

Minutes

PENSION FUND BOARD

MINUTES OF THE PENSION FUND BOARD HELD ON THURSDAY 21 JULY 2016, IN COMT BOARD ROOM, IRELAND ROOM, COUNTY HALL, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.00 PM.

MEMBERS PRESENT

Ms B Black, Mr R Bowman, Mr P Dearden, Ms R Ellis (Vice-Chairman) and Mr S Mason (Chairman)

OFFICERS PRESENT

Ms J Edwards, Ms C Platts and Mr M Preston

1 APOLOGIES FOR ABSENCE/DECLARATIONS OF INTEREST/MINUTES

Apologies were received from Mr J McGovern, Ms S Price, Mr C Thompson and Mr I Thompson.

There were no declarations of interest.

The minutes of the meeting held 16 March 2016 were agreed as an accurate record and updates on action points were given as below:

- In relation to training on regulatory requirements, Ms J Edwards advised that all Board Members had access to online training.

ACTION: Pension Fund Board Members to review training modules online and continue to look at on an ongoing basis.

- Ms C Platts explained that all those who were already in the pension scheme would automatically be enrolled and those who had opted out at any stage would need to be brought back in on their three year anniversary. Employers were to be referred to the LGA auto enrolment scheme guidelines with any queries. Ms C Platts advised that information on this had been included in the Employer Newsletter.
- The action point under item 7 would be covered under item 6 of this meeting record.

- The Risk Register was an item due to be discussed at the next Board Meeting on 26 October 2016. The Risk Register would be reviewed and any issues addressed at that meeting.
- Ms J Edwards advised that a session had been held on tax legislation for high earners. Ms C Platts added that in addition to the training, correspondence had been sent out to high earners so that they had information should they have been unable to attend the session. Around 120 people fell in to this category.

Forward Plan items noted on the last meeting record

- As noted above the online training package was to be revisited by Board Members and a Training Needs analysis was on the next meeting's agenda to focus on areas of need.
- Ms J Edwards explained that a Fund Manager had not been invited to the next Board Meeting and advised that the Pension Fund Committee had not believed that there was a role for the Board to review Fund Managers in Board Meetings. The Chairman of the Pension Fund Committee had agreed that it was acceptable for Pension Fund Board Members to attend future Committee meetings where Fund Managers were due to present. Ms J Edwards confirmed that the Board could challenge decisions made by the Committee and with permission from the Chairman could question Fund Managers at future Committee meetings.

ACTION: Committee Assistant to circulate Pension Fund Committee invites for all future meetings set to Pension Fund Board Members.

2 MINUTES OF PENSION FUND COMMITTEE

The Board noted the minutes from the Pension Fund Committee meetings held 23 May 2016 and 29 June 2016.

3 BCC PENSION FUND EMPLOYER NEWSLETTER

Ms C Platts presented this item and the Board received copies of the Pension Fund Employer's Newsletters for March and June 2016. The Board discussed contents of the report and comments included:

- The Chairman asked whether there had been any feedback on the end of contracting out from employers/employees. Ms C Platts advised that there had been documentation shared with employers well in advance. No employers had provided any adverse feedback.
- Ms C Platts advised that the Exit payment cap noted on page 19 of the agenda pack had been covered by the actuary in their presentation to high earners. Redundancy payments and pension strain were included in this payment cap. There had been a consultation and the expected date for legislative framework on this was not expected any earlier than 1 October 2016.

- The BCC Pension Fund General Meeting was to be held on 8 December 2016 from 9 a.m. and Ms C Platts confirmed that she would be sending out an invite to Board Members.
- The Chairman and Vice-Chairman of the Board were scheduled to attend the LGPS Trustee Training noted on page 25 of the agenda pack. An employer training event had been held in July 2016 and early feedback had appeared positive.

RESOLVED

The Pension Fund Board NOTED the March and June 2016 issues of the BCC Pension Fund Employer newsletter.

4 REVIEW OF PENSION FUND BOARD POLICIES

Ms J Edwards presented this item. The Board discussed contents of the report and key points raised included:

- Four policies were attached to the agenda (Terms of Reference; Code of Conduct; Conflicts Policy and Knowledge and Understanding Framework). The term of office for Members was three years and if all Members were still in post after 30 months then the recruitment process would start, beginning with those who wish to remain on the Board. Ms J Edwards advised that the vacancy on the Board had yet to be recruited to but workload permitting this would be looked at in due course.
- The Chairman confirmed that the Board would carry out point 55b when receiving officers' reports for the Board. Other items under item 54 were often underpinned by work going on in the background from officers.
- In relation to point 55k, Ms C Platts confirmed that in the current newsletter Employer's had been reminded of sending discretions to the County Council. If Employers did not have a policy in place, the County Council would not complete work which requires a discretionary policy.
- There was a legitimacy to the Board questioning the Pension Fund Committee on Fund Manager decisions which affected investments as noted in point 55b of the Terms of Reference and as per points 58 and 59 the Board were able to report concerns to the Committee. If not satisfied with the response received the Board may request a notice of concern be placed on the website and in the Fund's annual report.

