cooper (PWC) had concerns about the methodology adopted by Barnett-Waddingham for determining the appropriate discount rate. This concern had not just been related to the Buckinghamshire Pension Fund and had been highlighted with other Funds across the country. There had not been an opportunity for further dialogue in relation to the concerns highlighted.
- There had been a deficiency noted with the reconciliation of monthly returns for scheme contributions from scheduled and admitted bodies and that this had not been maintained on a regular basis during the year, there were some reconciliation differences had not been followed up. Ms Edwards explained that it would be difficult to know if there was a reconciliation problem until the returns were received, but there had not been a recurrent theme. The Chairman asked that an update be provided at the next meeting.

ACTION: Mrs Lewis-Smith (forward plan)

RESOLVED

The Board NOTED the Pension Fund Annual Report 2016/17

5 PENSIONS ADMINISTRATION PERFORMANCE REPORT

Ms S Price presented the report to the Board and the following was highlighted:

- As had been explained under item 4, the Benefit Administration team continued to maintain priority areas of work on a daily basis as well as dealing with the backlogs.
- There had been a significant increase in general enquiries following the release of the Annual Benefit Statements.
- The retirement packs had included a death nomination form which had led to an increase in communication.
- 65% of telephone calls had been answered within a minute, although less than anticipated, new staff had since been trained and the team's percentage had increased to around 81/82%. The number of calls received would help to determine the amount of resource needed at different times of the year.
- 87 members had exceeded their annual allowance this year and information had been provided to explain to members the next steps. Members would be advised that they would be required to either pay the tax charge or allow the Fund to pay this on their behalf resulting in an actuarial reduction to their pension. There would be a drop in clinic organised for affected members at the end of November/early December.

- Thames Valley Police had used an independent advisor to run sessions for employees and it would be encouraged for other employers to follow suit as the statements can sometimes be difficult to understand.
- The focus going forward would be on customer service and keeping members informed, which it was hoped would result in fewer complaints being received. Customers also needed to be given realistic expectations over timeframes and the team found that face to face surgeries had been of benefit.
- There were currently 1,400 leaver checking tasks outstanding from the backlog, which had reduced from 1,600 reported at the last Pension Fund Board meeting.
- Staff record the information from telephone calls from employees and this could be reviewed so that more helpful information could be included on the Pension Fund website and appropriate messages on the telephone system. Additionally the Board were interested to know the number of calls that were received from employees compared to employers.

ACTION: Ms Price

RESOLVED

The Board NOTED the report.

6 TRAINING NEEDS ANALYSIS

Mrs C Lewis-Smith presented the report and the following was highlighted:

- Board members would be expected to undertake training to meet the responsibilities/requirements placed upon them by the Board's Terms of Reference, the Pensions Regulations, The Pensions Regulator, CIPFA Code of Practice and the Board's Knowledge and Understanding Policy and Framework.
- Ms L Wheaton would be provided with induction training along with the new employee representative (once recruited). Existing Board members would be welcome to attend as a refresher.
- There would be a spare training space at the Barnett Waddingham seminar on 6 November 2017, as Mr I Thompson would not be able to attend. Ms Ellis thought there had been another event advertised for February 2018, Mrs Lewis-Smith would check this.

ACTION: Mrs Lewis-Smith

- The Pensions Regulator also supplied useful online training modules for Board members.
- The questionnaire relating to the self-assessment and training of Board members would be sent out in the New Year.

ACTION: Mrs Lewis-Smith

RESOLVED

The Board NOTED the report and REVIEWED the training opportunities.

7 FORWARD PLAN

Mrs C Lewis-Smith presented the plan and the following was highlighted:

- In addition to the cyclical items there would be an update in the Scheme Member and Employer Communications, CIPFA Pensions Administrating Benchmarking and the Risk Register for the meeting on 14 March 2018.
- Board members requested that an update on My Pension Online and i-Connect also be brought to the March meeting.

ACTION: Mrs Lewis-Smith (forward plan)

- The Annual Review of the Buckinghamshire Pension Board would be due at the meeting in July 2018 but due to the Board having reached its three year tenure it had been agreed that this would be brought to the meeting on 14 March 2018 instead.

