



County Offices
Newland
Lincoln
LN1 1YL

13 September 2022

LGPS Local Pension Board

A meeting of the LGPS Local Pension Board will be held on **Thursday, 22 September 2022 at 2.00 pm in the Council Chamber, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

MEMBERS OF THE BOARD

Independent Chair (non-voting): Roger Buttery

Employer Representatives (voting): Councillor M A Whittington and Gerry Tawton

Scheme Member Representatives (voting): Kim Cammack and David Vickers

AGENDA

Item	Title	Pages
1	Apologies for Absence	
2	Declarations of Interest	
3	Minutes of the previous meeting held on 14 July 2022	5 - 12
4	Pension Fund Update Report <i>(To receive a report by Jo Ray, Head of Pensions, which updates the Board on Fund matters for the quarter ending 31 March 2022 and any other current issues)</i>	13 - 24

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|-----------|--|-----------|
| 5 | Responsible Investment Update Report
<i>(To receive a report by Claire Machej, Accounting, Investment and Governance Manager, which provides the Board with an update on Responsible Investment activity during the first quarter of the financial year 2022/23 (April to June inclusive))</i> | 25 - 58 |
| 6 | Pensions Administration Report
<i>(To receive a report by Matt Mott, Governance and Business Development Manager from WYPF, which updates the Board on current administration issues)</i> | 59 - 78 |
| 7 | Temporary bank accounts
<i>(To receive a report by Matt Mott, Governance and Business Development Manager from WYPF, which updates the Board on the number of temporary bank accounts created by West Yorkshire Pension Fund (WYPF) to hold monies due to beneficiaries of the scheme)</i> | 79 - 92 |
| 8 | Services to members approaching retirement (the retirement process)
<i>(To receive a report by Matt Mott, Governance and Business Development Manager from WYPF, which updates the Board on services to members approaching retirement)</i> | 93 - 96 |
| 9 | Employer Monthly Submissions Update
<i>(To receive a report by Claire Machej, Accounting, Investment and Governance Manager, which provides the Board with up-to-date information on Employer Monthly Submissions for the first quarter of the financial year 2022/23 (April to June inclusive))</i> | 97 - 104 |
| 10 | Annual Report and Accounts 2021/22: External Audit Update Report
<i>(To receive a report by Claire Machej, Accounting, Investment and Governance Manager, which brings to the Board an update report from Mazars, the Funds External Auditor, on the 2021/22 audit of the financial statements)</i> | 105 - 124 |
| 11 | 2022 Valuation - Draft Results
<i>(To receive a report by Jo Ray, Head of Pensions, which introduces a presentation from the Fund's Actuary setting out the draft whole Fund results from the latest valuation undertaken as at 31 March 2022)</i> | 125 - 128 |
| 12 | Training Needs
<i>(To allow the Board to discuss any training attended since the last Board meeting and provide feedback to other Board Members on its content)</i> | 129 - 130 |

13 Work Programme

131 - 136

(To receive a report by Claire Machej, Accounting, Investment and Governance Manager, which invites the Board to consider its work programme for the coming meetings)

Published on Tuesday, 13 September 2022

Please note: This meeting will be broadcast live on the internet and access can be sought by accessing [Agenda for LGPS Local Pension Board on Thursday, 22nd September, 2022, 2.00 pm \(moderngov.co.uk\)](#)

Should you have any queries on the arrangements for this meeting, please contact Tom Crofts via telephone 07557486687 or alternatively via email at thomas.crofts@lincolnshire.gov.uk

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**LGPS LOCAL PENSION BOARD
14 JULY 2022**

PRESENT:

Independent Chair: Roger Buttery

Employer Representatives: Councillor M A Whittington and

Scheme Member Representatives: Kim Cammack and David Vickers

Officers in attendance:-

Debbie Bowring (Principal Risk Officer), Claire Machej (Accounting, Investment and Governance Manager), Michelle Grady (Assistant Director – Finance) Jo Ray (Head of Pensions) and Emily Wilcox (Democratic Services Officer),

Others in attendance:

Melanie Durante (Barnett Waddingham) and Matthew Mott (West Yorkshire Pension Fund)

58 APOLOGIES FOR ABSENCE

An apology for absence was received from Gerry Tawton.

59 DECLARATIONS OF INTEREST

Councillor M A Whittington declared that his spouse was in receipt of a pension from the Fund.

60 MINUTES OF THE PREVIOUS MEETING HELD ON 17 MARCH 2022

The fourth bullet point of minute 45 was amended to read:

- The Board were keen to see the Risk Manager attend a future meeting of the Board to provide more information to the Board on how the Fund is recording and managing risk.

In relation to the minutes, the following points were noted:

- Minute 49 – contact with beneficiaries who had not claimed their benefits was due to commence in August 2022, covid permissions permitting.

RESOLVED:

That the minutes of the meeting held on 17 March 2022 be approved as a correct record, subject to the above amendment and signed by the Chairman.

61 PENSION FUND UPDATE REPORT

Consideration was given to a report by the Head of Pensions, which provided an update on Fund matters for the quarter ending 31 March 2022, including updates on TPR Checklist Dashboard and Code of Practice; Breaches Register Update; Risk register Update; Asset Pooling Update; Internal Audits and the PLSA Research report.

Consideration was given to the report and during the discussion the following points were noted:

- The Board congratulated the Head of Pensions for her appointment onto the PLSA Local Authority Policy Committee.
- A timeline of work had not been developed against the recommendations proposed in the PLSA report. It was hoped that the report would encourage collaborative work between the PLSA, Central Government and other stakeholders to form solutions and proposals to the key issues identified within the report.
- The joint committee had discussed investments in China at their recent meeting. Prior to the joint committee meeting, Lincolnshire and two other Funds had expressed their concerns over investing in China.
- It was usual practice for officers and advisers of all Funds to be consulted with prior to Border to Coast Board decisions being made.
- The Board noted the discussion held at the Pensions Committee on the manager monitoring and risk analysis undertaken at Border to Coast on any investment in China, should they invade Taiwan.

RESOLVED:

That the report be noted.

62 RESPONSIBLE INVESTMENT UPDATE REPORT

Consideration was given to a report by the Accounting, Investment and Governance Manager, which provided an update on Responsible Investment activity within the Local Authority Pension Fund Forum, Border to Coast Pensions Partnership, Robeco, Legal and General Investment Management; an update on voting and an overview of the review of Legal and General Investment Management – Responsible Investments Oversight report.

The Board were reassured to see a level of challenge evident within the Border to Coast proxy voting report.

RESOLVED:

That the report be noted.

63 PENSIONS ADMINISTRATION REPORT

Consideration was given to a report by the Governance and Business Development Manager - West Yorkshire Pension Fund, which provided an update on the Fund's current administration issues including performance and benchmarking; scheme information; member and employer contact; the internal dispute and resolution procedure; an administration update; current technical issues; web registrations the shared service budget and awards.

Consideration was given to the report and during the discussion the following points were noted:

- Administration costs of £0.16m had been allocated to software changes needed as a result of the McCloud ruling.
- The importance of having effective and suitable KPI's was emphasised. A review of KPI's had commenced and would consider comparisons of standards within other Funds.
- Recruitment was progressing. It was suggested that offering a more flexible approach to home working may help with recruitment issues. Most WYPF employees had adopted a hybrid approach to home/office working.
- It was acknowledged that data for some KPIs could be misleading, such as the average of 47 days to process death in service payments despite only one case having not met the target of 10 days.
- Around 14,000 Lincolnshire scheme member had been identified as being in scope to benefit from the McCloud ruling. Once the necessary calculations had been made, it was hoped that communications would be made with the beneficiaries by October 2023.

RESOLVED:

That the report be noted.

64 DATA QUALITY REPORT

Consideration was given to a report by the Governance and Business Development Manager - West Yorkshire Pension Fund, which provided an update on the data quality scores for Lincolnshire Pension Fund including the data improvement plan.

Consideration was given to the report and during the discussion the following points were noted:

- Discussion was had on the commutation assumption. There were many reasons why scheme members chose not to take a lump sum, but it was not thought to be due to the low commutation rates. Reassurance was provided that scheme members received all information necessary to make an informed decision on how they would withdraw their pension at the time of retirement. In addition, information to members was also provided each year on their annual benefit statement.

RESOLVED:

That the report be noted.

65 EMPLOYER MONTHLY SUBMISSIONS UPDATE

Consideration was given to a report by the Accounting, Investment and Governance Manager, which provided up-to-date information on employer monthly submissions including late contributions and data submissions and late contribution fines.

The Board were encouraged that there had not been any fines issues within the period which reflected the work carried out by officers.

RESOLVED:

That the report be noted.

66 2022 TRIENNIAL VALUATION ASSUMPTIONS

Consideration was given to a report which set out the proposed approach for setting the assumptions that the Fund's Actuary, Barnett Waddingham would use for the 2022 Triennial Valuation.

The Head of Pensions introduced the Fund Actuary – Barnett Waddingham who presented the proposed approach for setting the assumptions for the 2022 Triennial valuation, as set out in the presentation.

Consideration was given to the presentation and during the discussions the following points were noted:

- Barnett Waddingham held the statutory responsibility to set the valuations assumptions, however the Pensions Committee and Fund would need to be comfortable with the process used and understand the reasoning behind it.
- The Board acknowledged the importance of maintaining longer term stability within the Fund. Although funding was currently at 100%, the level of funding was likely fluctuate between each valuation and that stability of employer rates was important. The Board was assured that employers received an explanation for how their rates were set.

RESOLVED:

That the report be noted.

15:44 – the meeting was adjourned for a short break.

15:55 – the meeting reconvened.

67 RISK REGISTER ANNUAL REVIEW

Consideration was given to a report by the Head of Pensions, which presented the Fund's risk register and risk management policy to the Board.

