

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