



## Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 29 March 2023 in MS Teams, commencing at 10.02 am and concluding at 11.43 am.

### Members present

B Black, P Dearden, R Ellis, T Pearce, A Rulton, I Thompson and J Whiteley

### Others in attendance

J Edwards, K Farooqi, C Lewis-Smith, M Preston and S Price

### Agenda Item

#### 1 Apologies / Declarations of interest

There were no apologies.

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

#### 2 Minutes of the Pension Fund Board

Matters arising from the previous Board meeting:

S Price confirmed a meeting would take place with other LGPS providers on 20<sup>th</sup> April where the issue of an increasing number of appeals from claims management companies would be raised. The Board would be updated at the July meeting on the outcome.

It was highlighted an auditor would attend the Pension Fund Committee in July. The auditor attended the Audit and Governance Committee on 29<sup>th</sup> March to discuss the Pension Fund accounts and the Council's annual accounts. There were two outstanding queries relating to the Pension Fund accounts. Feedback from the auditor would be provided to the Board in due course.

A report on the number of scheme members who have chosen the 50/50 option or opted out was provided in agenda item 10.

**RESOLVED Members of the Board AGREED the minutes of the Pension Fund Board held 13 December 2022.**

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

The Chairman highlighted they could update the Board on the External Audit Plan and Triennial plan as they attended the Pension Fund Committee in March. The funding draft statement would be covered at the October Board meeting.

It was commented that the Chairman of the Pension Fund Committee issued a statement on investment transparency and response protocol for the Committee. These were in line with Council and statutory guidelines.

**RESOLVED Members of the Board NOTED the minutes of the Pension Fund Committee held 21 March 2022.**

### **4 Scheme member and employer communications**

M Da Costa, LGPS Technical Officer, Buckinghamshire Council provided an update on scheme member and employer communications. The report highlighted a summary of the key projects and communications undertaken. Projects included the employer's triennial evaluation strategy and the creation of the new LGPS and Buckinghamshire Council microsite.

A member of the Board highlighted they had difficulty in accessing newsletters via My Pension Online with pdf attachments not opening correctly. Further details were requested which could be passed on to the systems team for investigation. Due to the system migration the links for documents could appear broken however, these would be fixed. The team were looking at different ways of distributing newsletters to promote engagement and track views. There was the potential to access newsletters without needing to log into My Pension Online. The In-Touch pensioner's newsletter which would be sent out this week can be accessed without logging in and the team will track engagement.

The team were commended for the improved format and layout of the website which made it more user friendly.

A member of the Board queried how the team could encourage more people to attend webinars given the feedback from those who attended was excellent. It was highlighted occasionally emails regarding webinars did not reach the correct contact via the distribution list. Surveys were issued to ask employers about the content they wanted for webinars and the last survey received 87 respondents which was an increase in engagement.

There would be further discussions with school trusts and forums to promote engagement with LEAs.

It was advised the distribution list had over 500 contacts and read receipts were attached to emails to assist with chasing up responses. It was highlighted the team were working with employers to identify any issues which prevented them from attending webinars however attendance was not mandatory.

There was a typo on page 13 point 2.6 relating to the migration project which should read 2022. In relation to point 2.9 new employees attending webinars it was asked if there were fewer new joiners or if people actively choose not to attend. It was highlighted the team check who attends webinars and were aware some employers promoted attendance better than others. There would be further work with employers to promote the sessions. Hopefully the benefits of query reduction due to employees attending the webinars would encourage greater webinar promotion by employers.

The Chairman congratulated the team for their hard work.

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

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

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

The following points on My Pensions Online were highlighted:

- Overall 40% of members were fully registered to use My Pension Online. This included a 2% increase from October 2022.
- The preferred method of communication for newsletters, letters and statements was My Pension online. The annual project to capture and contact partially registered members was underway. Going forward, this exercise will take place monthly.
- Developments to Heywood software will improve My Pension Online and once live this would be communicated to scheme members. There would be a new user friendly look to the portal, improved registration process, two step log in for increased security and a streamlined process for scheme members to change bank account details. It was anticipated the changes would be live over the next few months.
- There was a trend for opt outs of My Pension Online to increase in May following the pensioner newsletter being issued, due to some wishing to receive paper copies of their P60s. It was hoped there would not be a substantial increase in opt outs this year As issuing P60's via My Pension Online has now been in place for 2 years.

