

# Minutes

## *PENSION FUND BOARD*

**MINUTES OF THE PENSION FUND BOARD HELD ON WEDNESDAY 19 JULY 2017, IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 10.05 AM AND CONCLUDING AT 12.39 PM.**

### **MEMBERS PRESENT**

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

### **OFFICERS PRESENT**

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

### **1 APOLOGIES/DECLARATIONS OF INTEREST/MINUTES**

Apologies had been received from Mr J Chilver, Mr S Lugg and Ms S Price.

There were no declarations of interest.

The minutes from 16 March 2017 were agreed as an accurate record and signed by the Chairman.

In relation to Item 9 (Risk Register), Ms J Edwards had updated the risk register to take into account the comments that had been made.

### **2 MINUTES OF PENSION FUND COMMITTEE**

The minutes from the meetings held on 6 March, 22 March and 31 May 2017 were noted by the Board. The Chairman stated that the minutes from 31 May 2017 had not yet been approved by the Pension Fund Committee.

Mr M Barber, the representative from Thames Valley Police on the Pension Fund Committee had his name displayed as 'Barber' and needed to have his name displayed as 'Mr M Barber'.

**ACTION: Mrs Bhanja**

### **3 BCC PENSION FUND EMPLOYER NEWSLETTERS - MARCH 2017 AND JUNE 2017**

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

- There were two newsletters to view, from March and June 2017. The March newsletter had been the annual update.
- The annual return template was issued at the end of February 2017 and the new monthly notification spreadsheet allowed employers to complete just one document every month.
- LGPS member surgeries had been reinstated which would give employees the opportunity to speak to members of the Pension's team directly.
- The 2016 valuation report had been published and was available on the Pension's website.
- There had been an employer training session on 12 July 2017 and a further two sessions had been organised for 2 August 2017.
- The printing of the Annual Benefits Statements had started and the mailing would include a letter to inform members that 2017 would be the last year they would receive a paper copy of their statement. There would be an 'opt out' slip included with the statement for those members who did not want to view their information online and who would prefer a paper benefit statement instead.
- The Pension's website had been built using the County Council template so that it met the required standards for public sector information and to better meet the needs of mobile device users.

In response to questions, Mrs Platts stated the following:

- The My Pension Online team would encourage members to register and there would still be periodic reminders for employees which would be issued via Scheme employers.
- Schools had been contacted in relation to reminding employees to use the online system. As long as a user had a web enabled browser, they would be able to access the system.
- There would be no online access to pension records for members if they opted out of the paper free system.
- The statutory deadline for publishing statements is 31 August 2017 every year and statement would be published online or before that date.
- All of the member surgeries would be held in Aylesbury. Previous surgeries held in satellite offices had low take up and found not to be a good use of resource as many members did not attend their pre-booked appointments.

#### **RESOLVED**

**The Board NOTED the March and June 2017 issues of the BCC Pension Fund Employer newsletter.**

#### **4 REVIEW OF BUCKINGHAMSHIRE PENSION BOARD POLICIES**

Mrs Claire Lewis-Smith presented the report to the Board and highlighted the following:

- The Board's Terms of Reference, Code of Conduct, Conflicts Policy and Knowledge and Understanding Framework were adopted by the Board at its inaugural meeting on 21 July 2015. There was a requirement to review all Board policies periodically and this is undertaken annually.
- In relation to the Terms of Reference, the main changes related to the Shadow Advisory Board which had now become the Scheme Advisory Board, reference to the Management and Investment of Funds Regulations 2016 and reference to include connected schemes had also been updated. When vacancies on the Board became available, the recruited member would serve a three year term.
- In relation to the Code of Conduct and Conflicts Policy there were no material changes, just a change to the dates.
- In relation to the Knowledge and Understanding Framework, there had been some legislation updates.

In response to questions, Mrs Lewis-Smith stated the following:

- The Terms of Reference have to be reviewed periodically.
- Mr Bowman asked if the Board were happy with the core functions that would be discharged. For example the Board did not have sight of the draft accounts. The Chairman stated that he would take this up with officers outside of the meeting.

**ACTION: Chairman**

- Training had been offered throughout the two years of the Board and a number of members have been on courses. The Chairman asked that members highlighted any gaps in their knowledge so that the Board can organise training and members can feel confident in their role.
- Ms Ellis had attended training through Barnett-Waddingham which had additionally given the opportunity to meet and speak with other authority's Board members
- The Chairman stated that the three day course which focused on fundamentals would be helpful if members had not yet attended. Even attending just one or two days of the course would be helpful.

## **RESOLVED**

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

## **5 ANNUAL REVIEW OF BUCKINGHAMSHIRE PENSION BOARD**

Mrs C Lewis-Smith and the Chairman presented the report to the Board and highlighted the following:

- The Annual Review of the Buckinghamshire Pension Board would be incorporated into the Pension Fund Annual Report and as such would be a public document, the Board therefore needed to be happy with its content.

- This would be the second Annual Report of the Board and describes the items the Board has looked at during the last 12 month period and the training Board members have been offered.
- The Annual Report would be going to the Pension Fund Committee on 27 July 2017 and the Chairman would take the document away and create a narrative to circulate to Board members for their consideration.