The Head of Pensions then introduced the Principal Risk Officer, who outlined the process of managing the Council's risk register, highlighting that only risks which were a threat to achieving objectives were required to be documented.

Consideration was given to the report and during the discussion the following points were noted:

- It was questioned whether further assurance was required for the risk 'Failure to ensure that the Committee's knowledge and understanding of pensions related activities is robust and meets all statutory requirement' given the low attendance rates at recent Pensions Committees. Assurance was provided that a review of the structure of the Pensions Committee was scheduled which would consider whether the make up of membership was appropriate.
- It was recognised that the training requirements for members of the Pensions Committee were ongoing and training could be time consuming. The Head of Pensions would work with Democratic Services to ensure that all future Local Authority representatives on the Committee could commit to the training expectations outside of meetings.
- The Board accepted the offer to be subscribed to the Hymans online learning academy training programme.
- The Board acknowledged that 'the loss of key staff and loss of knowledge and skills' would likely always be a risk due to Pensions being a technically specialised area with a small team of staff in the council.
- The difficulties of recruiting specialist staff were acknowledged and recognised as a wider national issue for specialist areas.
- Local Government Pensions Scheme funds were working collaboratively to continue to educate and advocate to central government on the views of LGPS Funds.

RESOLVED:

That consideration be given to the comments made in relation to the risk management policy and risk register.

68 ANNUAL REPORT AND ACCOUNTS 2021-22: DRAFT ANNUAL REPORT AND ACCOUNTS

Consideration was given to a report by the Accounting, Investment and Governance Manager, which invited the Board to review the draft Annual Report and Accounts for the Fund.

Consideration was given to the report and during the discussion the following points were noted:

- Primary rates of pay would be reviewed at the time of an employer entering the fund and every three years through the valuation process. There were flexibilities for employers wanting to leave the scheme.
- Employers joining the Fund would be subject to a pass-through arrangement when setting their contribution rates.
- Flexibility could be granted for existing employers which would consider the possibility of gradually increasing rates rather than a sudden significant increase.
- No changes had been made to accounting standards. It was noted that the statutory date for signing off accounts had moved from September to November to allow auditors more time to carry out their work.
- Auditors planned to carry out more in-depth work on audit control reports received from investment managers.
- The Board commended officers on the production of the annual report and accounts.

RESOLVED:

That the Annual Report and Accounts be noted.

69 TRAINING NEEDS

Consideration was given to a report by the Accounting, Investment and Governance Manager, which invited the Board to review its training needs.

The Board was advised that the Pensions Committee had voted to adopt Hymans Robertson's LGPS Online Learning Academy which would be used to support the training needs of the Pensions Committee and the Board.

The Board members present provided feedback on training events that they had recently attended. The slides from the CIPFA conference would be circulated to all members of the Board.

Following a question by a member of the Board, the Head of Pensions agreed to investigate whether Board members were legally insured against any recommendations made to the Pensions Committee.

RESOLVED:

That the updates be noted.

70 WORK PROGRAMME

Consideration was given to a report by the Accounting, Investment and Governance Manager which provided an opportunity for the Board to review its work programme, as set out at Appendix A.

To avoid duplication, it was agreed that the Internal Audit Report Review scheduled for 22 September 2022 be removed from the work programme.

It was suggested that the Board review and prioritise possible items for inclusion in the future work programme in advance of the meeting in September.

RESOLVED:

That the work programme be noted.

The meeting closed at 5.02 pm

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Pension Fund Update Report

Summary:

This report updates the Board on Fund matters for the quarter ending 31 March 2022 and any other current issues.

The report covers:

1. TPR Checklist Dashboard and Code of Practice
2. Breaches Register Update
3. Risk Register Update
4. Asset Pooling Update
5. DLUHC Consultation – Governance and the reporting of climate change risks

Recommendation(s):

That the Board consider and discuss the report and agree whether any action or additional information is required.

Background

1. TPR Checklist Dashboard and Code of Practice

- 1.1 To assist in the governance of the Lincolnshire Fund, it assesses itself against the requirements of the Pension Regulator's (TPR's) code of practice 14 for public service pension schemes, as set out in a check list attached at appendix A. This is presented to the Committee and Board at each quarterly meeting, and any non-compliant or incomplete areas are addressed. This is seen as best practice in open and transparent governance.
- 1.2 There have been no changes since the last quarter's report. The areas that are not fully completed and/or compliant are listed below.

B12 – Knowledge and Understanding – Have the pension board members completed the Pension Regulator's toolkit for training on the Code of Practice number 14?

Amber – As set out in the Fund's Training policy, it is a mandatory requirement that all PC members complete this in addition to the PB members and provide copies of the completion certificate to the Head of Pensions. However, whilst all Board members have completed this training, due to the change in Pensions Committee membership following the May elections, certificates have not yet been received from all the new Committee members. As set out in the training policy, members do have a six month window to complete this mandatory training, which should therefore have been completed by November 2021. At the time of writing this report, one certificate had not been received.

F1 – Maintaining Accurate Member Data – Do member records record the information required as defined in the Record Keeping Regulations and is it accurate?

Amber – Scheme member records are maintained by WYPF. Therefore much of the information here and in later questions relates to the records they hold on LCC's behalf. However, as the scheme manager, LCC is required to be satisfied the regulations are being adhered to. Data accuracy is checked as part of the valuation process and the annual benefits statement process. Monthly data submissions and employer training are improving data accuracy, however there are a number of historical data issues that are in the process of being identified and rectified.

F5 - Maintaining Accurate Member Data – Are records kept of decisions made by the Pension Board, outside of meetings as required by the Record Keeping Regulations?

Grey – not relevant as we do not expect there to be decisions outside of the PB. This will be monitored.

H7 - Maintaining Contributions – Is basic scheme information provided to all new and prospective members within the required timescales?

*Amber - New starter information is issued by WYPF, **when they have been notified by employers**. This is done by issuing a notification of joining with a nomination form, transfer form and a link to the website. However, because the SLA relates to when notified, it does not necessarily mean the legal timescale has been met which is within 2 months of joining the scheme. The monthly data returns and employer training are improving this process.*

K7 – Scheme Advisory Board Guidance - Members of a Local Pension Board should undertake a personal training needs analysis and put in place a personalised training plan.

Remaining Amber - Training is a standing item on the Pension Board agenda and opportunities are shared with the Board as they arise. Pension Board members all complete a training log annually to record all training undertaken.

2. Breaches Reporting - update

2.1 The Fund and those charged with its governance have a requirement to log and, where necessary, report breaches to the Pensions Regular. The Breaches Register attached at appendix B shows those breaches logged over the last twelve months. Since the last quarter end, one breach has been added, detailed below:

- **Late payment of contributions** – a separate paper is presented to the Board at paper 9, updating the Board on all monthly employer contribution breaches over quarter.

3. Risk Register Update

3.1 The risk register had a full review at the July meeting where it had been refreshed to reflect the corporate risk reporting process. There have been no changes since that meeting to record on the register at this time.

4. Asset Pooling Update

Sub Funds

4.1 Work has continued on the development of the real estate funds, with the next expected transition for Lincolnshire expected to be into the Core Global Property fund, due to be launched later in 2022 or early in 2023.

4.2 Since the last Board meeting, Border to Coast has held workshops and meetings with officers and advisors covering quarterly external and internal funds, property, alternatives, carbon metrics, and Responsible Investment.

Joint Committee Meetings

4.3 There have been no meetings since the last Board report. The next Joint Committee is being held on Thursday 29 September 2022, ahead of the Border to Coast Annual Conference in Leeds, to which all Board members had been invited.

Shareholder Matters

4.4 As the Board are aware, there are two distinct roles that Lincolnshire County Council has with Border to Coast: the shareholder and the investor (or client). The Committee's role is that of investor and is represented at the Joint Committee by the Chairman of the Pensions Committee. The shareholder role is undertaken by the Executive Director of Resources and fulfils the role as set out in the Shareholder Agreement, which was approved by Full Council in February 2017. A review of this document is currently underway, with the latest progress set out in the June Joint Committee papers.

- 4.5 Ahead of any shareholder approvals, officers, including S151 officers, work closely with Border to Coast to ensure full understanding of the resolution, the impact of it not being approved and discuss this with the JC ahead of any resolution being sent for approval. An informal shareholder meeting is also held on the date of each Joint Committee meeting.
- 4.6 There have been no shareholder resolutions since the last meeting.

Border to Coast Annual Report

- 4.7 The Border to Coast Annual Report and Accounts has been completed and published. It can be found on their website at [Annual-Report-and-Accounts-2021-22.pdf \(bordertocoast.org.uk\)](https://www.bordertocoast.org.uk/Annual-Report-and-Accounts-2021-22.pdf).

