



## Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 16 December 2020 in Virtual meeting via MS Teams.

### Members present

P Dearden, R Ellis, S Mason, J McGovern, T Pearce, I Thompson and L Wheaton

### Others in attendance

J Edwards, A Kenward and C Lewis-Smith

### Apologies

B Black

### Agenda Item

#### **1 Apologies / Declarations of interest**

Apologies received from Ms B Black.

Ms T Pearce declared as interest regarding 95k exit cap legislation.

#### **2 Minutes of the Pension Fund Board**

Mr P Dearden would be added to the attendance for the October meeting.

#### **RESOLVED**

**Members of the committee AGREED the minutes of the Pension Fund Board held on 14 October 2020 pending the above change.**

#### **3 Minutes of Pension Fund Committee**

##### **ACTION**

**Minutes of the Pension Fund Committee held on 19 November 2020 would be circulated to members of the Board once published.**

#### **4 Administration Performance Statistics**

Ms S Price, Assistant Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Ms Price highlighted the following points:

- Figures did not cover the full quarter due to the timing of the meeting.

Figures for the full quarter would be included in report brought to the March meeting.

- There had been an increase to the number of scheme members using My Pensions Online. The Administration Team would continue to push registration.
- The software provider was working to build an e-form facility. Currently members could download the forms to complete and send back via the document upload facility. E-forms would improve processing timescales.
- There had been a review of staffing levels within the Member Liaison Team with one team member being transferred from another area to support reducing call times.
- Aggregation cases were at a high volume and took longer to action due to requesting information from external parties. Processes were under review to ensure the team were able to meet demand.
- 73% of overdue cases were at the stage of waiting information from an external party i.e. the employer or scheme member.

The following points were discussed as a result of questions from members of the Board:

- The Administration team were able to view cases split by type, i.e. death cases. They could also report on whether overdue cases had been carried over from a previous quarter.
- Information outstanding from external parties was chased by standards set by the case type i.e. leavers data at 2-3 weeks, death cases after 6 weeks.
- Aggregation cases were expected to take a long time to resolve with a final deadline given several months in the future. Ms Price was investigating how the workflow system could be used to only count these cases as overdue after the final deadline had passed.
- Employer Liaison officers worked with employers to stay aware of their timescales for responses.

#### **RESOLVED**

**Members of the Board NOTED the update.**

### **5 Internal Dispute Resolution Procedure**

Ms S Price, Assistant Pensions Administration Manager gave an overview of the report circulated with the agenda.

Ms Price highlighted the following:

- Formal complaints had reduced including a reduction in ill health complaints. There had been 4 formal complaints for 2019/20.
- There had been a change in the complaint process allowing earlier intervention at the in-formal complaint stage.
- Feedback from complaints had been used to improve processes.
- One case regarding ill health retirement had been referred to the Pension Ombudsman. This had been resolved by the employer before tribunal.

**RESOLVED Members of the Board NOTED the update.**

**6 Breaches of the law**

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

Mrs Lewis-Smith highlighted the following:

- There was a total of £112,957.40 outstanding contribution payments due from employers. This included the portion of contributions paid by employees.
- There were no concerns over the ability of employers to make payments.
- There were no plans to apply interest or penalties at this time due to missed payments not being chased in the past. New procedures were now in place to ensure missed payments were rigorously chased and if employers did not respond within established deadlines, interest and penalty payments would be applied as per the Pension Administration Strategy.

**RESOLVED Members of the Board NOTED the update.**

**7 Training Opportunities**

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

Mrs Lewis-Smith highlighted the following:

- Much of the training offer had moved online and had seen higher levels of attendance.
- There had been good feedback from the recent Barnett Waddingham training.
- If Members of the Board undertook outside training, they should email Mrs Lewis-Smith to have it added to their training log for inclusion in the annual report.

**RESOLVED Members of the Board NOTED the update.**

**8 Forward Plan**

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

**RESOLVED Members of the Board NOTED the update.**

**9 Annual Benefits Statements - Administration Year End Update**

Ms S Price, Assistant Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Ms Price highlighted the following points:

- One employer, an outsourced schools service with only one employee, had not provided an annual return and is still in the process of completing an

admission agreement. After initial difficulties making contact it had been established they had not taken payments from their employee. They were now in the process of completing the admission agreement. The employer would now be responsible for making a lump sum payment to bring both employer and employee payments up to date. They could then agree a fair payment plan to reclaim the employees share.

- One other large employer had made a late return which had needed a lot of work to rectify data. Work had finally been completed the last week of November. Returns from this employer would now be rectified on a weekly basis.
- 93% of annual benefit statements had now been issued. Outstanding statements were issued on a weekly basis.
- On page 30 of the agenda pack the 2018/19 figure for outstanding queries should be 185, the total of 297 was still correct.
- The number of outstanding queries relating to previous year end returns had reduced by 46 over September/October 2020.
- The above outstanding cases related to 23 employers. These employers had been written to outlining the action needed, their responsibilities and the penalties that would be imposed from January 2021 if action was not taken. Employer Liaison Officers would continue to work with employers to get cases resolved without the need for penalties where possible. Initially communication had gone to the employers nominated contact but action would be taken to identify management level contacts if necessary.
- There continued to be problems with several of the payroll providers used by schools in Milton Keynes and Buckinghamshire. Normally contact would not been made directly with schools but this was becoming necessary to involve them as the school retained liability for fines.