It was suggested by Board that it could be a good opportunity to highlight a feature on pensions, benefits and tax changes at the next Buckinghamshire Council all staff briefing. The information would need to be disseminated to all scheme employers. Madelena Da Costa to take forward.

A member of the Board requested comparative data on the ages of My Pension Online users in reports going forward. S Price confirmed this would be included on future reports and highlighted there were a higher

number of members aged 55-65 registered.

It was confirmed opt out figures related to members opting out of My Pension Online and not the pension scheme. The newsletter advised members P60s and payslips would be issued online instead of paper copies which prompted certain members to opt out.

The following update on i-Connect was provided:

- The i-Connect employer on-boarding project was completed. The project had made significant progress within the last three to four years with the largest employers and schools payroll providers onboarded and submitting data on a monthly basis.
- There were only two employers who were not on-boarded as they were newly admitted bodies. There was 100% of employers live on i-Connect.
- The second phase of the project was to ensure employers and payroll providers submitted data on a monthly basis via i-Connect. This would allow the team to check and reconcile any queries with the data on a monthly basis rather than in bulk at the year end.

Due to the success of on boarding all employers It was decided that i-Connect would not be a separate agenda item. Instead an update on i-Connect would be included under the administration performance agenda item going forward.

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

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

C Lewis Smith, Pensions Administration Manager, Buckinghamshire Council provided an update on the Annual Review of the Pension Board.

The Annual Review of the Board took into account all the work the Board had undertaken for 2022/23. Anna Rulton joined the Board as the new Employer Representative replacing Lisa Wheaton. The recruitment process was underway to replace Joe McGovern as Member Representative.

The report detailed the training opportunities undertaken by Board Members. It was highlighted Anna Rulton had completed the TPO toolkit training prior to the meeting.

The items for discussion section highlighted the many different areas which Board had considered over the past year. The appendix in the agenda pack would be included in the annual report alongside the Chairman's report.

The Chairman welcomed Anna Rulton to the Board. They reminded Board members to check the TPR (The Pensions Regulator) training website for refresher information. It was confirmed Peter Dearden would be mentioned instead of Pete Dearden in the report.

The Chairman requested the wording on page 34 of the appendix be rephrased to pension fund performance and implementation of the Brunel Pension Partnership. In addition, further clarification of the preparation for the McCloud judgement implementation was required.

**Action: C Lewis Smith**

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

## **7 Administration Policy Updates**

C Lewis Smith, Pensions Administration Manager, Buckinghamshire Council provided an update on administration policy.

The following points were highlighted:

- The governance compliance statement was reviewed annually and presented to the Pension Fund Committee for approval.
- The 2022/23 statement was agreed at the Committee in March subject to minor changes. The wording on the pension funding strategy charging schedule would include a caveat that £50 penalty per occurrence was a minimum charge and further charges would be incurred depending on the officer time involved.
- The Governance Compliance Statement was updated to reflect the change in date and legislation. There was also a change to Mark Preston's job title. There were no substantial changes to the document.
- The changes to the Administering Authority Discretionary Policy were highlighted in appendix two in the agenda pack. The fund will reduce the time limit which members must give notice to withdraw certain benefits. Due to the current economic climate if members request payments are expedited the fund can reduce this time limit in exceptional circumstances. In addition, where appropriate the fund will allow members to trivially commute their pension. The list of acceptable evidential documentation which dependents could provide in the event of a pensioner death was extended.
- A caveat was added to the Pension Administration Strategy charging schedule. The failure of employers to provide Buckinghamshire Council with McCloud remedial data was clarified by the Local Government Association. Scheme employers must keep employee pension data for a longer retention period to cover 13 years of McCloud data. Scheme employers cannot refuse to pay to obtain members data as they should be retaining this data themselves. There was also provision to charge scheme employers who fail to provide accurate data within the deadlines. Charges were the last resort after training had been offered and meetings with the Employer Liaison Officer.
- The Communications Policy Statement had been amended to state digital

channels would be the preferred method for communications.

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

**8 Forward Plan**

The meeting dates for the next year would be circulated by K Farooqi after the meeting.

There was a typo on the July forward plan the Annual Audit 2022/23 report and Annual Accounts 2020/21.

It was highlighted the Annual Accounts for 2020/21 would be formally signed off before the 2021/22 accounts. The Pension Fund accounts could not be signed off before Buckinghamshire Council's 2020/21 accounts were. There had been changes to audit requirements with new information and checks required which had delayed the process.

