



## 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 2021, 2pm