



## Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 16 March 2022 in MS Teams, commencing at 10.00 am and concluding at 11.18 am.

### Members present

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

### Others in attendance

M da Costa, J Edwards, K Farooqi, A-M Kenward, C Lewis-Smith and S Price

### Agenda Item

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

A declaration of interest was reported from T Pearce who was potentially affected by the £95k pension cap.

#### **2 Election of Chairman to the Board**

RESOLVED That R Ellis be elected Chairman of the Board.

RESOLVED That I Thompson be elected vice-chairman of the Board.

C Lewis Smith advised I Thompson was retiring from Thames Valley Police and would become a Scheme Member Representative. The vacant Employer Representative position would be recruited.

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

The minutes of the previous meeting to be amended to state R Ellis chaired the meeting.

RESOLVED Members of the Board AGREED the minutes of the Pension Fund Board held 15 December 2021 subject to the above change.

#### **4 Minutes of Pension Fund Committee**

A member of the Board queried if Buckinghamshire Council's annual accounts had been formally signed off. It was advised the pension fund annual accounts had been finalised however, there were no timescales currently for when they would be formally signed off due to the ongoing audit of the Council's accounts. Another

Board member asked whether the unsigned 2021 accounts would have any impact on the preparation and auditing of the 2022 accounts. Officer confirmed that the delayed signing of the 2021 accounts would have no effect on the preparation and auditing of the 2022 accounts. J Edwards would update the board at the next meeting.

RESOLVED Members of the Board AGREED the minutes of the Pension Fund Committee held 18 November 2021.

## **5 Scheme member and employer communications**

M Da Costa, LGPS Technical Officer Buckinghamshire Council referred to the report circulated with the agenda.

The report set out employer and member communications projects for 2021/22. The success of webinars was highlighted with an increase of members and employers attending these.

The Chairman complemented the report and noted that webinars had proved successful compared to face to face training sessions. The Live Q&A session would be useful to create more targeted information for members closer to retirement age. It was suggested that webinars could be arranged to target specific member profile groups.

The Officer noted these comments and advised although there is a new member webinar they could arrange a webinar for members closer to retirement.

The Chairman complemented the Inform employee newsletter which informs and engages employers. The action boxes were particularly useful to advise employers of upcoming tasks.

RESOLVED Members of the Board NOTED the update

## **6 i-Connect/Pensions 'Online' Update**

S Price, Assistant Pensions Administration Manager, Buckinghamshire Council, referred the report circulated with the agenda.

The following update for My Pension Online was provided:

- 33% of the total membership were registered to use My Pension online. The age range with the highest memberships was 55-64 which was expected as this group was closer to retirement age. Over half of members who are retired are registered to use My Pension Online.
- The communications plan would look at how to boost online registrations to My Pension Online. It was anticipated there would be an increase in usage and registration of the service in the future.
- Less than 1% of LGPS members have opted out of the online scheme and choose to receive correspondence via post.
- Recent communications from the team did drive an increase in those opting

out of the online scheme however, it had also driven 200 extra members to register for the service.

- My Pension usage was higher in May due to the availability of P60s. August recorded the highest usage due to annual benefit statements being issued. Just under 6,000 members were logging into the system each month.
- There were 20,000 contact details updated in My Pension, 13,000 documents were viewed online which saved letters being printed. Over 32,000 pension calculations have been run using the service. The self-service style of the system has benefited the administration team by reducing their work load.

The following update for i-Connect was provided:

- By the end of February 2022 238 scheme employers had been on boarded to I-Connect. This included the largest fund employer with 8,000 employees. The employer was able to submit data monthly using I-Connect.
- Testing was underway to ensure the on boarding of a large school payroll provider and a scheme employer. The team hoped to achieve 100% of all employers on I-Connect by October 2022.
- The team have successfully implemented monthly reconciliations of data provided by scheme employers via I-Connect which would ensure any data anomalies would be picked up monthly. This would reduce the number of queries at the end of the financial year and a quicker turnaround in issuing annual benefit statements.