ACTION: Mrs Lewis-Smith (forward plan)

- The Board would not have had the opportunity to review the Annual Report (including Auditor report) before it was signed off by the Pension Fund Committee in July 2018 and therefore the Chairman requested that Ms Edwards forward the draft report to Board members so that they would have a chance to comment before it was approved.

ACTION: Ms Edwards

RESOLVED

The Board NOTED the Forward Plan.

8 ANNUAL BENEFIT STATEMENTS - ADMINISTRATION YEAR END UPDATE

Mrs C Lewis-Smith presented the report and the following was highlighted:

- All 218 employers who had submitted an annual return for 2016/17 received annual benefit statements for their active members by 31 August 2017.
- Of the 218 employers, 139 had received annual benefit statements for 100% of their active membership by the deadline of 31 August 2017. There had been 2,400 outstanding member data queries across the remaining 79 employers as at 27 September 2017.

RESOLVED

The Board NOTED the report.

9 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it

contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

10 ANNUAL BENEFITS STATEMENT - CONFIDENTIAL APPENDIX

Mrs C Lewis-Smith presented the appendix report.

RESOLVED

The Board NOTED the confidential appendix.

11 CONFIDENTIAL MINUTES

Subject to a minor amendment, the confidential minutes from the meeting on 19 July 2017 were agreed as a correct record and signed by the Chairman.

12 CONFIDENTIAL MINUTES OF THE PENSION FUND COMMITTEE

The minutes from the Pension Fund Committee held on 27 July 2017 were noted by the Board.

13 BRUNEL PENSION PARTNERSHIP UPDATE

Ms J Edwards updated the Board on the Brunel Pension Partnership.

RESOLVED

The Board NOTED the report.

14 DATE OF NEXT AND FUTURE MEETINGS

The next meeting will be held on 14 March 2018 at 10am.

Future meeting dates:

18 July 2018 at 10am

10 October 2018 at 10am

****All meetings would be held at County Hall in Aylesbury****

CHAIRMAN

Pension Fund Board

Title: Annual Review of Buckinghamshire Pension Board

Date: Wednesday 14 March 2018

Author: Finance Director, Finance & Assets Service

Contact officer: Claire Lewis-Smith, 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This report is provided to review the work of the Buckinghamshire Local Pension Board for the year 2017/18. The report provides feedback to the Board on the work undertaken during the year and meets the legislative requirement for producing the Board's Annual Report, a draft version of which is attached at Appendix 1

Recommendation

The Board is asked to NOTE the report and COMMENT on the draft Buckinghamshire Local Pension Board Annual Report.

Supporting information to include the following if a decision is being requested:

Resource implications

Regulation 106 (9) of The Local Government Pension Scheme Regulations provides for the expenses of a Local Pension Board to be regarded as part of the costs of administration of the fund held by the administering authority.

Legal implications

None

Other implications/issues



The Board filled the employer representative vacancy it had by appointing Lisa Wheaton on 22 September 2017. An employee representative vacancy arose on 2 September 2017 due to Reece Bowman leaving. This post is remains vacant at present. *Accounting for these vacancies, the Board's attendance rate is 90%, details of which are as follows:

Board Member	19/07/2017	18/10/2017	14/03/2017
Bev Black	Y	Y	X
Reece Bowman	Y	N/A	N/A
Peter Dearden	Y	X	Y
Roona Ellis	Y	Y	Y
Steve Mason	Y	Y	Y
Joe McGovern	Y	Y	Y
Ian Thompson	Y	Y	Y
Lisa Wheaton	N/A	Y	Y
Vacancy			

**Please note these figures have been based on the apologies known as at 7 March 2018 for the March 2018 meeting. They will be revised with accurate attendance for the final version of the Annual Report.*

Joe McGovern attended the LGPS Trustee Fundamentals Training during October-December 2017. The Chairman and Vice-Chairman attended the Annual LGPS Trustee Conference (2 days) and Barnett Waddingham's Local Pension Board – Two Years On Seminar in June 2017, and Barnett Waddingham's Spring Members Seminar in February 2018. The Chairman attended their Autumn Members Seminar in November 2017. In-House employer training was attended by the Chairman, Vice-Chairman and Lisa Wheaton in Summer 2017. The Vice-Chairman will also be attending the LGA Cross Pool Open Forum Session later in March this year. An in-house training event for both the Pension Board and Pension Fund Committee is being held on 23 March 2017 and 5 Board members have confirmed attendance so far.