RESOLVED

The Board REVIEWED and NOTED the Terms of Reference, Code of Conduct, Conflicts Policy and Knowledge and Understanding Framework.

5 ANNUAL REVIEW OF BUCKINGHAMSHIRE PENSION BOARD

Ms J Edwards presented this item. The Board discussed contents of the report which would go to the Pension Fund Committee on 27 July 2016. A factual, concise statement had been

included in the Annual report and the names of Board Members had been added. The Board agreed that an introductory paragraph would be beneficial to have included in the report.

ACTION: Pensions and Investments Manager to email document to Chairman of the Board to write an introduction to the Board and invite comments from Members.

RESOLVED: The Board NOTED the Annual Review of Buckinghamshire Pension Board report.

6 ANNUAL BENEFITS STATEMENTS - ADMINISTRATION YEAR END UPDATE

Ms J Edwards presented this item. The Board discussed contents of the report and points were raised as follows:

- BCC had encountered difficulties meeting the 31 August 2015 statutory deadline for the issuing of Annual Benefits Statements. Ms J Edwards advised that the team had reviewed the process for the year ending 31 March 2016 and were on target to have Annual Benefit Statements issued by 31 August 2016. The Chairman thanked Officers for having found a solution.
- The regulator was contacted in March to explain what had happened and BCC were informed that the issue would be placed on file and no action was intended.
- Annual Returns from 2 employers remained outstanding. This was 1 academy and 1 school and the issue appeared to be a result of having changed payroll providers at certain points.
- Ms J Edwards advised that there was not yet a fixed date for electronic versions of the statements to replace paper copies and further discussions were to be held. Deferred Benefits Statements had been issued with notification of a move to online. Ms C Platts advised that the option to opt out of accessing statements online needed to be done twice. The deferred statements issued this year gave details of the negative revaluation and information about the move to online statements. A reply slip was included to inform whether employees wished to continue with receiving a paper statement.

RESOLVED

The Board NOTED the update on the issuance of Annual Benefits Statements.

7 ADMINISTRATION PERFORMANCE STATISTICS

Ms J Edwards presented this item. The Board discussed contents of the report and points raised included:

- Workload statistics could be seen in the report. Figures had much improved for work completed within target over the previous six months.
- Inroads had been made on the backlog of tasks with additional staff members being trained across work streams. As staff had been upskilled more tasks were able to be completed each month.

- In January 2016, the Pensions Service Desk was implemented which allowed Pensions Officers to focus on completing a number of other tasks. Work was being prioritised accordingly.
- Updated valuation Year End returns remained outstanding from 2 employers.
- BCC were made aware of a number of issues by way of Class Bulletin which related to the valuation extraction process and this was said to have created additional work, however the Systems Team were on course to meet the 31 July 2016 deadline. If the deadline was not met Ms J Edwards advised that the triennial valuation would come back later than expected. The current date expected was approximately the end of October 2016.
- 1400 transfer tasks waited processing with the majority of other tasks having been brought up to date.

RESOLVED

The Board NOTED the performance statistics of the team.

8 FORWARD PLAN

The Board noted the Forward Plan.

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 MINUTES OF THE PENSION FUND BOARD

The confidential minutes of the meeting held 16 March 2016 were agreed as an accurate record.

11 MINUTES OF PENSION FUND COMMITTEE

The Board noted the confidential minutes from the Pension Fund Committee meetings held 23 May 2016 and 29 June 2016.

12 BRUNEL PENSION PARTNERSHIP UPDATE

The Board received an update on the Brunel Partnership and discussed the contents in detail.

RESOLVED

The Board NOTED the Brunel Pension Partnership Update report.

13 DATE OF NEXT AND FUTURE MEETINGS / AOB

26 October 2016 at 2 p.m. in Mezzanine room 3, NCO
16 March 2017 at 10 a.m. in Mezzanine room 2, NCO
19 July 2017 at 10 a.m. in Mezzanine room 2, NCO
18 October 2017 at 10 a.m. in Mezzanine room 1, NCO

CHAIRMAN