A member of the board asked the difference between I-Connect and Heywood service providers. It was noted Heywood's pension administration platform was Altair. I-Connect was the document exchange system which was an add on to the Altair software, also provided by Heywood.

It was noted that the lowest number of registered users was those under 24, in response to this was there a pension app to improve accessibility. The officer advised they had put forward the idea of an app to Heywood however, they were unsure if this was in development yet.

A member of the board queried the inclusion of registered members under 15 years old on the report. It was advised there are some dependent members registered online who are not scheme members but beneficiaries of deceased scheme members.

RESOLVED Members of the Board NOTED the update

## **7 Annual Review of Buckinghamshire Pension Board**

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

The following points were highlighted:

- The Board's attendance rate was 93% which was high.
- Due to S Mason's resignation as Chairman the vacant Scheme Employer

Representative post would be advertised in the next employer newsletter.

- The training opportunities offered to members were listed
- The Chartered Institute of Public Finance and Accountancy (CIPFA) and Barnett Waddingham had an event which they would be offering separately instead of combined. The details would be circulated to the board when available.
- An overview of items discussed at Board meetings during the year were provided.
- The Chairman could add comments to the report

A Member of the Board queried why the CIPFA/Barnett Waddingham training event in Spring 2022 had been cancelled. It was advised one of the training leads at Barnett Waddingham had recently retired. Alternatively, the training could have been cancelled if there was not enough uptake from members.

The Chairman advised regarding the separate training offered by CIPFA and Barnett Waddingham it would be useful if different members of the board could attend both to serve as a comparison. C Lewis Smith would circulate the details of the training opportunities to Board members.

It was noted the terms of reference were included in the review of the Board's policies.

The majority of Board members would have completed public sector training. The Chairman advised training provider TRP had introduced a new topic of pension scams which they undertook last summer. Board members were requested to undertake a course on pension scams and review training needs each year.

RESOLVED Members of the Board NOTED the update

## **8 Governance Compliance Statement**

C Lewis Smith, Pensions Administration Manager, Buckinghamshire Council introduced the Governance Compliance Statement.

It was noted the report would be presented to the Pension Fund Committee on Monday 21 March and in its pre-approved format there were no material changes to the report.

The document would be reviewed annually and it was noted changes were not expected until the Department for Levelling Up, Housing and Communities had issued guidance in relation to the Scheme Advisory Board's Good Governance report.

RESOLVED Members of the Board NOTED the update

## **9 Administration performance statistics**

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

The following points were highlighted:

- There was a high number of communications received by the team in January and February across all mediums. The extra column on the table for communication received shows the figures from the previous board report.
- There was a particular increase in post received for January and February which was a result of the My Pension Online communications sent out. The quantity of post should reduce in the upcoming months.
- There was a decrease of 1000 queries to the pensions inbox as a result of the largest fund employer moving onto i-Connect. Data is transferred directly from the fund employer to the Council's system and queries would reduce further when all employers are using i-Connect. The documentation received into I-Connect would be presented on charts at future meetings.
- The reduction in queries allowed pension assistant to focus on other tasks. Sub-teams were able to process incoming communications quickly. There was a phone call queue time of 21 seconds which has improved year on year.
- The benefit administration priority areas include next of kin, death benefits, refunds and payments at retirement age. Most areas were 98% achieved and any lower performing areas were prioritised.
- Transfers of pension benefit performed at 74% this was due to an update in regulations and guidance resulting in more stringent checks for transfers. Due to pension scams there was additional work undertaken to ensure any transfers out were not related to scams. Whilst the guidance and regulations were being reviewed transfers were put on hold. The number of transfers would increase going forward and performance is expected to increase too.
- The payroll statistics for January and February were positive.
- At the end of February there were 2530 open cases, 47% were overdue and of those 67% were unable to be actioned as the team were waiting on additional information from members or scheme employers. This was an area of priority for the team to reduce.
- Open cases were being reviewed on a monthly basis, for February leavers and retirements were the largest areas for open cases. It was noted these figures should improve once the last two scheme providers join I-Connect as there wouldn't be leaver information notifications.
- Data improvement was an annual exercise via a report from Heywood. The new reporting tool Insights means data is instant and data can be reviewed as part of the administration teams daily tasks. There was a data score accuracy of 96% for common data. The 4% improvement relates to address information for deferred scheme members which are not currently held. The Council was working with a tracing company to source this information for over 55 year olds and missing addresses were provided on a weekly basis.