**RESOLVED Members of the Board NOTED the update.**

- 10 Exclusion of Press and Public**
- 11 Annual Benefits Statements - Confidential Appendix**
- 12 Confidential minutes of Pension Fund Board**
- 13 Confidential minutes of Pension Fund Committee**
- 14 Pension Fund Performance**  
**Date of next meeting**  
17 March 2020, 10am
- 15 Date of next meeting / AOB**  
**Date of next meeting**  
17 March 2020, 10am



## Pension Fund Committee minutes

Minutes of the meeting of the Pension Fund Committee held on Thursday 19 November 2020 in Virtual meeting via MS Teams.

### Members present

A Bacon, R Bagge, T Butcher, J Chilver and J Gladwin

### Others in attendance

O Awais (Grant Thornton), C Dobson (Independent Adviser), J Edwards, R Ellis, T English (Mercer), A Kenward, C Lewis-Smith, R Martinig, S Mason (Pension Fund Board), S Phillips (Grant Thornton) and M Preston

### Apologies

D Anthony and M Passey

### Agenda Item

**1 Apologies for Absence / Changes in Membership**

Apologies were received from D Anthony and M Passey.

**2 Declarations of Interest**

There were none.

**3 Minutes of the last meeting**

It was confirmed that outstanding actions to circulate updated information had been actioned.

**RESOLVED**

**Members of the committee AGREED the minutes of the Pension Fund Committee, 24 September 2020.**

**4 Buckinghamshire Pension Board minutes**

**ACTION**

**The minutes of the Pension Fund Board held 14 October 2020 would be circulated outside of the meeting.**

**5 Breaches of the Law**

Mrs C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council,

gave an overview of the report circulated with the agenda.

The following points were discussed:

- The team were working closely with the employer who had outstanding statements. A further 3,376 statements had been issued taking the scheme total from 78.9% to 89.4% of statements issued.
- A total of just over £1.3m in payments had been received late.
- A total of just over £112,000 of payments were still outstanding made up of:
  - 2018-19 £42,0520
  - 2019-20 £29,971
  - 2020-21 £40,465
- The process for chasing late payments had been improved. This was now being applied to the handful of employers with late payments outstanding.
- The Pensions Administration Strategy did allow for interest to be added to late payments, but the team would be working with employers to resolve issues in the first instance.

## **RESOLVED**

**Members of the committee NOTED the report.**

### **6 Annual Accounts Audit 2019/20**

Ms R Martinig, Pensions & Investment Accountant, Buckinghamshire Council, and Ms S Phillips and Mr O Awais, Grant Thornton, gave an overview of the report circulated with the agenda.

The following was highlighted:

- Officers were confident the audit would be ready for sign off by the 30 November 2020 deadline. However, the formal sign off was unlikely to happen at that time due to delays in the wider Buckinghamshire Council (BC) accounts. The accounts must be signed at the same time.
- Minimal changes had been made since this document had last been brought to committee, none of the figures had changed.
- The remaining items could not be valued until the end of the audit process.
- Grant Thornton made the following six recommendations:
  - To replace custodial valuations as of 31 December with the most up to date investment valuations available.
  - To improve the accuracy and completeness when reconciling scheme contributions.
  - To include evidence of management challenge of fund managers.
  - To include evidence of management challenge of the actuary.
  - To improve the use of the IS19 digital filing system to make it easier to the actuary to access information.
  - Improving communication with MKC to ensure their data is received in a timely manner.
- Page 71 of the agenda pack showed the correction between the custodial and fund managers account.

The following points were addressed as questions:

- Management responses were marked as to follow as it had not been possible to get that information before the agenda was published. This would be updated in the final version.
- Ms Dobson stated that she had not seen other cases of management being made accountable for fund manager and actuary oversight at this level. She raised the concern that the relevant parties were not subject matter experts with responsibility for catching errors. Ms Philipps confirmed Grant Thornton did not expect this to go beyond challenging obvious errors but wanted something in place that showed the relevant parties had fully read reports.
- Officers confirmed they were in regular contact with Milton Keynes Council (MKC) about their outstanding data. This included discussing why they had fallen behind.

Members of the committee thanks Grant Thornton and BC officers for their hard work in preparing the accounts under difficult circumstances.

**RESOLVED**

**Members of the committee NOTED the report.**

**7 Forward Plan**

Julie Edwards, Head of Pensions, Buckinghamshire Council, referred to the document circulated with the agenda.

**RESOLVED**

**Members of the committee NOTED the forward plan.**

**8 Exclusion of the Press and Public**

**9 Confidential minutes of the last meeting**

**10 Confidential minutes of Pension Fund Board**

**11 Pension Fund Performance**

**12 Any Other Business**

**13 Date of the next meeting**

25 February 2020, 2pm

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank