



Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 14 October 2020 in Virtual meeting via Microsoft Teams.

Members present

B Black, 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

None

Agenda Item

1 Apologies / Declarations of interest

Ms T Pearce gave an apology in advance for leaving the meeting at 10.50am.

2 Minutes of the Pension Fund Board

RESOLVED

Members of the committee AGREED the minutes of the Pension Fund Board held on 23 July 2020

3 Minutes of Pension Fund Committee

ACTION

Minutes of the Pension Fund Committee held on 24 September 2020 would be circulated to members of the Board once published.

4 i-Connect/Pensions "Online" Update

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

The following points were highlighted:

- My Pensions Online was now the preferred option for communication reducing the number of mail outs and improving confidentiality.
- 2600 pensioner members had opted out of receiving online P60's.
- There were approximately 600 new registrations each month with an

increased number in August 2020 as a result of issuing Annual Benefit Statements The team would be targeting those with incomplete registrations.

- The i-Connect project manager had left October 2019. Following a review of the on-boarding process the role had been absorbed into the Systems and Employer Liaison Team.
- 96 employers were on-boarded as of September 2020 for a total of 22% of active employers.
- There had been good uptake for small employers. The team were now looking to target larger employers. With larger employers work was often needed to improve their data quality first.

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

- **ACTION: Ms Price to include no. of active users by age range**
- It would not be possible to give employers a list of employees who had not signed up due to GDPR however employers can obtain details of the percentage of their employees who have registered for the online service
- Where an email address was held for scheme members they receive an email stating a document has been published online even if they were not registered. If no email was held and they had not registered, they would receive a letter asking them to sign up to view their benefit statements but other communications would be sent via post until they have registered
- The Board were keen to see Buckinghamshire Council registered for i-Connect.

RESOLVED

Members of the Board NOTED the update.

5 Internal Administration Benchmarking

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

The following points were highlighted:

- Staff turnover and open vacancies had been included as requested.
- There would be a review of the team structure to ensure readiness for upcoming work. It was expected the team would grow over the next year
- Pay seemed to be on average comparable to other LGPS administering authorities.
- Job profiles were regularly reviewed to ensure the range of work and training on offer supports staff retention.
- Short term sickness had reduced. There had been three unavoidable long-term absences linked to surgery rather than work related issues. It is expected that short term absences remain low possibly due to home working.

The increase in administration costs reflected an increase in staffing costs but the cost per scheme member remained the same due to an increase in

scheme membership.

The following points were discussed:

- Where further staff were recruited as a result of an increase in workload due to the McCloud remedy, it is expected that new staff would be used to cover the day to day workload allowing experienced staff to tackle specialist tasks.
- There is also the option of external companies being used to assist in the McCloud remedy should it be felt that this could not be undertaken using the Pensions Team, with additional resource. This will be explored as part of McCloud planning. Ms Price would look at including information in the employer newsletter to encourage employers to include information on possible refunds as part of their leavers process.

ACTION: Ms Price

- Regarding staff retention:
 - It was confirmed that managers conducted exit interviews with leavers but did not track their future employers. It was felt unlikely that staff were moving on to other authorities due to similar levels of pay.
 - Highest turnover was with Member Liaison Officers who regularly progress to other roles within the team as they arose.
 - Role responsibilities were regularly reviewed to ensure staff were not lost because roles were unstimulating.
- Reports now included details of previous years for comparison. Three years was felt to be a good timescale.

RESOLVED

Members of the Board NOTED the update.

6 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 highlighted:

- Breaches with an asterisk showed new breaches for 2019. Going forward the log would be for the current year only.
- Shortly before this meeting an error had been discovered in the contributions data. The report would be revised and brought to the December 2020 meeting.

RESOLVED

Members of the Board NOTED the update.

7 Risk register

Mrs J Edwards Head of Pensions, Buckinghamshire Council gave an overview of the report circulated with the agenda.

The following points were discussed:

- The first matrix showed the risk and the second the risk after mitigating action had been taken.
- Regarding risk 6 the team were able to issue fines and report employers to the pensions regulator for failing to provide necessary data in a timely manner. It was also hoped that migrating more employers to i-Connect would improve data quality.
- It would not be possible to predict the number of employees who may decide to take voluntary redundancy ahead of the £95k cap coming into effect, particularly as the final cut off date was unknown.

RESOLVED

Members of the Board NOTED the update.

8 GMP reconciliation/rectification

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

The following points were highlighted:

- Reconciliation was expected to be complete by November 2020. At that stage the team would know the level of work needed. Further information would be brought to the December 2020 meeting.
- There were no specified deadlines for completion. Team wanted to complete before April 2021.

RESOLVED

Members of the Board NOTED the update.

9 Administration performance statistics

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

The following points were discussed:

Pension Saving Statements had been issued to 78 members who had exceeded their annual allowance. It would be the scheme members' responsibility to calculate their tax liability. Tax could then be paid directly or using "scheme pay".

The McCloud consultation had now closed. Internal administration preparation would begin shortly. External communications had been shared asking employers to start recording relevant information going forward. The Scheme Advisory Board would produce national guidance for when it would not be possible to retrieve historical data i.e. closed schemes.

A decision on the £95k exit cap was expected shortly.

It was agreed that percentage from the previous period only would be included for comparison of incoming communications.

ACTION: Ms Price

RESOLVED

Members of the Board NOTED the update.

10 Forward Plan

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

The following points were highlighted:

- Following discussion, the Pension Fund Board meetings would continue to be held after the Pension Fund Committee.
- Dates for 2021 meetings would be circulated.

RESOLVED

Members of the Board NOTED the update.

11 Annual benefits statement - administration year end update

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

The following points were highlighted:

- All but two employer's had their returns processed by 31 August including cases where additional information was requested.
- 78.9% of statements had been issued within timescales. This was lower than hoped due to one large employer not submitting their return in time. Excluding that employer, 97.42% of statements had been issued on time. Late statements are being issued weekly as rectification progressed.
- There had been a 15% reduction in work relating to historical outstanding cases between July and September. This was expected to increase as the end of year statement period came to an end.

RESOLVED

Members of the Board NOTED the update.

12 Exclusion of Press and Public

13 Annual benefits statements - confidential appendix

14 Confidential minutes of Pension Fund Board

15 Confidential minutes of Pension Fund Committee

16 Pension fund performance

17 **Date of next meeting / AOB**
DATE OF NEXT MEETING
16 December 2020, 10am