The Board reviewed all employer newsletters and all Pension Fund Committee minutes.

Items for discussion at the Board during the year included:

- Administration Year-end Update
- Administration Performance Statistics
- Brunel Pension Partnership
- CIPFA Pensions Administration Benchmarking
- i-Connect/Pensions 'Online'
- Investment Strategy Statement
- Pension Fund Annual Report
- Review of Board Policies
- Scheme Member and Employer Communications

The Public Services Pension Act 2013 requires the Fund to have a Local Pension Board and for it to produce an annual report, details of the draft are attached as Appendix 1.

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

Public Services Pensions Act 2013

<http://www.legislation.gov.uk/ukpga/2013/25/contents>

Appendix 1 – Draft Buckinghamshire Local Pension Board Annual Report

The Public Service Pensions Act 2013 introduced the requirement to have a Local Pensions Board to assist in the good governance of the scheme. The Buckinghamshire Pension Fund established the Board by the deadline of 1 April 2015 and the Buckinghamshire Pension Board's first meeting took place on 21 July 2015.

The Board currently meets three times per annum and consists of 4 Employer and 4 Member representatives, although there has been an unfilled vacancy for both a scheme employer representative and a scheme employee representative at some point during 2017/18. Attendance at meetings has been high, with an attendance rate of 90%.

All members of the Board have equal voting rights.

On 31 March 2018, the Board members were:

Scheme member representatives

- Peter Dearden
- Steve Mason (Chairman)
- Joe McGovern
- *Vacant post*

Scheme employer representatives

- Bev Black
- Roona Ellis (Vice Chairman)
- Ian Thompson
- Lisa Wheaton

Members of the Board are required to disclose any declarations of interest at the beginning of each Buckinghamshire Pension Board meeting.

In accordance with Section 248a of the Pensions Act 2004, every member of the Buckinghamshire County Council Local Pension Board must be conversant with the rules of the scheme (the Local Government Pension Scheme Regulations), and any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.

Pension Board members must also have knowledge and understanding of the law relating to pensions, and such other matters as may be prescribed.

Accordingly, all members of the Board are encouraged to take advantage of the many training opportunities notified to them by Pensions Officers and to maintain their core knowledge via self-study using the Pension Regulator's Public Services toolkit for online learning. This includes modules on conflicts of interest, managing risk and internal controls, maintaining accurate member data, maintaining member contributions, providing information to members and others, resolving internal disputes and reporting breaches of the law, and is regularly updated by the Regulator during the year.

Other training opportunities offered to and undertaken by Board Members include:

- LGA Trustee Fundamentals training and Cross Pool Open Forum
- Barnett Waddingham Board Member Seminars
- Employer Training, and
- In-house training as a result of a training needs analysis exercise

At the end of its third year since inception, the Board looked back at a busy and varied 12 months:

The Board undertook annual reviews of:

- their Terms of Reference, Code of Conduct Policy, Conflicts Policy and the Knowledge and Understanding Framework,
- the Pension Fund Annual Report and Accounts 2016/17 and
- the CIPFA Pensions Administration Benchmarking performance.

At each meeting of the Board, reports were presented and considered regarding:

- Pension Fund Administration Performance Statistics,
- Pension Fund Administration Year-end Updates,
- Pension Fund Committee agenda and minutes,
- Updates from Officers regarding the progress in implementing the Brunel Pension Partnership as part of the Government LGPS Investments reform agenda,
- The BCCPF Employer's Newsletter for each quarter.