5. DLUHC Consultation – Governance and the reporting of climate change risks

- 5.1 On 1 September, DLUHC published the long-awaited consultation on reporting climate change risks for the LGPS, which can be found at this link: [Local Government Pension Scheme \(England and Wales\): Governance and reporting of climate change risks - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/local-government-pension-scheme-governance-and-reporting-of-climate-change-risks). The consultation seeks views on policy proposals to require administering authorities to have effective governance, strategy, risk management and accompanying metrics and targets for the assessment and management of climate risks and opportunities. It also invites responses on proposals to disclose these in line with the recommendations of the international industry-led Taskforce on Climate-related Financial Disclosures (TCFD).
- 5.2 It proposes that LGPS administering authorities would calculate the ‘carbon footprint’ of their assets and assess how the value of each fund’s assets or liabilities would be affected by different temperature rise scenarios, including the ambition to limit the global average temperature rise to below 2 degrees set out in the Paris Agreement. It proposes that administering authorities should report on this annually, and that these reports will be summarised in an LGPS-wide report, including the overall carbon emissions of the scheme.
- 5.3 A summary of the proposals is set out below:

Area	Proposal
Overall	Each LGPS Administering Authority (AA) must complete the actions listed below and summarise their work in an annual Climate Risk Report.
Scope and Timing	The proposed regulations will apply to all LGPS AAs. The first reporting year will be the financial year 2023/24, and the regulations are

Area	Proposal
	<p>expected to be in force by April 2023. The first reports will be required by December 2024.</p>
<p>Governance</p>	<p>AAs will be expected to establish and maintain, on an ongoing basis, oversight of climate related risks and opportunities. They must also maintain a process or processes by which they can satisfy themselves that officers and advisors are assessing and managing climate-related risks and opportunities.</p>
<p>Strategy</p>	<p>AAs will be expected to identify climate-related risks and opportunities on an ongoing basis and assess their impact on their funding and investment strategies.</p>
<p>Scenario Analysis</p>	<p>AAs will be required to carry out two sets of scenario analysis. This must involve an assessment of their investment and funding strategies. One scenario must be Paris-aligned (meaning it assumes a 1.5 to 2 degree temperature rise above pre-industrial levels) and one scenario will be at the choice of the AA. Scenario analysis must be conducted at least once in each valuation period.</p>
<p>Risk Management</p>	<p>AAs will be expected to establish and maintain a process to identify and manage climate-related risks and opportunities related to their assets. They will have to integrate this process into their overall risk management process.</p>
<p>Metrics</p>	<p>AAs will be expected to report on metrics as defined in supporting guidance. The proposed metrics are set out below.</p> <p>Metric 1 will be an absolute emissions metric. Under this metric, AAs must, as far as able, report Scope 1, 2 and 3 greenhouse gas (GHG) emissions.</p> <p>Metric 2 will be an emissions intensity metric. We propose that all AAs should report the Carbon Footprint of their assets as far as they are able to. Selecting an alternative emissions intensity metric such as Weighted Average Carbon Intensity (WACI) will be permitted, but AAs will be asked to explain their reasoning for doing so in their Climate Risk Report.</p> <p>Metric 3 will be the Data Quality metric. Under the Data Quality metric, AAs will report the proportion the value of its assets for which its total reported emissions were Verified*, Reported**, Estimated or Unavailable.</p>

Area	Proposal
	<p>Metric 4 will be the Paris Alignment Metric. Under the Paris Alignment Metric, AAs will report the percentage of the value of their assets for which there is a public net zero commitment by 2050 or sooner.</p> <p>Metrics must be measured and disclosed annually.</p>
Targets	<p>AAs will be expected to set a target in relation to one metric, chosen by the AA. The target will not be binding. Progress against the target must be assessed once a year, and the target revised if appropriate. The chosen metric may be one of the four mandatory metrics listed above, or any other climate related metric recommended by the TCFD.</p>
Disclosure	<p>AAs will be expected to publish an annual Climate Risk Report. This may be a standalone report, or a section in the AA's annual report. The deadline for publishing the Climate Risk Report will be 1 December, as for the AA's Annual Report, with the first Climate Risk Report due in December 2024. We propose that scheme members must be informed that the Climate Risk Report is available in an appropriate way.</p>
Scheme Climate Report	<p>We propose that the Scheme Advisory Board (SAB) should prepare an annual Scheme Climate Report including a link to each individual AA's Climate Risk Report (or a note that none has been published) and aggregate figures for the four mandatory metrics. We also propose that a list of the targets which have been adopted by AAs. We are open to views as to whether any other information should be included in the Scheme Climate Report.</p>
Proper advice	<p>We propose to require that each AA take proper advice when making decisions relating to climate-related risks and opportunities and when receiving metrics and scenario analysis.</p>

*This refers to reported emissions calculated in line with the GHG Protocol and verified by a third-party.

**This refers to reported emissions calculated in line with the GHG Protocol without verification by a third-party.

5.4 A summary of the twelve consultation questions asked is set out below:

Q1: Do you agree with our proposed requirements in relation to governance?

Q2: Do you agree with our proposed requirements in relation to strategy?

Q3: Do you agree with our suggested requirements in relation to scenario analysis?

Q4: Do you agree with our proposed requirements in relation to risk management?

Q5: Do you agree with our proposed requirements in relation to metrics?

Q6: Do you agree with our proposed requirements in relation to targets?

Q7: Do you agree with our approach to reporting?

Q8: Do you agree with our proposals on the Scheme Climate Risk Report?

Q9: Do you have any comments on the role of the LGPS asset pools in delivering the requirements?

Q10: Do you agree with our proposed approach to guidance?

Q11: Do you agree with our proposed approach to knowledge, skills and advice?

Q12: Do you have any comments on the impact of our proposals on protected groups and on how any negative impacts may be mitigated?

5.5 The document also suggests pension funds belonging to the same pooling organisation align their strategies and targets within the pool, and ensure the pool's strategy aligns with theirs, as this would enable Administering Authorities to commission their pool to conduct analysis for both pooled and non-pooled assets on a consistent basis with the pool's own reporting. As the Board are aware, Border to Coast have set a net zero target of 2050, and will be publishing their roadmap later this year. In order to meet the required timeframe of the climate reporting, which will be for the 2023/24 financial year, the February training meeting will be used for the Pensions Committee to consider its aspirations for net zero and the implications and requirements to meet any agreed target.

5.6 The consultation is for a twelve-week period, closing on 24 November 2022. Discussion will be had with Border to Coast, Partner Funds, the Investment Consultant and the Actuary to consider the questions and officers will share the proposed responses with the Pensions Committee by email for comments, and to the Board for information. Once agreed, officers will submit the response through the on-line survey by the deadline date.

Conclusion

6 The Fund Update report is a quarterly report to the Pension Board, to provide an update on Pension Fund matters and any current issues.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report	
Appendix A	TPR Checklist Dashboard
Appendix B	Breaches Register

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jo Ray, who can be contacted on 01522 553656 or jo.ray@lincolnshire.gov.uk.

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Lincolnshire Pension Board Record of Breaches

Date	Category (e.g. administration, contributions, funding, investment, criminal activity)	Description and cause of breach	Possible effect of breach and wider implications	Reaction of relevant parties to breach	Reported / Not reported (with justification if not reported and dates)	Outcome of report and/or investigations	Outstanding actions
Sept 21	Contributions – updates	Late payments	Cashflow issues, data not provided to WYPF to action – e.g. retirements	Made aware and fined in some circumstances	Not reported – not material to LPF		Continuing training and communications with employers Review of process
Dec 21	Contributions – updates	Late payments	Cashflow issues, data not provided to WYPF to action – e.g. retirements	Made aware and fined in some circumstances	Not reported – not material to LPF		Continuing training and communications with employers Review of process
March 22	Contributions – updates	Late payments	Cashflow issues, data not provided to WYPF to action – e.g. retirements	Made aware and fined in some circumstances	Not reported – not material to LPF		Continuing training and communications with employers Review of process
Jun 22	Contributions – updates	Late payments	Cashflow issues, data not provided to WYPF to action – e.g. retirements	Made aware and fined in some circumstances	Not reported – not material to LPF		Continuing training and communications with employers Review of process



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pensions Board
Date:	23 September 2022
Subject:	Responsible Investment Update Report

Summary:

This paper provides the Board with an update on Responsible Investment activity during the first quarter of the financial year 2022/23 (April to June inclusive).

Recommendation(s):

The Board consider the report and discuss the Responsible Investment activity undertaken during the quarter.

Background

1.1 This report provides a summary of various Responsible Investment (RI) activities that have been undertaken on behalf of the Fund during the quarter, and updates the Board on any new initiatives relating to good stewardship. This includes work by Local Authority Pension Fund Forum (LAPFF), Border to Coast Pensions Partnership (BCPP), Robeco, who are appointed by Border to Coast to provide voting and engagement services and Legal and General Investment Managers.

2.0 Local Authority Pension Fund Forum – RI Activity

2.1 The Fund participates in the Local Authority Pension Fund Forum. LAPFF acts to promote the highest standards of corporate governance to protect the long-term value of local authority pension fund assets. The Forum's current engagement themes include: climate risk, social risk, governance risk and reliable accounting risk. They also act by collaborating with other investors and by responding to governance and industry consultations.

Outcomes Achieved through LAPFF Engagement

2.2 The latest LAPFF engagement report can be found on their website at www.lapfforum.org. Some highlights from their work during the quarter include:

- LAPFF announced two major initiatives, one relating to climate change and one relating to human rights. The climate change initiative is linked to LAPFF's work on 'Say on Climate' and aims to issue voting alerts to ensure companies set meaningful corporate climate strategies and initiatives. The human rights initiative is a visit by the LAPFF Chairman to communities affected by the Mariana and Brumadinho tailings dam collapses in Minas Gerais, Brazil. More details on this will be shared with the Board via the weekly update from the LAPFF Chairman.
- As the quarter covered peak voting season LAPFF voting alerts covered:
 - Mining companies where shareholders are only able to vote on climate progress disclosures rather than climate plans. LAPFF believes that shareholders should have an annual vote on company plans and strategies not just results.
 - Technology companies including: Amazon, Meta Platforms and Alphabet on a range of ESG issues, including: human rights (particularly labour rights), lobbying, climate and board accountability.
 - Oil and Gas companies including BP and Shell, opposing their climate plans and supporting the 'Follow This' shareholder resolution.
- Collaborative engagement during the quarter included: LAPFF joining two calls with companies to discuss their approaches modern slavery and reporting, as part of the Rathbones Votes Against Slavery engagement. This targets FTSE 350 companies that fail to comply with Section 54 of the Modern Slavery Act.
- LAPFF has been involved in a number of collaborative investor initiatives. Including: work with the Investor Initiative for Responsible Care organised by UNI Global, of which LAPFF is a founding member. The coalition includes 130 institutional investors with \$3.8 trillion in assets. It aims to improve employment and care standards to protect shareholder value. During the quarter, LAPFF, alongside other lead investors, has contacted Real Estate Investment Trusts (REITs) working within the nursing home sector and signed a letter regarding the EU Care Strategy to further the coalitions work.

