

## LOCAL PENSION BOARD

**MINUTES** of the meeting held on Friday, 26 January 2024 commencing at 10.30 am and finishing at 12.05pm.

**Present:**

**Voting Members:** Matthew Trebilcock – in the Chair

Susan Blunsden  
Alistair Bastin  
Stephen Davis  
Angela Priestley-Gibbins

**Other Members in Attendance:** Councillor Bob Johnston

**Officers:** Sean Collins, (Service Manager, Pensions); Mukhtar Master, (Governance & Communications Manager); Sally Fox, (Pension Services Manager); Anna Lloyd, (Governance & Communications Officer); Vicki Green (Team Leader (Pensions)); Rebecca O'Shea (Communications Manager); Rebecca Herman (Team Leader (Pensions)); Sharon Keenlyside, (Senior Democratic Services Officer)

*The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.*

### **1/24 WELCOME BY CHAIRMAN**

(Agenda No. 1)

The Chair welcomed everybody to the meeting and introductions were made.

### **2/24 APOLOGIES FOR ABSENCE**

(Agenda No. 2)

Apologies for absence were received from Liz Hayden.

### **3/24 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE BELOW**

(Agenda No. 3)

There were no declarations of interest.

**4/24 MINUTES**

(Agenda No. 4)

The minutes of the meeting held on 20 October 2023 were agreed as a correct record.

**5/24 UNCONFIRMED MINUTES OF THE PENSION FUND COMMITTEE HELD ON 1 DECEMBER 2023**

(Agenda No. 5)

The Board had before it the draft minutes of the Pension Fund Committee meeting of 1 December 2023.

The Board noted the report.

**6/24 SCHEME MEMBER ENGAGEMENT UPDATE**

(Agenda No. 6)

The Board had before it a report which provided an update on the Member Engagement Plan agreed on 5 May 2023 and the draft priorities for 2024.

The Governance & Communications Manager and the Communications Manager, presented the report and informed the Board that within the last 9 to 10 months there had been progress on most items on the Member Engagement Plan. Some items had not progressed as quickly as expected due to technological solutions external to the Fund, that were required to be put in place first.

The focus for 2024 was to finalise some of these solutions and move them on to the next level. Rolling membership surveys would be sent out quarterly from February 2024. Reports that would allow targeting and segmenting of membership communication were delivered in November 2023.

The collection members email addresses and mobile phone numbers was currently being worked on which would allow the Fund to effectively communicate with members.

The use of webinars and videos would be expanded in 2024. Meeting and training sessions would be recorded and uploaded to Vimeo.

New technology from Haywood would help capture more detailed analytics.

Face-to-face member talks would continue in 2024. These had been well received and were useful to members.

The Board enquired about the membership surveys and officers explained that the surveys would go out to members who had a transaction completed by the Pension Services team during the previous quarter to ascertain how the service was perceived. It was a standard customer feedback survey. The results would be filtered into results that would come back to the Board.

The Board:

- 1) noted the report,

2) agreed the draft priorities for 2024.

## **7/24 REVIEW OF THE ANNUAL BUSINESS PLAN**

(Agenda No. 7)

The Board had before it the report which set out the latest progress against the key service priorities in the Annual Business Plan for the Pension Fund 2023/24, as considered by the Pension Fund Committee at its meeting on 1 December 2023.

The Service Manager, Pensions, presented the report, outlined the four service priorities, and answered questions raised.

Members asked officers if they were confident that they would be able to get the McCloud data ready for August 2025 and if they had the required resources. Officers responded that there was a plan in place and they had contacted every employer that they needed to. The resource and the ability of the resource was being reviewed. The cost for McCleod was to be met through the Pension Fund but was expected to be minimal.

In reference to Key Service Priority 3, Enhanced Delivery of Responsible Investment Responsibilities, the Board said how impressed they were with the progress and thanked officers for their hard work.

Members asked how the amount paid to Fund Managers could be reduced. Officers said that there was a report going to the Pension Fund Committee meeting in March which showed that Brunel had been successful in reducing fees in a like-for-like basis. Reducing asset allocation would be required to reduce fees per se.

The Chair of the Pension Fund Committee commented that he would only consider asset allocation on expert advice.

Regarding training, members asked that they continue to receive invitations to meetings, conferences and events as they were very helpful. Officers confirmed that this would be continued practice.

The Board noted the report.

## **8/24 GOVERNANCE AND COMMUNICATIONS REPORT**

(Agenda No. 8)

The Board had before it the Governance and Communications Report as presented to the Committee on 1 December 2023.

The Governance and Communications Manager presented the report and answered questions raised.

The Chair acknowledged that better reporting of breaches would sometimes result in higher numbers of breaches being identified. Transparency was important. It was good to note that there had not been any material breaches.

