

Minutes

PENSION FUND BOARD

**MINUTES OF THE PENSION FUND BOARD HELD ON WEDNESDAY 10 OCTOBER 2018,
IN MEZZANINE ROOM 3 - COUNTY HALL, AYLESBURY.**

MEMBERS PRESENT

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

OFFICERS PRESENT

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

1 APOLOGIES/DECLARATIONS OF INTEREST/MINUTES

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

2 MINUTES OF THE PENSION FUND COMMITTEE

Action points from the Pension Fund Board meeting held on 18 July 2018 were reviewed and the following points noted:

- The terms of reference had been amended to:
 - a. Make the Vice Chairman an elected position.
 - b. Clarify the responsibilities of the Vice Chairman.
- The final version of the 2018 Annual Report had been shared with the Board by Mrs C Platts, Pensions Communications Officer. There had only been minor changes to what they had seen previously.
- The feedback from the Brunel Oversight Board had been circulated with the agenda for the meeting.
- Ms J Edwards, Pensions and Investments Manager, Brunel risks applicable to the Fund will be reflected in the Fund's risk register.
- The number of meetings held annually was to be discussed later in the meeting. Administration performance would be discussed later in the meeting.

RESOLVED: The minutes of the meeting held on 18 July 2018 were AGREED as an accurate record and signed by the Chairman.

RESOLVED: The minutes from the Pension Fund Committee meeting 20 July 2018 were NOTED by the Board.

3 BCC PENSION FUND EMPLOYER NEWSLETTER - SEPTEMBER 2018

Mrs C Platts, Pensions Communications Officer, gave an overview of the newsletter circulated with the agenda.

Mrs Platts highlighted the following:

- The year-end timescales would be tighter next year due to the triennial valuation of the Fund.
- There were some changes expected to the scheme but it was not yet clear what these would be. The team were expecting January/February 2019 to be very busy due to these changes.
- The team would use their newsletter, including interim editions, to keep employers informed of changes as necessary.

RESOLVED: The Board NOTED the report.

4 I-CONNECT/PENSIONS 'ONLINE' UPDATE

Mr S Lugg, Project Manager, gave an overview of the report circulated with the agenda.

Mr Lugg highlighted the following points:

- Some EP60 information was not currently showing online and Mr Lugg was following this up with Heywood.
- There were now 15 active employers using the system and Mr Lugg hoped to see further uptake.
- Large and small employers were being targeted equally to sign up to i-Connect and the team were looking at how to “compel” employers/payroll providers to on-board.
- The team was aiming to roll out the system within Buckinghamshire County Council (BCC), including schools and academies who BCC provide payroll services to, in February 2019, subject to corresponding resource and commitment from the BCC team. Mr M Preston, Head of Finance - Resources and Pensions, confirmed that the management team remained committed to resourcing the project.
- Mr Lugg remained confident that the two year timescale was achievable for the majority of employers, once again subject to the necessary resource being provided to support successful project rollout and implementation.

RESOLVED: The Board NOTED the report and asked for updates to be brought to the meeting twice a year.

5 ADMINISTRATION PERFORMANCE STATISTICS

Mrs C Lewis-Smith, Principal Pensions Officer, gave an overview of the report circulated with the agenda.

In response to discussions, Mrs Lewis-Smith confirmed the following:

- There had been an increase in the “other” category of phone calls but the report did not give a breakdown of this category as per a request at the previous meeting. It would be included going forward.

ACTION: Mrs Lewis-Smith

- The start date for calculating timescales was from the receipt of formal notification of retirement.
- There were no complaints resulting from the 8% of cases not being completed within the 30 day timescales.
- As new workflow procedures are rolled, statistics will be provided to the Pension Fund Board. For example death benefits, AVC cases, and divorce estimates.
- There would be pensions taxation seminars taking place on 31 October 2018 in Aylesbury, and 7 November 2018 in Milton Keynes.
- Since annual benefit statements had been issued there had been an increase in My Pension Online users. Employers have been informed they can request reports on their employee take up. From 29 October 2018 it would be necessary to stockpile some cash equivalent transfer values until the new factors were confirmed by GAD. It was anticipated this could be resolved within a 6 week turnaround.
- Mrs Lewis-Smith would get clarification from Mrs S Price, Principal Pensions Officer, if the 50 cases quoted were the total numbers for the period.