2.3 Further details on their work during the quarter can be found in the quarterly engagement report. Members of the Board should contact the author of this report if they would like further information on the Forum's activities.

3.0 Border to Coast Pensions Partnership – RI Activity

3.1 Border to Coast is the pooling company chosen by Lincolnshire Pension Fund. Border to Coast is a strong advocate of RI and believe that businesses that are governed well and run in a sustainable way are more resilient, able to survive shocks and have the potential to provide better financial returns for investors. As a representative of asset owners, they practice active ownership by holding companies and asset managers to account on Environmental, Social and Governance (ESG) issues that have the potential to impact corporate value. They also use shareholder rights by voting at company meetings, monitoring companies, carrying out engagement and litigation.

3.2 Their approach to RI and stewardship is set out in their [Responsible Investment Policy](#), [Corporate Governance and Voting Guidelines](#) and [Climate Change Policy](#). These documents can be viewed on the Border to Coast website. They also publish a quarterly stewardship newsletter detailing the activity they have undertaken during the quarter. A copy of the report for the latest quarter can be found at on their website ([Quarterly Stewardship Report Q2 2022](#)). Highlights from their work during the quarter include:

- An overview of the quarters RI activity including: the launch of the second private markets programme; a summary of the quarters voting, as April to June covers peak voting season; and details of a collaboration with other UK pension funds to look at how they can support the climate transition in emerging markets.
- An industry update providing details of: results of the Department for Work and Pensions consultation for Paris alignment reporting in occupational pension schemes; the launch of a UK Transition Plan Taskforce to develop a standard for climate transition plans in the UK; and publications on science-based targets for net zero financial reporting, embedding stewardship in the asset manager and asset owner relationship and an updated framework from the Taskforce in Nature-related Financial Disclosure.
- High level information on voting activity for the quarter across all Border to Coast funds. The quarter is peak voting season, with Border to Coast voting at 573 meetings during the quarter, covering 8,750 agenda items. In 72% of meetings Border to Coast cast at least one vote against the recommendations of management.
- Engagement activity, which included 530 engagements, carried out by: external managers appointed by Border to Coast; Robeco, as the Pool's engagement and voting manager; internal portfolio managers and by LAPFF.

3.3 Border to Coast has published its annual [Responsible Investment and Stewardship Report](#), demonstrating the progress it has continued to make as an active steward of Local Government Pension Scheme (LGPS) assets in 2021/22. It has also

published its [Task Force on Climate-Related Financial Disclosures \(TCFD\) Report](#), which evidences its commitment to transparency in reporting.

4.0 Robeco – RI Activity

- 4.1 In addition to the direct RI work undertaken by Border to Coast they have appointed Robeco to provide voting and engagement services. A copy of their quarterly activity report can be found on the Border to Coast website ([Robeco Quarterly Engagement Report Q2 2022](#)).
- 4.2 During the quarter Robeco have voted at 573 AGM's, the percentage of meetings where they have at least one vote against management is 72%. During the quarter they have engaged with companies on 76 occasions on topics including: the environment, corporate governance and social matters. This quarters report provides details on Robeco's new net zero emissions theme, which is an extension to their existing corporate decarbonation theme; reflects on the 2022 AGM season and the key trends coming out of this; and provides an update on their three year single use plastic company engagement theme.

5.0 Legal and General Investment Management – RI Activity

- 5.1 Legal and General Investment Management (LGIM) manage 15% of the Fund's portfolio, which is invested in the Future World Fund (global equities). The Future World Fund invests systematically in a globally diversified portfolio of quoted company shares; the index is designed to favour investment in companies which exhibit characteristics that have historically led to higher returns or lower risk than the market as a whole, and companies which are less carbon-intensive or earn green revenues. LGIM also builds ESG factors and responsible investing into all it's investment activity. More information on this can be found on their website: [LGIM Responsible Investing](#).
- 5.2 On a quarterly basis they publish an ESG Impact Report ([LGIM Quarterly ESG Impact Report Q1 2022](#)) detailing their activity during the quarter, across all their investment products. The report covers their ESG activity, significant and summary voting activity, a global public policy update and information on engagement activity. During the quarter LGIM voted against management 2,339 times, and engaged 122 times with 103 companies on topics including remuneration, climate change and board composition.
- 5.3 LGIM also produce an ESG Report specifically for the Future World Fund. This details key ESG metrics including carbon footprint and weighted average carbon intensity data, as well as voting and engagements statistics for the last 12 months. This report is available on the LGIM website 10-12 weeks after the quarter end ([Future World Fund](#)).

6.0 **Voting**

- 6.1 To enable the Fund to fulfil its stewardship responsibilities as an active shareholder, the active equity managers are required to report on their voting on a quarterly basis.
- 6.2 Border to Coast has produced summary proxy voting reports, which are attached at appendix A (Global Equity Alpha) and B (UK Listed Equities). Full details of the votes cast during the period April to June 2022 can be found on the Border to Coast website: [Integrated Full Details Voting Report Q2 2022](#).

7.0 **Border to Coast Environmental, Social and Governance (ESG) Reporting**

- 7.1 Border to Coast have worked with MSCI, the investment research company, to provide quarterly ESG and carbon reports. The reports include an ESG rating, weighted score for the quarter and the direction of travel, as well as information on the best and worse companies in the sub-fund. The report also includes details on carbon emissions and intensity.
- 7.2 For the quarter ended 30 June 2022 the ESG reports can be found at:
- Appendix C: Global Equity Alpha Sub-fund;
 - Appendix D: UK Listed Equity Sub-fund; and
 - Appendix E: Sterling Investment Grade Credit Sub-fund.
- 7.3 *“This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Lincolnshire County Council Pension Fund information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the “ESG Parties”), obtain information (the “Information”) from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or re-disseminated in any form* and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.”*

**In accordance with the Licence Agreement between Border to Coast Pensions Partnership Limited and MSCI ESG Research (UK) Limited.*

7.4 In summary:

- Global Equity Alpha – marginal increases in the weighted ESG score in both the Fund and benchmark saw both increase their rating to ‘AA’ over the quarter. The Fund saw several upgrades over the period, including: Fiserv, Danaher, Charter Communications and EasyJet. Automotive components company, BorgWarner, was the sole downgrade due to increasing risks associated with warranty payments.

The fund’s carbon intensity metrics were broadly stable over the quarter and remain materially below the benchmark. Exposure to fossil fuel reserves comes primarily from the fund’s allocation to diversified mining company, Glencore, which represents c.0.8% of the overall fund.

- UK Listed Equity – the ESG weighted score remained consistent in the quarter, retaining its ‘AAA’ rating and is slightly above the benchmark. This is due to the fund holding a higher weighting of companies considered to be ‘Leaders’ and no ‘Laggards’. The fund is generally underweight the lowest ESG rated companies relative to the benchmark.

The Fund is currently below the benchmark for carbon emissions, carbon intensity and weighted average carbon intensity (WACI) and all carbon metrics reduced in the quarter. All of the largest contributors to portfolio WACI are rated Level 4 or 4* by the Transition Pathway Initiative (highest rating) and many have sector leading Carbon Transition Plans to be net-zero by 2050.

- Sterling Investment Grade Credit – the fund is rated AA. The ESG weighted score was stable over the quarter, being marginally below that of the benchmark index overall. The lower scoring relative to the benchmark is driven by active positioning, with the fund holding fewer companies considered to be ‘Leaders’. Despite this the fund retains its very high rating of AA, which is classed as ‘Leader’.

It is worth noting that while the availability and quality of ESG data has been improving in recent years, there can still be material gaps across the fixed income market. This is particularly prevalent where a debt-issuing entity does not also issue publicly-listed equity, which, in most cases, the fixed income issuer maps to.

The fund is currently below the benchmark for WACI. The largest contributor, London Power Networks, is an overweight position relative to benchmark. No single position dominates the portfolio WACI. Exposure to companies owning fossil fuel reserves is lower relative to the benchmark. The largest contributors include BP (via their financing vehicle), Equinor and Centrica.

Conclusion

8.1 This report brings to the Board information on the various Responsible Investment (RI) activities that have been undertaken on behalf of the Fund during the quarter.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

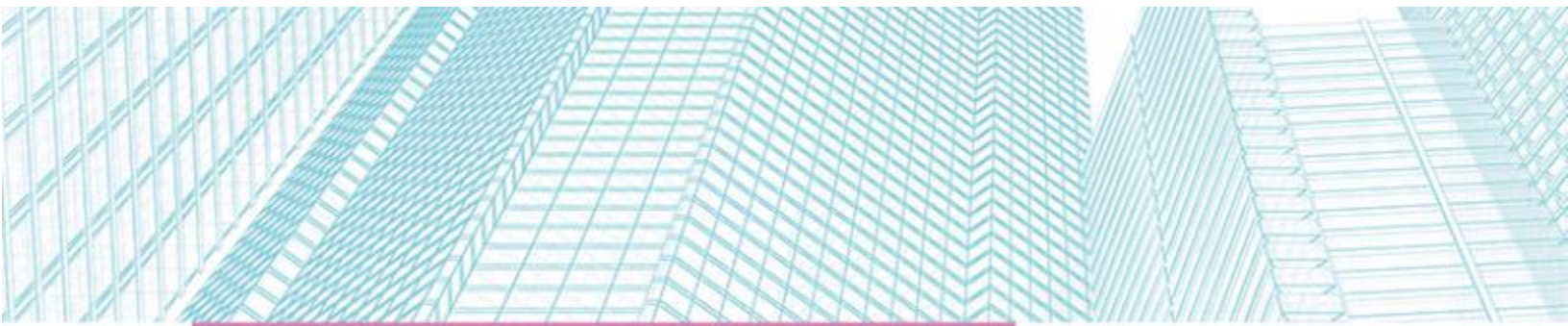
These are listed below and attached at the back of the report	
Appendix A	Border to Coast Global Equity Alpha Voting Activity
Appendix B	Border to Coast UK Listed Equity Voting Activity
Appendix C	Border to Coast Pensions Partnership - ESG Quarterly Report - Global Equity Alpha
Appendix D	Border to Coast Pensions Partnership - ESG Quarterly Report - UK Listed Equity
Appendix E	Border to Coast Pensions Partnership - ESG Quarterly Report - Investment Grade Credit

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

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Proxy Voting Report

Period: April 01, 2022 - June 30, 2022

Votes Cast	1908	Number of meetings	111
For	1676	With management	1605
Withhold	0	Against management	299
Abstain	7	Other	4
Against	224		
Other	1		
Total	1908	Total	1908

In 85% of meetings we have cast one or more votes against management recommendation.