The Board commented that the resolution of all breaches within the quarter was excellent work.

Officers confirmed that within the three-month deadline, information about the regulation changes had been given to everyone whose rights or prospective rights might be affected.

The Board noted the report.

## **9/24 RISK REGISTER REPORT**

(Agenda No. 9)

The Board was provided with the latest risk register which had been considered by the Committee on 1 December 2023. The report also covered key governance and communication issues for the Fund and included a report on any breaches of regulation in the last quarter.

The Governance and Communications Manager presented the report and highlighted the key elements of the risk register. As requested at the last Board meeting, the risk of pension scams had been included. In this quarter, there had been no increase in any of the risk ratings. Risk 21, Insufficient Resources, had reduced and two risks had come off the register.

The Chair commented that the Board welcomed the Risk Management Framework as a key and important document which provided a template for understanding, tracking and mitigating risk.

Officers highlighted risk 25, an emerging risk around the potential loss of key members of staff. The report was written prior to the resignation due to retirement of the Pension Services Manager. The Service Manager, Pensions would also be retiring in 2024. There would be a significant loss of skills and knowledge. The Executive Director of Resources was present at the last Committee meeting and was working to ensure that sufficient interim arrangements would be put in place to manage the transition.

The Board asked for a report on succession planning to come to the next meeting and for the Executive Director of Resources to be invited to present the report.

The Board:

- 1) noted the report,
- 2) requested a report on Succession Planning at the Local Pension meeting to be held on 3 May 2024,
- 3) would like to invite the Executive Director of Resources to present the report.

**10/24 ADMINISTRATION REPORT**

(Agenda No. 10)

The Board considered the latest Administration Report as presented to the Committee on 1 December 2023. The report included an update on the key administration issues including service performance measurement, the debt recovery process and write offs agreed in the last quarter.

The Pension Services Manager presented the report. The Board were informed that there would be three team members retiring and a fourth team member resigning before April 2024.

Regarding performance statistics, there had been dramatic improvements in the vetting process.

During this period, incoming work had increased to over 700 cases.

For the Pension Regulator annual return, 95% was reported for common data and scheme specific data was reported at 99%.

The Corporate Team was helping the team to manage the debt recovery process. There was a lot of historic debt and the Committee had been recommended to write them off. All debt recovery was now actively managed by the Debt Recovery Team.

The Board commented that they approved of the graphs as they made the information much clearer.

The Board thanked the Pension Services Manager for all her hard work over the years and wished her a happy retirement.

The Board noted the report.

**11/24 GENERAL CODE OF PRACTICE**

(Agenda No. 11)

The Board had before it a report on the General Code of Practice: Initial Compliance Assessment carried out by the Governance and Communications Team.

The Governance and Communications Manager presented the report and answered questions raised.

Officers explained that only 38 of the 51 modules applied to the Local Government Pension Scheme and that the ones deemed as not applying would be reviewed to check that this was correct. Fund officers had assessed the Fund's compliance with each module and applied a red/amber/green rating. Fund officers had initially taken a cautious approach when applying these ratings. In conclusion, it had been a good start for the Fund.

The Board asked if there was an action plan for the amber modules. Officers explained that they had not drafted an action plan but would be reviewing all areas in finer detail. Hymans had produced a tool that could be used. Actions would be put into place throughout the year to improve compliance and would be reported back to the Board and Committee.

Officers explained that one of the key roles of the Pension Board was to ensure that the Committee was compliant with the regulations and the code of practice. The Board would need to review the final version of the report against the new code and be satisfied that the position was sufficiently robust. It was a key report for the Board.

The Chair requested a quarterly report to provide an update on the Single Code of Practice and progress on compliance. This may then be moved to an annual basis.

The Board:

- 1) noted the report,
- 2) requested a quarterly report to provide an update on the Single Code of Practice and progress on compliance,
- 3) recommended that the report on the General Code of Practice be included in the report to the Pension Fund Committee.
- 4) recommended the quarterly report to provide an update on the Single Code of Practice and progress on compliance, be included in the report to the Pension Fund Committee.

#### **12/24 ITEMS TO INCLUDE IN THE REPORT TO THE PENSION FUND COMMITTEE**

(Agenda No. 12)

It was agreed that the following be included in the report to the next Pension Fund Committee:

- The report on the General Code of Practice.
- The quarterly report to provide an update on the Single Code of Practice and progress on compliance.
- The report on Succession Planning.

#### **13/24 ITEMS TO BE INCLUDED IN THE AGENDA FOR THE NEXT BOARD MEETING**

(Agenda No. 13)

The Board requested the following items be included at the next Board meeting:

- A report on Succession Planning.
- A quarterly report to provide an update on the Single Code of Practice and progress on compliance.

- The report on fees update going to the March Committee.

..... in the Chair

Date of signing .....