In addition, the Board Chairman attended meetings of the Pensions Committee in an 'observer' capacity, including additional meetings regarding developments in the Brunel Pension Partnership process, and had regular meetings with senior Officers to review ongoing Administration issues.

Chairman to insert report/comments

It is recognised that the core functions of the Board are to assist the Administering Authority in securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, any requirements imposed by the Pensions Regulator in relation to the Scheme, and to ensure the effective and efficient governance and administration of the Scheme. All Board activities are targeted toward fulfilling this role.

Chairman to insert closing statement

Pension Fund Board Forward Plan

Updated	6-Mar-18
---------	----------

14 March 2018	Aylesbury, County Hall	
Agenda Item	Author	Cyclical Item?
Apologies / Declarations of interest / Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
BCC Pension Fund Employer Newsletter - December 2017	Cheryl Platts	Every meeting
Scheme member and employer communications	Cheryl Platts	Annually
i-Connect/Pensions 'Online' Update	Steve Lugg	Ad hoc
Annual Review of Buckinghamshire Pension Board	Claire Lewis-Smith	Annually
Administration performance statistics	Sam Price	Every meeting
CIPFA Pensions Administration Benchmarking	Sam Price	Annually
Forward Plan	Claire Lewis-Smith	Every meeting
Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
Exclusion of Press and Public		
Annual Benefit Statements - Confidential Appendix	Claire Lewis-Smith	Ad-hoc
Confidential Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
Brunel Pension Partnership Update	Julie Edwards	Every meeting
Local Pension Board Insurance	Claire Lewis-Smith	Ad hoc
Date of next meeting / AOB	--	

18 July 2018	Aylesbury, County Hall	
Agenda Item	Author	Cyclical Item?
Apologies / Declarations of interest / Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
BCC Pension Fund Employer Newsletters - March 2018 and June 2018	Cheryl Platts	Every meeting
Review of Buckinghamshire Pension Board Policies	Claire Lewis-Smith	Annually
Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
Internal Dispute Resolution Procedure	Sam Price	Annually
Administration performance statistics	Sam Price	Every meeting
Risk Register	Julie Edwards	Annually
Forward Plan	Claire Lewis-Smith	Every meeting
Exclusion of Press and Public		
Confidential Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
Brunel Pension Partnership Update	Julie Edwards	Every meeting
Date of next meeting / AOB	--	

October 2018	Aylesbury, County Hall	
Agenda Item	Author	Cyclical Item?
Apologies / Declarations of interest / Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
BCC Pension Fund Employer Newsletter - September 2018	Cheryl Platts	Every meeting
Pension Fund Annual Report 2017/18	Cheryl Platts	Annually
Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
Administration performance statistics	Sam Price	Every meeting
Training Needs Analysis	Claire Lewis-Smith	Annually
Forward Plan	Claire Lewis-Smith	Every meeting
Exclusion of Press and Public		
Confidential Minutes	Chairman	Every meeting
Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
Brunel Pension Partnership Update	Julie Edwards	Every meeting
Date of next meeting / AOB	--	

Pension Fund Board

Title: Annual Benefit Statements - Administration Year End Update
Date: Wednesday 18 October 2017
Author: Finance Director, Finance & Assets Service
Contact officer: Claire Lewis-Smith, 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

Regulation 89 of the Local Government Pension Scheme Regulations 2013 require an administering authority to issue an annual benefit statement no later than 5 months after the end of the Scheme year to which it relates (31 August). The purpose of this report is to inform the Board of the position at 31 August 2017.

Recommendation

The Board is asked to NOTE the content of this report.

As at 27 September there were 79 employers who had outstanding year end queries, totalling 2,400, on their member's records. As at 6 March 2018, there are 33 employers with outstanding year end queries, totalling 1,425, on their member's records.

Of the 1,425 queries remaining, 360 relate to members who have left the LGPS, leaving 1,065 in relation to active members. Totals relating to each individual employer can be found in the confidential appendix to this report.

Supporting information to include the following if a decision is being requested:

Resource implications

Additional temporary resources were recruited to support the issue of annual benefit statements.

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

Appendix 1

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