General Highlights

Shareholder rights in the spotlight during 2022 Proxy Season

Against the backdrop of the COVID-19 pandemic, the 2022 proxy season continues to witness an increased focus on shareholder rights. Virtual-only meetings and the push for more robust minority shareholder rights remain top of mind as companies come under high scrutiny over Environmental, Social, and Governance (ESG) topics.

The pandemic prompted countries worldwide to amend their legislation to enable virtual-only shareholder meetings. With the temporary relief measures expiring, many companies proposed article amendments that would allow them to hold virtual-only meetings at their discretion. Proponents of this meeting format cite its ability to facilitate high attendance while reducing costs and the carbon footprint. However, recent years have shown that virtual-only shareholder meetings can severely deprive shareholders of their rights as management is afforded the discretion to filter out inconvenient questions. For this reason, we oppose any article amendments that grant companies the discretion to hold shareholder meetings in a virtual-only format outside exceptional circumstances. However, we support amendments enabling hybrid meetings, as we consider that this format brings many of the advantages of virtual-only meetings without jeopardizing shareholder participation rights.

The 2022 proxy season also saw shareholders continue pushing to expand their rights and enact change at companies deemed to lag their expectations. Meeting agendas were packed with proposals seeking amendments to provisions governing proxy access, special meetings, and action by written consent, as well as resolutions calling for companies to adopt the “one share, one vote” principle. Particularly noteworthy were the many “fix-it” shareholder proposals seeking amendments to existing proxy access bylaws. These called for changes to aggregation limits or holding period requirements, indicating that shareholders have a thorough understanding of the technicalities surrounding their participation tools, and clear expectations regarding what rights they should hold. In all instances, we judged the merits of these shareholder proposals on a case-by-case basis. We supported proposals deemed to protect minority shareholder rights and strengthen director accountability while safeguarding long-term shareholder interests.

In some cases, shareholder initiatives to enact change translated into large-scale proxy contests. A notable development in this sense was the proxy fight launched by Carl Icahn at McDonald’s over animal welfare. Although the campaign failed, many viewed this attempt as a signal that ESG-driven proxy contests may become commonplace. This speculation is spurred by recent proxy rules amendments passed in the US by the Securities and Exchange Commission, which will mandate the use of universal proxy cards in election contests as of August 2022. These require that all proxy cards distributed in contested elections include all nominees up for election, enabling shareholders voting by proxy to mix and match nominees from distinct slates. In the case of proxy contests, we base our voting decisions on several factors, including, among other things, the validity of the dissident’s case for change at the company and whether the proposed plan is in line with the shareholders’ long-term interests.

Investors focus on this year’s Proxy Season

The 2022 proxy season, as it was expected, was an active one. It is challenging to decide where the focus was this season. There was certainly a lot of interest in numerous post-pandemic Say-On-Pay proposals and some corporate governance agenda items covering board elections. Additionally, there was also a lot of enthusiasm for some notorious Say-On-Climate resolutions. There is no doubt that

this season was busier due to the high volume of ESG shareholder resolutions making it to proxy ballots.

The increase in shareholder proposal filings was prompted by the priorities shift at the US Securities and Exchange Commission (SEC) over the last year. In November 2021, the SEC issued new guidance on how they would interpret the rules used by companies to exclude ESG shareholder proposals, making it more difficult for companies to remove environmental and social proposals from their proxies. This guidance gave investors significant power to raise their concerns by submitting resolutions on essential matters and voting on them.

Investors' attention in this proxy season was on environmental matters. The most prominent shareholder resolutions requested companies for greater disclosure of their impact on climate and the risks this entails, the adoption of concrete emissions reduction targets in all scopes, and reporting on board oversight on the company's climate initiatives. We also saw investors asking companies to disclose their lobbying activities on climate issues, as well as to report on how they would shift their business to using recycled plastic, and to communicate their efforts to decrease deforestation.

Say-On-Climate has been a dominant issue since the 2021 proxy season, and the debate also continued this year. We also noticed a strong increase in shareholder proposals asking for the adoption of Say-On-Climate proposals in future AGMs. Investors' views in this respect though have been diverse. Some have been more decisive in supporting the facilitation of these proposals, while others have been more skeptical. One thing is sure - many investors are adopting a more detailed and case-by-case approach when assessing their votes on Say-On-Climate proposals, pushing companies to provide clear and comprehensive climate-related information.

Social shareholder resolutions focusing on diversity, equity, and inclusion were also high on the agenda for investors. There has been increasing support for resolutions focusing on disclosing data on gender and racial pay gaps. High support was also received by resolutions asking companies to conduct racial equity audits to detect how their business activities might have 'adverse impacts on non-white stakeholders and communities of color.' This year we also saw shareholders asking companies to explain the use of concealment clauses in employment contracts, which limit the ability of an employee to discuss grievances or concerns about employment practices. Lastly, abortion rights have moved up on responsible investors' agenda, pushing companies to support employees' rights in those US states where lawmakers have passed or proposed legislation that would severely restrict women's ability to access legal terminations of pregnancies.

This proxy season, we also saw an increase in anti-ESG shareholder resolutions. A prominent example was the 'civil rights and non-discrimination' proposal, which asked the companies to conduct audits of their impact on civil rights. The resolution initially seemed supportable. Nevertheless, after carefully reviewing the proponent's supporting statement, it showed that the proposals also argued that "anti-racist" programs are discriminatory "against employees deemed non-diverse". This argument revealed filler's intentions to frustrate companies' efforts to promote civil rights and social justice.

Last but not least, on Governance, the shareholder proposals that attract investors' interest remain those focusing on supermajority vote requirements, the ability to call special shareholder meetings, and action by written consent. A high support rate was seen in the case of shareholder proposals asking the company to separate the roles of CEO and Chair of the Board. This development is welcomed by most investors since an independent chair can better oversee a company's executives and set a pro-shareholder agenda.

Voting Highlights

Johnson & Johnson - 04/28/2022 - United States

Proposals: Shareholder Proposal Regarding Public Health Costs of Limiting COVID-19 Vaccine Technologies, Shareholder Proposal Regarding Racial Impact Audit & Shareholder Proposal Prohibiting Adjustments for Legal and Compliance Costs.

Johnson & Johnson researches, develops, manufactures, and sells a range of products in the health care field worldwide.

The company's 2022 annual general meeting (AGM) agenda included a number of items routinely encountered on US firm ballots and ten proposals put forward by shareholders. One shareholder resolution was of particular importance; it called for Johnson & Johnson to commission and disclose a report on the public health costs incurred by the limited availability of its COVID-19 vaccine in poorer nations, and the extent to which this impacts the returns of diversified shareholders. We voted against the resolution after concluding that the requested report would not be in the best interest of shareholders. COVID-19 vaccine inequity is prompted by far-reaching issues such as production capacity, trade policy, and access to health care providers. Accordingly, we believe that policymakers and specialized organizations are best positioned to make pronouncements on the topic rather than vaccine makers. Moreover, we are concerned that the requested reporting would be highly speculative and would therefore not enable shareholders to better assess the risks and opportunities stemming from the company's vaccine-related business practices. Notably, less than 8.5% of the votes cast were in favor of the resolution.

That said, two shareholder proposals received near-majority support. The first called for the company to publish a third-party audit identifying means to improve the racial impact of the company's policies, practices, and products. We voted in favor of the resolution as we believe that robust disclosure on how Johnson & Johnson combats racial discrimination would help investors evaluate the risks faced by the company. The second resolution requested that the company adopt a policy prohibiting the exclusion of legal or compliance costs when determining executive compensation. We supported this resolution as we consider that executives should not be shielded from the impact of legal and compliance costs.

Amazon.com Inc. - 05/25/2022 - United States

Proposal: Shareholder Proposals Asking for the Company to Report on Plastic Packaging, Lobbying Activities, and Working Conditions.

Amazon.com, Inc. is a U.S. multinational technology company that engages in the retail sale of consumer products and subscriptions in North America and internationally. The company operates through three segments: North America, International, and Amazon Web Services (AWS).

The company faced 15 shareholder proposals (SHPs) at its annual general meeting (AGM) on the 25th of May. As expected, shareholders pressured the company to address issues focusing on all aspects of sustainability. Resolutions focusing on political expenditures and lobbying activities, the use of facial recognition technology, and the racial and gender pay gap were a few that came back on the agenda this year. Below we provide some insights on a few shareholder proposals that received media attention and high support from investors.

We supported the SHP that requested the company to report on plastic packaging. The resolution asked how the company could reduce its plastics use in alignment with reduction findings of authoritative sources, to reduce the majority of ocean pollution. According to the proponent's statement, Amazon does not disclose how

much plastic packaging it uses but is believed to be one of the largest corporate users of flexible plastic packaging that cannot be effectively recycled. Additionally, the company generates approximately 465 million pounds of plastic packaging waste, of which 22 million ends in the ocean. We acknowledge the environmental risks stemming from plastic pollution and encourage the company to take necessary action to address this issue by producing the requested report. The resolution received 48.62% votes in favor.

