



Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 6 October 2021 in MS Teams, commencing at Time Not Specified and concluding at Time Not Specified.

Members present

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

Others in attendance

J Edwards, K Farooqi, A-M Kenward, C Lewis-Smith and M Preston

Agenda Item

1 Apologies / Declarations of interest

There were none.

2 Minutes of the Pension Fund Board

The minutes of the previous meeting would be amended to include a declaration of interest for T Pearce. T Pearce was potentially affected by the £95k pension cap, which is expected to be under consultation later this year.

RESOLVED

Members of the Board AGREED the minutes of the Pension Fund Board held 28 July 2021 subject to the above change.

Regarding action under item 10 C Lewis-Smith had confirmed there would be no central government funding available to local authority pension schemes to support costs incurred through McCloud rectification.

3 Minutes of Pension Fund Committee

RESOLVED

Members of the Board NOTED the minutes of the Pension Fund Committee held 9 September 2021.

A member of the board stated their dissatisfaction that Grant Thornton continued to cause delays to the final sign off of their organisation's statement of accounts. A recent example was the 2020/21 accounts had a deadline of 30 September, but the IAS19 assurance letter had only arrived on 29 September. Buckinghamshire Council officers had issued reminders to Grant Thornton but had not raised concerns as a formal issue. This was considered to be a national issue.

4 i-Connect/Pensions "Online" Update

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

There were 3 large employers / payroll providers still to register for i-Connect:

- The Fund's largest employer had experienced a one-month delay with the roll out. This employer would now go live from November 2021, with October's data.
- Another large employer was on track to go live from the end of March 2022.
- There was one schools payroll provider left to bring online.

RESOLVED

Members of the Board NOTED the update.

5 Internal Administration Benchmarking

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

The following points were discussed:

- All additional McCloud roles had been recruited to but would only show on this report from next years report.
- Workload measures had risen from the previous year and were back above 90% within target.
- Benchmarking against other authorities had not been carried out due to differences in reporting categories. Previously there had been a benchmarking club but this had been disbanded. C Lewis-Smith noted the Scheme Advisory Board (SAB) guidance may make it easier to report consistently in the future.

RESOLVED

Members of the Board NOTED the update.

6 Breaches of the Law

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

There had been no changes to the Procedure for Reporting Breaches of the Law (appendix 1). Breaches for the year were recorded under appendix 2.

The 4 breaches we discussed:

1. *Employee contributions not returned within 5 years of member leaving the fund.* It was noted that recording this as a breach could be seen as unfair as there is little action that can be taken if a member does not claim the refund. There is an outstanding request to have the 5 year limit removed from the Regulations however the decision was expected to be delayed by the change of local government department from the Ministry of Housing, Communities

& Local Government to the Department for Levelling Up, Housing and Communities (DLUHC).

2. *Annual statements issued within statutory deadlines.* All figures below 100% counted as a breach. Members of the board were happy with the achieved figure of 98.14%.
3. *AVC Fund options not provided to Scheme member by AVC provider within designated timeframes.* This was a national issue and officers continued to work with the provider and LGA who have raised this as a concern on behalf of all Funds.
4. *Late payment of employees /employer's contributions.* Officers chased all payments not received by 20th of the month.

Members of the Board noted that the first 3 breaches were related to reporting requirements rather than things the fund had failed to do.

RESOLVED

Members of the Board NOTED the update.

7 AVC Update

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

Buckinghamshire Pension Fund (BPF) offers Additional Voluntary Contribution (AVC) arrangements with Prudential and Scottish Widows. There have been concerns over the administration performance of Prudential over the past few months and the report provided an update on the current AVC providers used by LGPS Funds, an overview of the issues and the options available to BPF. Claims were now being paid within 2 weeks thanks to national pressure however there was a 125-day delay in answering general administration queries. Prudential would be invited to the next Scheme Advisory Board (SAB) meeting to defend their position.

BPF will continue to offer LGPS members the option of contributing to AVC arrangements with both Prudential and Scottish Widows. A full review of AVC providers will take place in due course, monitoring of Prudential's administration performance continues both locally and at a national level.

RESOLVED

Members of the Board NOTED the update.

8 GMP reconciliation/rectification

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

The GMP reconciliation/rectification exercise is now complete. There was a potential issue with GMP equalisation which may require recalculation of historical transfer values paid with a final decision on how this applied to local government schemes to be made by DLUHC.

A member of the board asked how overpayments and underpayments would be accounted for. J Edwards stated overpayments would be accounted for in the financial years they were paid, the underpayment arrears would be accounted for in the 2021/22 accounts.

RESOLVED

Members of the Board NOTED the update.

9 Administration Performance Statistics

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

C Lewis-Smith noted the action from the previous meeting, to include more information regarding the “change” category, had not been applied. This may be due to the low number of responses in this category. C Lewis-Smith would follow this up. **Action C Lewis Smith**

RESOLVED

Members of the Board NOTED the update.

10 Forward Plan

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

RESOLVED

Members of the Board NOTED the update.

11 Annual Benefit Statements - Administration Year End Update

C Lewis-Smith, Pensions Administration Manager, Buckinghamshire Council, referred to the papers circulated with the agenda.

The Chairman noted the hard work of the team issuing 98.14% of annual reports within the statutory deadline.

RESOLVED

Members of the Board NOTED the update.

12 Exclusion of Press and Public

13 Annual Benefit Statements - Confidential Appendix

14 Confidential minutes of Pension Fund Board

15 Confidential minutes of Pension Fund Committee

16 Risk Register

17 Pension Fund Performance

18 Date of next meeting / AOB

15 December 2021, 10am via MS Teams.

The Chairman asked the vice-chair to be on standby to chair this meeting.