ACTION: Mrs Lewis-Smith

RESOLVED: The Board NOTED the report.

6 TRAINING OPPORTUNITIES

Mrs Lewis-Smith, Principal Pensions Officer, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the following points:

- The June 2018 conference had been deferred to January 2019. This would be the only conference for 2019.

Mrs Lewis-Smith asked for feedback from board members regarding the training they would like to receive. The Chairman reminded Members of their obligation to attend training. The Chairman felt that training around the life time allowance would be useful.

ACTION: All Board Members

RESOLVED: The Board NOTED the report.

7 FORWARD PLAN

Mrs Lewis-Smith, Principal Pensions Officer, gave an overview of the report and recommendations circulated with the agenda.

Mrs Lewis-Smith highlighted the following points:

- The team were looking to move the items on the risk register and other reports away from the March and July meetings when the Board agendas are generally full.
- The Board were asked to decide whether to hold three meetings or four meetings per year.

The following points were discussed and AGREED:

- The Board would meet four times a year starting from 2019.
- From mid-2019 the Brunel update would be brought to every other meeting.
- The minimum number of meetings a Member must attend each year would remain at two.
- The Pension Fund Boards Terms of Reference would be updated to reflect these changes.

ACTION: Ms Kenward

Regarding the content of the forward plan Members suggested:

- An i-Connect update at every other meeting only.
- The IDRP update to be in December which was a quieter period.
- The risk register would remain an annual item but officers would raise changes as necessary.
- Ideally one meeting a year would be kept lighter to give the opportunity to combine it with a short training session.

RESOLVED: The Board AGREED to hold 4 meetings per year.

8 ANNUAL BENEFIT STATEMENTS - ADMINISTRATION YEAR END UPDATE

Mrs Lewis-Smith, Principal Pensions Officer, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted at the time of publishing the update report, one employer annual return was outstanding and three had outstanding queries.

The Chairman thanked Mrs Lewis-Smith and her team for their hard work.

RESOLVED: The Board NOTED the report.

9 REPORTING BREACHES OF THE LAW

Mrs Lewis-Smith, Principal Pensions Officer, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the following:

- On 24 September 2018 the new procedure was approved by the Pensions Fund Committee.
- A report would be taken annually to both meetings but any red breaches would be immediately brought to the next available meeting to discuss.

The Chairman highlighted that at the last Pension Fund Committee it had been discussed whether members of the Pension Fund Committee and the Pension Fund Board would hold personal liability for reporting breaches.

Mrs Smith-Lewis confirmed that:

- The wording aligned with similar policies from other providers.
- Anyone could seek guidance from independent parties, such as the Local Government Pension Committee (LGPC), if they wished to check their understanding of legislation before reporting a breach. Mrs Smith-Lewis would revise the wording to make it clear and would consider if it needed to go back to the Pension Fund Committee.

ACTION: Mrs Lewis - Smith

Mrs Ellis recommended the following change for clarity:

- at point 5 of the policy, to include the Monitoring Officer in addition to the Scheme Advisory Board (SAB) and the LGPC.
- It was also suggested that the decision tree should be updated with yes and no options.

RESOLVED: The Board NOTED the report.

10 EXCLUSION OF THE PRESS AND PUBLIC

11 ANNUAL BENEFIT STATEMENTS - CONFIDENTIAL APPENDIX

12 CONFIDENTIAL MINUTES PENSION FUND BOARD

13 CONFIDENTIAL MINUTES OF THE PENSION FUND COMMITTEE

14 GMP RECONCILIATION

15 BRUNEL PENSION PARTNERSHIP UPDATE

16 DATE OF NEXT MEETING/AOB

Any other business

- Mrs Lewis-Smith stated that the New Fair Deal Policy, governing pensions protection for employees, was expected to be received before Christmas 2018. The treasury cost mechanism process showed costs were not as expected and would lead to employer contributions going up and an improvement in Scheme member benefits. The SAB cost mechanism process would need to complete before any changes were made. The timescales between receiving the guidance and going live with changes would be very tight.

- The triennial Scheme valuation would take place in 2019 with revised employer contribution rates being introduced from April 2020.

Date for next meeting

- Ms Kenward, Board Clerk, would now set four dates for 2019 taking into account the dates of the Pension Fund Committee and inform the Board.

ACTION: Ms Kenward

CHAIRMAN