Another resolution we encountered in the company's agenda, similarly to most big Tech companies, was the one regarding the preparation of a lobbying report. We believe that the company could reasonably provide more meaningful disclosure regarding its indirect lobbying expenditures and that it should publicly disclose this information in a more accessible manner. Considering the increased scrutiny placed on corporate political spending, we decided to support the resolution. The proposal received 47% of support from investors.

On human capital and employment rights, shareholders requested the company to commission an independent audit and report the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets. Reckoning that the company has faced several fines, inquiries, and significant media attention on account of the working conditions of its warehouse employees, we also decided to support the resolution considering the high turnover ratio. The proposal received almost 44% support from shareholders.

None of the shareholder proposals received majority support. Still, the voting outcome gave the board a loud and clear message that shareholders are keeping a close eye on the company's actions and pushing for transparency and accountability.

Meta Platforms Inc - 05/25/2022 - United States

Proposal: Shareholder Proposals Asking for Recapitalization, Human Rights Impact Assessment, and Report on Lobbying.

Meta Platforms, Inc. is a U.S. multinational conglomerate that develops products that enable people to connect and share with friends and family through mobile devices, personal computers, virtual reality headsets, and in-home devices worldwide. Meta offers products and services globally through its social networking platforms, Facebook, Facebook Messenger, Instagram, and WhatsApp.

Similar to other big tech companies, at Meta's annual general meeting (AGM) on May 25th, there were numerous shareholder proposals (SHPs) up for a vote (13 in total). The resolutions aimed to address various Environmental, Social, and Governance (ESG) topics, from corporate governance practices to human rights and climate lobbying.

As was expected, due to the dual-class voting structure, shareholders requested the company to adopt a recapitalization plan for all outstanding stock to have one vote per share. The plan will gradually eliminate the special class of super-voting shares that gives founder and CEO Mark Zuckerberg majority control despite owning approximately 13% of the outstanding shares. We supported this resolution since we believe that one vote per share operates as a safeguard and is in the best interest of minority shareholders. The resolution received 28.11% support from shareholders.

On social issues, shareholders requested the company to report on the actual and potential human rights impacts of its targeted advertising policies and practices. Over the last years, regulators and governments have increased their efforts to minimize social media misuse, exposing social platforms to more liability for their targeted advertising practices. We consider additional disclosure to be in the best

interests of shareholders, and we decided to support the resolution. The SHP received 23.76% support.

Lastly, shareholders requested the company to report on its lobbying activities. We supported the resolution for the reasons mentioned hereafter. We believe that the current disclosure level is insufficient considering the company's size and the increased scrutiny placed on corporate political spending. Meta could reasonably improve its disclosure to provide shareholders with an itemized list of recipients of its lobbying contributions, including payments made to trade associations for political purposes. Further, we are concerned with the lack of board-level oversight of its political contributions and lobbying activities, and we consider some degree of board oversight to be desirable. The proposal received 20.60% of support from investors.

Alphabet Inc - 06/01/2022 - United States

Proposal: Shareholder Proposal Regarding Recapitalization, Human Rights Impact Assessment Report, and Report on Water Management Risks

Alphabet Inc is a U.S. multinational conglomerate company that is the parent company of Google and several Google subsidiaries. The company offers performance and brand advertising services. Alphabet Inc provides online advertising services in the United States, Europe, the Middle East, Africa, Asia-Pacific, Canada, and Latin America.

On the 1st of June, the company faced 17 management-opposed shareholder proposals (SHP) focusing on a wide range of Environmental, Social, and Governance (ESG) issues, from lobbying reporting to technology governance. None of these 17 resolutions passed due to the well-known problem of the multi-class share structure, which allows insiders to hold shares with superior voting power. Given that co-founders Larry Page and Sergey Brin together own a majority of the voting power, the significant support garnered by some of the shareholder resolutions is perceived as a loud and clear call for the board to take action.

This year, one resolution that came back on the agenda was the SHP requesting the board to initiate a 7-year recapitalization plan. The resolution received a bit more than 33% support from the shareholders. We decided to support the proposal since it would ultimately result in the adoption of the "one share, one vote" principle. We believe this to be in the best interest of minority shareholders, allowing them to have an equal voice and express it with their votes regarding essential matters.

This year Robeco co-filed a proposal that successfully made it to the ballot. The SHP requested the Audit and Compliance Committee to commission a human rights impact assessment report, The report will evaluate the efficacy of Alphabet's existing policies and practices to address the human rights impacts of its content management policies to address misinformation and disinformation across its platforms. The company has a preeminent role in the social media landscape, and it is critical to ensure the integrity of the information on its platforms. Additionally, recently there have been warnings from regulators and legislative attempts at exposing internet platforms to more liability on account of the content on their websites. The proposal received 23% support from shareholders, indicating that despite the company's existing disclosure, investors need additional information on how the company is managing the abovementioned issues.

Lastly, we supported the shareholder proposal that requested the company to report quantitative water-related metrics and practices implemented to reduce climate-related water risk for each location, including for data centers. We recognize that the company has provided some level of disclosure concerning its environmental initiatives but the disclosure fall short in many respects. Indicative is that the company does not disclose its water consumption for its individual data centers, only providing an aggregated operational water use figure. Not having

more granular information in this regard could harm shareholders and stakeholders. The resolution received 22.54% support from shareholders.

Disclaimer

Robeco Institutional Asset Management B.V. ('Robeco') distributes voting reports as a service to its clients and other interested parties. Robeco also uses these reports to demonstrate its compliance with the principles and best practices of the Tabaksblat Code which are relevant to Robeco. Although Robeco compiles these reports with utmost care on the basis of several internal and external sources which are deemed to be reliable, Robeco cannot guarantee the completeness, correctness or timeliness of this information. Nor can Robeco guarantee that the use of this information will lead to the right analyses, results and/or that this information is suitable for specific purposes. Robeco can therefore never be held responsible for issues such as, but not limited to, possible omissions, inaccuracies and/or changes made at a later stage. Without written prior consent from Robeco you are not allowed to use this report for any purpose other than the specific one for which it was compiled by Robeco.

Proxy Voting Report

Period: April 01, 2022 - June 30, 2022

Votes Cast	1376	Number of meetings	67
For	1269	With management	1268
Withhold	0	Against management	108
Abstain	0		
Against	107		
Other	0		
Total	1376	Total	1376

In 78% of meetings we have cast one or more votes against management recommendation.

General Highlights

Shareholder rights in the spotlight during 2022 Proxy Season

Against the backdrop of the COVID-19 pandemic, the 2022 proxy season continues to witness an increased focus on shareholder rights. Virtual-only meetings and the push for more robust minority shareholder rights remain top of mind as companies come under high scrutiny over Environmental, Social, and Governance (ESG) topics.

The pandemic prompted countries worldwide to amend their legislation to enable virtual-only shareholder meetings. With the temporary relief measures expiring, many companies proposed article amendments that would allow them to hold virtual-only meetings at their discretion. Proponents of this meeting format cite its ability to facilitate high attendance while reducing costs and the carbon footprint. However, recent years have shown that virtual-only shareholder meetings can severely deprive shareholders of their rights as management is afforded the discretion to filter out inconvenient questions. For this reason, we oppose any article amendments that grant companies the discretion to hold shareholder meetings in a virtual-only format outside exceptional circumstances. However, we support amendments enabling hybrid meetings, as we consider that this format brings many of the advantages of virtual-only meetings without jeopardizing shareholder participation rights.

The 2022 proxy season also saw shareholders continue pushing to expand their rights and enact change at companies deemed to lag their expectations. Meeting agendas were packed with proposals seeking amendments to provisions governing proxy access, special meetings, and action by written consent, as well as resolutions calling for companies to adopt the “one share, one vote” principle. Particularly noteworthy were the many “fix-it” shareholder proposals seeking amendments to existing proxy access bylaws. These called for changes to aggregation limits or holding period requirements, indicating that shareholders have a thorough understanding of the technicalities surrounding their participation tools, and clear expectations regarding what rights they should hold. In all instances, we judged the merits of these shareholder proposals on a case-by-case basis. We supported proposals deemed to protect minority shareholder rights and strengthen director accountability while safeguarding long-term shareholder interests.

In some cases, shareholder initiatives to enact change translated into large-scale proxy contests. A notable development in this sense was the proxy fight launched by Carl Icahn at McDonald’s over animal welfare. Although the campaign failed, many viewed this attempt as a signal that ESG-driven proxy contests may become commonplace. This speculation is spurred by recent proxy rules amendments passed in the US by the Securities and Exchange Commission, which will mandate the use of universal proxy cards in election contests as of August 2022. These require that all proxy cards distributed in contested elections include all nominees up for election, enabling shareholders voting by proxy to mix and match nominees from distinct slates. In the case of proxy contests, we base our voting decisions on several factors, including, among other things, the validity of the dissident’s case for change at the company and whether the proposed plan is in line with the shareholders’ long-term interests.

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The 2022 proxy season, as it was expected, was an active one. It is challenging to decide where the focus was this season. There was certainly a lot of interest in numerous post-pandemic Say-On-Pay proposals and some corporate governance agenda items covering board elections. Additionally, there was also a lot of enthusiasm for some notorious Say-On-Climate resolutions. There is no doubt that

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Investors' attention in this proxy season was on environmental matters. The most prominent shareholder resolutions requested companies for greater disclosure of their impact on climate and the risks this entails, the adoption of concrete emissions reduction targets in all scopes, and reporting on board oversight on the company's climate initiatives. We also saw investors asking companies to disclose their lobbying activities on climate issues, as well as to report on how they would shift their business to using recycled plastic, and to communicate their efforts to decrease deforestation.