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

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

The following points were highlighted:

- 99.89% of annual benefit statements were issued by 31<sup>st</sup> August 2022. There were 40 outstanding queries reported at the last Board meeting. These queries have been resolved and statements were issued where appropriate.
- There were no outstanding queries and records were as accurate as possible. Preparation was underway for the 2022/23 year end process with employers submitting March data via i-Connect.

A member of the Board commended the team for their hard work and highlighted the importance of i-Connect and monthly data submissions from employers to keep the number of queries low. Previously a large volume of queries were sent at the end of the year which created a large workload for the team.

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

**10 Administration performance statistics**

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

The following points were highlighted:

- The team were dealing with incoming communications consistently within the target turnaround times. Queries were dealt with and the relevant workflows initiated on the day of receipt.
- There were four Member Liaison Officers in the team who dealt with incoming phone calls. The target was to answer 95% of calls with a queue time less than 40 seconds. The team were averaging answering 99% of calls

within 18 seconds. An external benchmarking company reported their clients answered 86% of calls with an average queue time of 194 seconds. This highlighted the team were excelling in this area with scheme members happy they were responded to quickly.

- Workloads and target levels are reviewed annually to ensure they are being achieved. The AVCs at retirement cases were being dealt with in line with target performance. There was a concern that these were low volume and time consuming cases which can go overdue and skew the statistics.
- There would be a report to breakdown open cases on a monthly basis. External cases were where the team were awaiting information from the scheme member or employer. The total number of open cases had reduced due to the change in procedures and the roll out of i-Connect. For example, the team were able to process scheme leavers quicker than beforehand.
- There will be a focus on reducing the overdue cases. Whilst the officers have little control over delays due to external causes, every effort would be made to ensure internal delays are resolved asap.
- The report also featured statistics relating to employers submitting data to i-Connect by the 19<sup>th</sup> of each month. The aim was for 100% of employers to submit this in time, this was currently at 91%. As i-Connect was a new process especially for new employers some had queries and submitted data a few days late.
- There were 9866 queries generated as a result of i-Connect submissions with 93% resolved within the 30-day target.
- There had not been a large increase in scheme member movement and this was not an area for concern. The website would be updated to highlight the benefits of the LGPS to members.

A member of the Board highlighted the upcoming tax changes could see more members re-joining the main scheme. It was advised this was to be expected alongside members reverting back from the 50/50 option. Officer would monitor if members would opt back in post pension tax changes.

The Chairman highlighted the importance of i-Connect in allowing the team to resolve queries earlier without having to undertake data cleansing.

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

**11 Exclusion of Press and Public**

**12 Administration performance statistics - Confidential Appendix**

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

**13 Confidential minutes of Pension Fund Board**

**RESOLVED Members of the Board AGREED the confidential minutes of the Pension Fund Board held 13 December 2022.**

- 14 Confidential minutes of Pension Fund Committee**  
**RESOLVED Members of the Board NOTED the confidential minutes of the Pension Fund Committee held 21 March 2022.**
- 15 Pension Fund Performance**  
**RESOLVED Members of the Board noted the update.**
- 16 Date of next meeting**  
19 July 2023 10am at Buckinghamshire Council, The Gateway, Gatehouse Road, Aylesbury HP19 8FF.

It was highlighted there were no updates on the McCloud consultation. The pensions dashboard had been delayed from September 2024. Parliament would need to legislate to extend the timescales for the project delivery.

On 9 March 2023, the Department for Levelling Up, Housing and Communities (DLUHC) laid the LGPS (Amendment) Regulations 2023 ('the regulations'). The regulations move the annual revaluation date from 1 April to 6 April. The regulations are effective from 31 March 2023. The regulations remove the impact of inflation on the annual allowance calculation. They do so by changing the annual revaluation date from 1 to 6 April 2023, and thereafter on each 6 April, for all members. The Scheme year is not changing, it remains 1 April to 31 March. The revaluation that applies on 6 April applies on the CARE balance at 31 March in the previous Scheme year.

C Lewis Smith highlighted she would respond to a knowledge and skills survey received by the LGA on behalf of the Board. Members were advised to contact C Lewis Smith with any comments to be included.

The Chairman queried if there were administration issues with Prudential and Scottish Widow AVCs. It was highlighted there was an item on AVCs at the next Board meeting. There were no major administration issues reported and there was a limited number of members with these providers.