

Minutes

PENSION FUND CONSULTATIVE GROUP

MINUTES OF THE MEETING OF THE PENSION FUND CONSULTATIVE GROUP HELD ON WEDNESDAY 8 OCTOBER 2014, IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 10.05 AM AND CONCLUDING AT 10.45 AM.

MEMBERS PRESENT

Mr S Cox, Pensioner Representative
Ms T Pearce, Chiltern District Council Representative
Ms J Edwards, BCC Finance Representative
Mr I Thompson, Thames Valley Police Representative
Mr P Dearden, Unison Representative
Ms B Black, BCC People & Policy Representative
Mr J Smith, Milton Keynes Council Representative

OFFICERS PRESENT

Mr M Preston, Assistant Service Director (Finance Centre of Expertise)
Mrs E Wheaton, Democratic Services Officer
Ms S Price, Principal Pensions Officer

AGENDA ITEM

1. APOLOGIES / CHANGES IN MEMBERSHIP

Apologies were received from Peter Hardy, Liz Turvey and James Smith.

James Smith has replaced Gary Waghorn as the representative from Milton Keynes Council and Bev Black has replaced Chris Daltry as the representative from People and Policy.

Mark Preston chaired the meeting.

2. MINUTES

The minutes of the meeting held on 19 March 2014 were confirmed as a correct record.

3. ADMINISTERING AUTHORITY DISCRETIONS



INVESTOR IN PEOPLE



The Assistant Service Director referred Members to the report and started by saying that the Local Government Pension Scheme Regulations permit an administering authority to exercise various discretions. In 2013, the Regulations introduced new discretions and the revised discretions statement was approved by the Pension Fund Committee on 11 September 2014. A list of discretions was included in the agenda pack.

During discussion, Members asked the following questions.

- A member asked for clarification around calculating bulk transfers and this can be a costly and lengthy process. If it is done incorrectly then it can be a barrier to working together. The Assistant Service Director said that he would look into this after the meeting.

Action: Mark Preston

4. CIPFA PENSIONS ADMINISTRATION BENCHMARKING CLUB

Buckinghamshire County Council (as administering authority for the Buckinghamshire County Council Pension Fund) participates in the CIPFA Pensions Benchmarking Club. Data is submitted annually and the administration of the Fund is measured against other participating authorities. The County Council has participated in the Benchmarking exercise for the last 12 years.

The following main points were made by the officer.

- The total cost per Member is £20.91 (the average is £20.75). This is a slight increase on last year – the County Council's cost per Member was £19.70 last time.
- The officer explained that there has been a higher than average number of people retiring and an increase in people retiring due to ill-health.
- In terms of redundancies, there were 140 last year compared to 172 the year before.
- The pensions team provided 1400 quotations last year compared to 1200 the year before.
- There is an ongoing issue with sickness rates but the team are looking at ways to handle this. The current long-term sickness is 6.6 days compared to the average of 2.4 days. The short-term sickness is 10.0 days compared to the average of 2.9 days.
- The team is currently redefining the work-flows so that it can monitor performance against the Industry Standard Performance Indicators which include target days for processing and paying lump sum retirement grants.
- The Assistant Service Director explained that a number of organisations are currently looking at their delivery vehicles. The Pensions & Investments Team has appointed someone to undertake TUPE related work as this area of work will increase in future.

During discussion, the following questions were asked.

- A member asked about the central charges as these appear high for Buckinghamshire County Council's Pension Fund (£4.03). The officer explained that the costs include accommodation costs.
- A member felt that the communications costs were rather high compared to the average. The officer responded by saying that the communications costs include

the costs of the roadshows around raising awareness of the LGPS new scheme.

- A member expressed concern about the low staff administration costs which are £5.01 compared to the average of £8.87. The officer said that this issue has been taken on board and new staff members have been recruited.
- A member commented that the commuting to lump sum figure seemed quite low. The officer explained that a high number of people who are retiring do ask for the lump sum and agreed that the figure did appear low. She agreed to look into this after the meeting.

Action: Principal Pensions Officer

5. PENSIONS ADMINISTRATION PERFORMANCE

The Principal Pensions Officer referred Members to the report. The Pensions Administration team have a customer charter outlining their commitment to turning work around within certain timescales. All post and requests for information are logged daily and reported on monthly to monitor percentage of work that is not completed within the prescribed time limits.

The officer explained that the workload statistics dipped during February, March and April due to staffing issues as some members of the team left and new people were recruited but they needed time to be trained on the system. In April, the new pension scheme was implemented.

To ensure the County Council meets its statutory obligation to issue Annual Benefit Statements by 5 October, the Employer Liaison Team (ELT) processed almost 1500 year end tasks – these are tasks generated from queries arising on information supplied by employers on the year end contribution return. In August, 371 new retirement calculations were performed and 720 queries were responded to. The number of daily retirement tasks remain high and the Benefit Administration Team treat this group as high priority and allocate the necessary resources.

The officer reported that a major project will soon be coming on line. Guaranteed Minimum Pension (GMP) reconciliation is linked to the ending of the contracted out status of the Local Government Pension Scheme (LGPS) in 2016 and will involve contracting out data being received from HMRC regarding scheme members, deferred and pension members and the Pensions Team having to reconcile data provided by HMRC with the information held on the pensions database.

A Member asked whether this would affect employers in terms of requiring information from them. The officer confirmed that it did not affect employers but explained that it will have an impact on the pensions team, in terms of requiring additional resource.

6. 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)

7. CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 19 March 2014 were confirmed as a correct record.

8. FUND MANAGER PERFORMANCE

The Pensions and Investments Manager took Members through the fund manager performance report.

9. ANY OTHER BUSINESS

There was no other business.

10. DATE OF NEXT MEETING

The next meeting is due to take place on 18 March 2015.

CHAIRMAN