Say-On-Climate has been a dominant issue since the 2021 proxy season, and the debate also continued this year. We also noticed a strong increase in shareholder proposals asking for the adoption of Say-On-Climate proposals in future AGMs. Investors' views in this respect though have been diverse. Some have been more decisive in supporting the facilitation of these proposals, while others have been more skeptical. One thing is sure - many investors are adopting a more detailed and case-by-case approach when assessing their votes on Say-On-Climate proposals, pushing companies to provide clear and comprehensive climate-related information.

Social shareholder resolutions focusing on diversity, equity, and inclusion were also high on the agenda for investors. There has been increasing support for resolutions focusing on disclosing data on gender and racial pay gaps. High support was also received by resolutions asking companies to conduct racial equity audits to detect how their business activities might have 'adverse impacts on non-white stakeholders and communities of color.' This year we also saw shareholders asking companies to explain the use of concealment clauses in employment contracts, which limit the ability of an employee to discuss grievances or concerns about employment practices. Lastly, abortion rights have moved up on responsible investors' agenda, pushing companies to support employees' rights in those US states where lawmakers have passed or proposed legislation that would severely restrict women's ability to access legal terminations of pregnancies.

This proxy season, we also saw an increase in anti-ESG shareholder resolutions. A prominent example was the 'civil rights and non-discrimination' proposal, which asked the companies to conduct audits of their impact on civil rights. The resolution initially seemed supportable. Nevertheless, after carefully reviewing the proponent's supporting statement, it showed that the proposals also argued that "anti-racist" programs are discriminatory "against employees deemed non-diverse". This argument revealed filler's intentions to frustrate companies' efforts to promote civil rights and social justice.

Last but not least, on Governance, the shareholder proposals that attract investors' interest remain those focusing on supermajority vote requirements, the ability to call special shareholder meetings, and action by written consent. A high support rate was seen in the case of shareholder proposals asking the company to separate the roles of CEO and Chair of the Board. This development is welcomed by most investors since an independent chair can better oversee a company's executives and set a pro-shareholder agenda.

Voting Highlights

Shell Plc - 05/24/2022 - United Kingdom

Proposal: Approval of the Energy Transition Strategy and a Shareholder Proposal Regarding Greenhouse Gas (GHG) Reduction Targets.

Royal Dutch Shell plc operates as an energy and petrochemical company worldwide. The company operates through Integrated Gas, Upstream, Oil Products, and Chemicals segments.

On May 24, 2022, Shell held its first annual general meeting (AGM) since it registered its headquarters in the United Kingdom. Despite the new location, the agenda of the meeting included familiar items such as electing the Board of Directors and approving the Remuneration Report. Additionally, similar to last year, there were two climate-related proposals up for a vote: one management proposal regarding the company's energy transition strategy and one shareholder proposal regarding GHG reduction targets.

In line with our updated approach to assessing management proposals related to climate, or so-called Say on Climate resolutions (SOCs), we decided to vote Against the company's proposal regarding its Energy Transition Strategy as we identified further areas of improvement. These include absolute targets in the intermediary term, alignment of the carbon intensity metric with the TPI methodology, and further disclosures on the investment and the climate transition strategy.

Unlike the SOC proposal, we voted in favor of the shareholder resolution regarding GHG emissions reduction targets, which was filed by the Dutch investor activist group Follow This. Generally, we support reasonable shareholder proposals that ask for targets, reporting, and the development of strategies that are aligned with the goals of the Paris agreement.

Comparing the vote outcomes with last year's AGM results, we notice a decline in support rates for both the SOC proposal (from 89% to 80%) and the resolution filed by Follow This (from 30% to 20%). On the one hand, it seems that investors have become stricter on the company's climate transition action plan. However, on the other hand, it seems that some investors weigh the current energy crisis in their voting decision for the shareholder proposal. All in all, very interesting developments that we will continue to monitor going forward.

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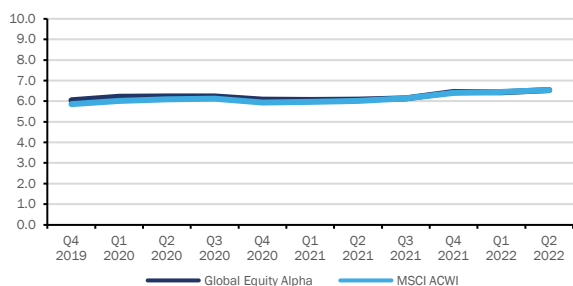
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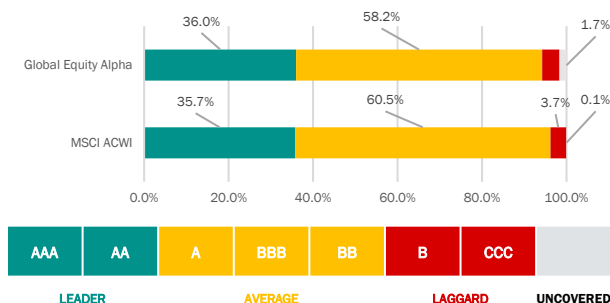


	Q2 2022 Position ¹			Key
	MSCI ESG Rating	Weighted ESG Score	vs. Benchmark	
Global Equity Alpha	AA ¹	6.5 ¹		Fund has an equal or better <i>Weighted ESG Score</i> than the benchmark.
MSCI ACWI	AA ¹	6.5 ¹		Fund has a <i>Weighted ESG Score</i> within 0.5 of the benchmark.
				Fund has a <i>Weighted ESG Score</i> more than 0.5 below the benchmark.

MSCI Weighted Score Trend¹



MSCI ESG Weightings Distribution¹



Highest ESG Rated Issuers ¹				Lowest ESG Rated Issuers ¹			
	% Portfolio Weight	% Relative Weight	MSCI Rating		% Portfolio Weight	% Relative Weight	MSCI Rating
ASML Holding	2.0%	+1.7%	AAA ¹	Vitesco Technologies Group	0.9%	+0.9%	B ¹
Microsoft Corporation	1.1%	-2.2%	AAA ¹	Airbnb	0.7%	+0.7%	B ¹
Allianz SE	0.9%	+0.7%	AAA ¹	Adient	0.7%	+0.7%	B ¹
Nvidia Corporation	0.6%	-0.1%	AAA ¹	META Platforms	0.5%	-0.1%	B ¹
Diageo	0.8%	+0.6%	AAA ¹	Helmerich & Payne	0.2%	+0.2%	B ¹

Quarterly ESG Commentary

- Marginal increases in the Weighted ESG score in both the Fund and benchmark saw both increase their rating to 'AA' over the quarter.
- The Fund saw several upgrades over the period, including Fiserv, Danaher, Charter Communications and EasyJet. Automotive components company. BorgWarner, was the sole downgrade due to increasing risks associated with warranty payments.

Feature Stock: Vitesco Technologies Group

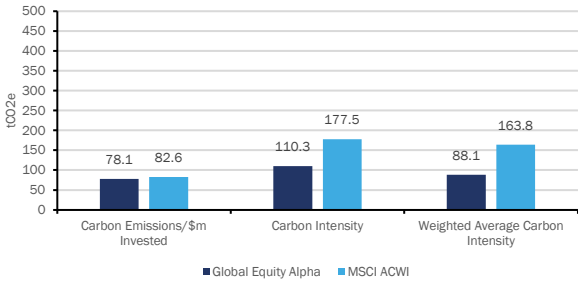
Vitesco Technologies Group ('Vitesco') is a company that was spun-out of Continental and focuses on the systematic shift to hybrid and electric vehicles via its Electrification Technologies division. Following its spin-off, Vitesco's shares were trading at attractive levels, given a multi-year order backlog, solid recent customer wins, and competitive positioning in the market for electronic control units.

While the company is still in the early stages of operating as a standalone entity (having only received its initial MSCI rating in Q1 2022), its commitment to cutting its own emissions, and its role powering the electrification of an increasing share of the global automotive market, positions it favourably to both assist with and benefit the transition to a lower carbon economy.

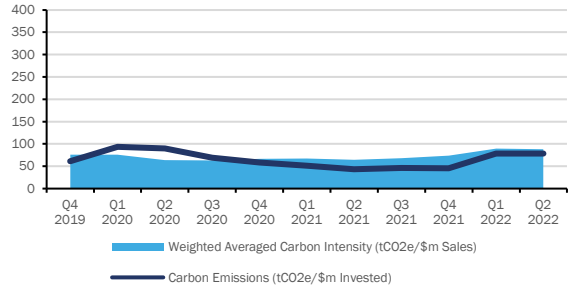
Engagement has been carried out with the company due to the current chairman's historical ties to Russian corporations, most recently serving on the board of the European subsidiary of Russian Bank, Sberbank, from which he resigned in February 2022. Despite constructive dialogue held with Vitesco's supervisory board on this topic, Border to Coast took the decision to vote against his appointment as chairman at this year's AGM.