**ACTION: Chairman**

## **RESOLVED**

**The Board NOTED the report.**

### **6 ANNUAL BENEFITS STATEMENTS - ADMINISTRATION YEAR END UPDATE**

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

- Regulation 89 of The Local Government Pension Scheme Regulations required an administering authority to issue an annual benefit statement no later than 5 months after the end of the Scheme year (31 August).
- Additional temporary resources had been recruited to support the issue of Annual Benefit Statements. Recruits had performed better than expected and resulted in cleaner and quicker data being produced.
- There had been 119 employers ready to print with no outstanding queries on their members' records.
- By the annual return deadline of 30 April 2017, 177 employers had submitted returns. 36 of these had to be returned to employers for revision and of these, 19 had been revised and returned by the deadline.
- 41 employers had sent their returns after the deadline of which 4 had to be returned for revision.
- In total, 218 returns had been received with no further returns outstanding.
- There were 69 employers who had received queries who were yet to either respond or provide sufficient details to resolve their member queries.
- The target to issue 80% of active Annual Benefit Statements by 31 August 2017 has been set, an increase from the 75% target last year.
- The team had met with both Buckinghamshire County Council and Milton Keynes Unitary Authority to raise the profile of the Pensions Administration Strategy.
- There had been some issues relating to schools and academies using third party payroll providers and the inability of the administering authority to charge additional administration costs directly to the providers.
- The Pension's Regulator would be increasing scrutiny and enforcement on employers so that they have awareness of their responsibilities in providing timely information.
- The Chairman asked that once the deadline of 31 August 2017 had passed, Mrs Lewis-Smith provide Board members with the figure of achievement in relation to the number of Annual Benefits Statements completed by the deadline.

**ACTION: Mrs Lewis-Smith**

## **RESOLVED**

**The Board NOTED the report.**

### **7 PENSIONS 'ONLINE' UPDATE**

Mr C Thompson presented the report to the Board and highlighted the following:

- The “my pension online” service for LGPS members had been launched in 2016 and was now standard practice for member users 7,644 active scheme members had registered to date, with 2,259 deferred members and 2,089 pensioner members.
- Although the system was marketed, take up had been variable with some employers doing better than others in getting members to sign up. One employer had asked for details on employees that had not registered.
- A new more user-friendly version was scheduled to be implemented during the last quarter of 2017.
- The i-Connect system used a web-based application / data exchange hub through which employers would submit data relating to their workforce to the Buckinghamshire Pension Fund.

## **RESOLVED**

**The Board NOTED the report.**

### **8 ADMINISTRATION PERFORMANCE STATISTICS**

Mr C Thompson presented the report to the Board and highlighted the following:

- The Pensions & Investments Team used the customer charter to outline their commitment to turning work around within certain timescales.
- All post and requests for information would be logged daily and reported on monthly to monitor the percentage of work that was not completed within the prescribed time limit.
- The Benefit Administration Team continued to work hard to keep daily tasks up to date in priority areas as well as working through backlogs of work.
- The number of leaver notifications received as a result of year end had seen a rise in the level of leaver tasks. This has decreased from approximately 2,100 tasks to 1,600 tasks between March 2017 and the end of June 2017.
- The Benefit Administration Team had not been at full staffing capacity over the past few months; however, following successful recruitment, the team would be back to full capacity by mid-August which would assist to clear any outstanding backlogs.

In response to questions, Mr Thompson stated the following:

- The percentage of the targets for workload statistic would be better displayed as to whether the target was met or not, rather than provide the percentage figure. Mr Thompson to action for future meeting reports.

## **ACTION: Mr Thompson**

- In relation to the top ten cases dealt with by the team, the transfers show that only 47% were within timeframe and it was queried why these would not be completed within the given timeframe. Mr Thompson explained that it would be rare for these not to be completed between 21 and 30 days. The Board asked where the target figures came from and Mrs Lewis-Smith explained they were in-house targets we had set ourselves. Mr Preston suggested these be reviewed as some of the targets missed are outside of our control. There would be a need to work with Heywoods on system development and then set realistic targets for all the administration processes and see where delays can be driven out.
- Mr Bowman stated there needed to be focus on the customer experience as customers are not interested in where the delays are. Mr Bowman suggested there could be more work in relation to onboarding, specifically for the County Council so that pension information could be available when an offer of employment was made. Mrs Platts confirmed that all employers are asked to sign post new employees to the pensions web site where all the relevant information is available to them.
- Employees were not just retiring at the age of 65 and members could remain in the scheme past this age.
- Ms Black asked if any priority had been given to change projects where there may be redundancies as the result was often reliant on the pension figures. Mr Thompson would look into this.

## **ACTION: Mr Thompson**

- The number of members signed up to the Member Self Service currently stood at 33.87%. Ringway Jacobs employees had signed up over 82% of their employees.
- Staff from the systems team would be working with Aylesbury Vale District Council to promote the Member Self Service system.

## **RESOLVED**

**The Board NOTED the report.**

## **9 FORWARD PLAN**

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

- The benchmarking report had moved to the meeting in March 2018 due to the data gathering questionnaire being issued later, with the full report not expected until November.
- The Internal Dispute Resolution update would move from March to July 2018 so that figures could be provided for a full financial year.

## **RESOLVED**

**The Board NOTED the Forward plan.**

## **10 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)**

## **11 CONFIDENTIAL MINUTES PENSION FUND BOARD**

The confidential minutes from 16 March 2017 were agreed as an accurate record and signed by the Chairman.

## **12 CONFIDENTIAL MINUTES OF THE PENSION FUND COMMITTEE**

The confidential minutes from the meetings held on 6 March, 22 March and 31 May 2017 were noted by the Board.

## **13 BRUNEL PENSION PARTNERSHIP UPDATE**

Mr M Preston presented a detailed report to the Board.

### **RESOLVED**

**The Board NOTED the report.**

## **14 INVESTMENT STRATEGY STATEMENT**

Mr M Passey provided a detailed report to the Board.

### **RESOLVED**

**The Board NOTED the report.**

## **15 DATE OF NEXT MEETING/AOB**

The next meeting will be on 18 October 2017 at 10am in Mezzanine room 1, NCO, Aylesbury.

**CHAIRMAN**