The Chairman queried if more in-depth information could be provided on overdue cases and could the data pin point the employer who is not providing information. It was advised the reporting tool could drill down into cases and provide further

information.

There was a query relating to data integrity and accuracy. It was noted that schemes missing data such as pensions increase or date of leaving were being populated by the team. There was a reliance on employers to provide accurate common data such as names and addresses. If there were missing dates on scheme information the GMP exercise allowed HMRC to provide this information. It was advised before payments out were made documents such as passports or p45s with NI numbers were checked. In addition, members were reminded to check their records online to ensure they were up to date.

RESOLVED Members of the Board NOTED the update

#### **10 Forward Plan**

The Chairman queried if the Board's annual accounts would need to be signed off before the next meeting in July. J Edwards advised the accounts would be taken for approval to the Pension Fund Committee in September. It was noted that pre-pandemic the accounts would need to be approved by 31<sup>st</sup> May, however this has changed to 30<sup>th</sup> September since the pandemic. The Pension Board would receive the final draft of the accounts before it is taken to the Committee and also would be circulated at the Board's October meeting.

C Lewis Smith advised the Additional Voluntary Contribution (AVC) review would be brought to the next Board meeting however there was a delay from Barnett Waddingham in producing the report as they were struggling to receive information from the Prudential.

RESOLVED Members of the Board NOTED the update

#### **11 Annual Benefit Statements - Administration Year End Update**

S Price, Assistant Pensions Administration Manager referred to the report circulated with the agenda.

The following points were highlighted:

- 99% of active members had been issued with annual benefit statements which was the highest percentage the team had achieved.
- All queries relating to 2020/21 had been resolved. There were 3 queries outstanding for 2021/22 which would be resolved by 31<sup>st</sup> March. The new financial year would start with no records suppressed or outstanding queries.
- From mid-March preparations for 2021/22 benefit statements would begin, with staff having complete training. Returns for small employers were already being received by the administration team.
- The administration team were liaising with all employee liaison officers to ensure year end returns can be processed promptly.

RESOLVED Members of the Board NOTED the update

**12 Exclusion of Press and Public**

RESOLVED To exclude the press and public as the following items are exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because they contain information relating to the financial or business affairs of any particular person (including the authority holding that information).

**13 Annual Benefit Statements - Confidential Appendix**

Restricted

**14 Confidential minutes of Pension Fund Board**

Restricted

**15 Confidential minutes of Pension Fund Committee**

Restricted

**16 Pension Fund Performance**

Restricted

**17 Date of next meeting / AOB**

Any other business

C Lewis Smith, Pensions Administration Manager provided an update on the Department for Levelling Up, Housing and Communities (DLUHC) and legislation:

- DLUHC would be increasing their support team from 3 to 6 employees which would improve communication.
- The DLUHC would review the good governance report and issue guidelines later this year.
- The legislation affecting McCloud would not be in effect from 1<sup>st</sup> April. The guidance for this should be issued before summer for implementation on 1<sup>st</sup> October 2023.
- There would be a consultation on survivor benefits in the near future.
- The Pension Regulator Single Code of Practice would be issued this summer.

Date of next meeting: 27 July 10am at The Gateway, Aylesbury.

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