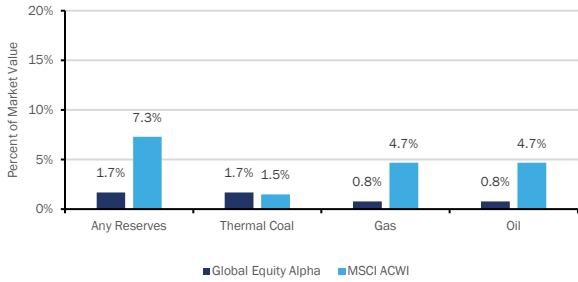
Carbon Emissions and Intensity¹



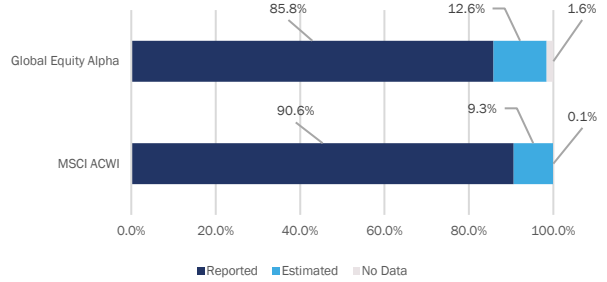
Weighted Average Carbon Intensity Trend¹



Weight of Holdings Owning Fossil Fuel Reserves¹



Availability of Carbon Emissions Data (% of Market Value)¹



Largest Contributors to Weighted Average Carbon Intensity¹

Company	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
Holcim	0.6%	+0.5%	26.9% ¹	Yes	4
HeidelbergCement	0.4%	+0.4%	16.7% ¹	Yes	3
Linde	1.0%	+0.7%	15.8% ¹	No	4
EasyJet	0.5%	+0.5%	6.4% ¹	No	3
Berkshire Hathaway	0.8%	+0.1%	2.8% ¹	Yes	1

Quarterly Carbon Commentary

- The Fund's carbon intensity metrics were broadly stable over the quarter and remain materially below the benchmark.
- Exposure to fossil fuel reserves comes primarily from the Fund's allocation to diversified mining company, Glencore, which represents c.0.8% of the overall Fund.

Feature Stock: Berkshire Hathaway

Berkshire Hathaway is a holding company that operates through a variety of subsidiaries, spanning insurance, energy, rail transport, and consumer products.

The company's underlying businesses enjoy unique strengths in areas such as cost, scale, and market share, and the board and management team have a track record of creating value for shareholders. The climate risk profile of Berkshire Hathaway's operating companies is extremely varied, but by far the most carbon-intensive subsidiary is Berkshire Hathaway Energy (BHE), an electric utility that has exposure to coal-fired generation. However, BHE is moving away from fossil fuels: the share of coal in its generating portfolio halved between 2005 and 2020, and as of last year, non-carbon generating assets represented over 70% of installed capacity. BHE has invested over \$34 billion in renewable generation to date and aims to achieve net zero carbon emissions by 2050.

¹Source: MSCI ESG Research 30/06/2022

Issuers Not Covered ¹

Reason	ESG (%)	Carbon (%)
Company not covered	1.1%	1.0%
Investment Trust/ Funds	0.6%	0.6%

¹Source: MSCI ESG Research 30/06/2022

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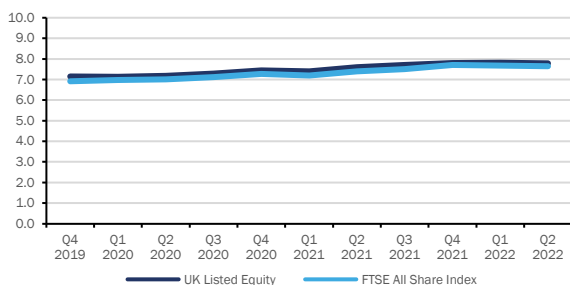
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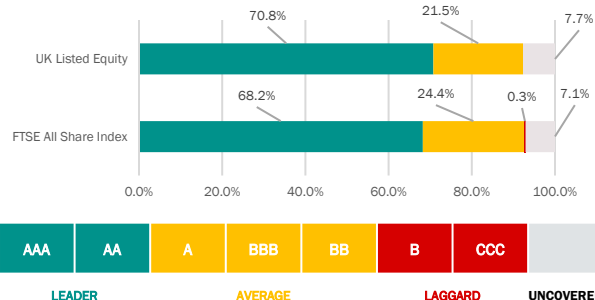


	Q2 2022 Position ¹			Key
	MSCI ESG Rating	Weighted ESG Score	vs. Benchmark	
UK Listed Equity	AAA ¹	7.8 ¹		Fund has an equal or better <i>Weighted ESG Score</i> than the benchmark.
FTSE All Share Index	AAA ¹	7.7 ¹		Fund has a <i>Weighted ESG Score</i> within 0.5 of the benchmark.
				Fund has a <i>Weighted ESG Score</i> more than 0.5 below the benchmark.

MSCI Weighted Score Trend¹



MSCI ESG Weightings Distribution¹



Highest ESG Rated Issuers ¹				Lowest ESG Rated Issuers ¹			
	% Portfolio Weight	% Relative Weight	MSCI Rating		% Portfolio Weight	% Relative Weight	MSCI Rating
Diageo	3.9%	+0.4%	AAA ¹	TP ICAP	0.2%	+0.2%	BB ¹
Relx	2.2%	+0.4%	AAA ¹	British American Tobacco	3.2%	-0.3%	BBB ¹
National Grid	2.0%	+0.3%	AAA ¹	Glencore	1.8%	-0.7%	BBB ¹
CRH	1.2%	+0.2%	AAA ¹	Smith & Nephew	0.7%	+0.2%	BBB ¹
Legal & General Group	0.8%	+0.2%	AAA ¹	M&G	0.5%	+0.2%	BBB ¹

Quarterly ESG Commentary

- The ESG Weighted score remained consistent in the quarter, retaining its 'AAA' Rating and slightly above the benchmark. This is due to the Fund holding a higher weighting of companies considered to be 'Leaders' and no 'Laggards'.
- The Fund is generally underweight the lowest ESG rated companies relative to the benchmark.

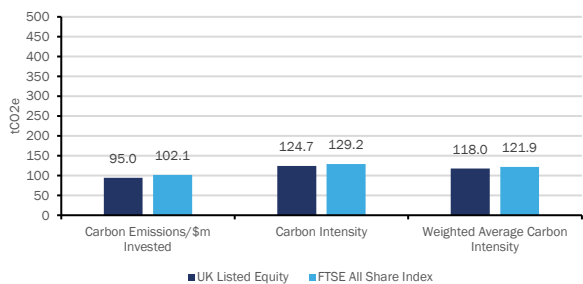
Feature Stock: Smith & Nephew

Smith & Nephew develops and markets advanced medical devices specialising in orthopaedic reconstruction (hip and knee replacements), sports medicine and advanced wound management. It operates globally with exposure to attractive growth markets (advanced wound management and sports medicine) alongside a more mature orthopaedic division. Historically commercial execution has sometimes fallen short of expectations (product recalls and late adoption of robotics) but has improved notably since 2019 under a new management team. The elective nature of some procedures has been impacted by Covid followed by supply chain challenges, with recovery only now finally emerging. The appointment earlier this year of a new CEO with a track record in the industry for successfully managing turnarounds, offers potential for further progress.

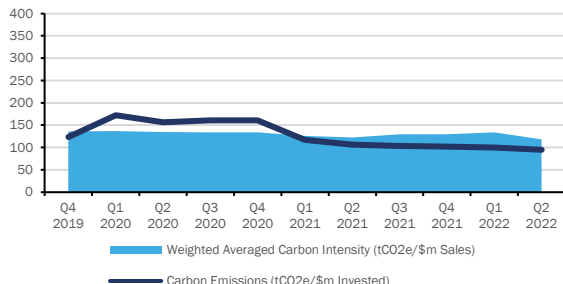
MSCI ESG rating is currently rated 'BBB' following a downgrade from an 'A'-rating in April 2021. At the time this reflected product recall issues for a hip resurfacing product and components. The products in question were withdrawn or phased out between 2012 and 2015 and as such are unlikely to present a risk to new liabilities in the future. While there is ongoing litigation the company provides regular updates to shareholders in their Annual Report. Similar claims are endemic to the medical device industry. Smith & Nephew scores above peers for other material ESG issues such as governance and human capital.



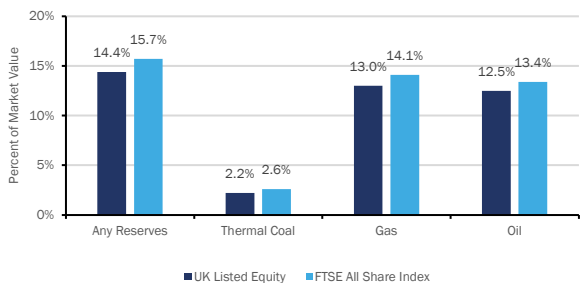
Carbon Emissions and Intensity¹



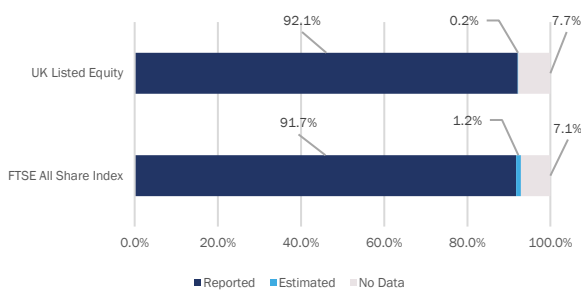
Weighted Average Carbon Intensity Trend¹



Weight of Holdings Owning Fossil Fuel Reserves¹



Availability of Carbon Emissions Data (% of Market Value)¹



Largest Contributors to Weighted Average Carbon Intensity¹

Company	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
Shell	7.5%	+0.4%	27.2% ¹	Yes	4
CRH	1.2%	+0.2%	12.3% ¹	Yes	4
Rio Tinto	2.1%	-0.3%	9.3% ¹	Yes	4
National Grid	2.0%	+0.3%	6.3% ¹	Yes	4
BP	2.9%	-0.4%	6.2% ¹	Yes	4*

Quarterly Carbon Commentary

- The Fund is currently below the benchmark for carbon emissions, carbon intensity and weighted average carbon intensity (WACI) and all carbon metrics reduced in the quarter.
- All of the largest contributors to portfolio WACI are rated Level 4 or 4* by the Transition Pathway Initiative (highest rating) and many have sector leading Carbon Transition Plans to be net-zero by 2050.

Feature Stock: BP

BP continues to recycle cashflows from the hydrocarbon business into the energy transition. This is to be achieved by investing \$3bn to \$4bn of capital expenditure per year in low carbon investments by 2025 rising to \$5bn a year by 2030. Through these investments they aim to deliver between \$9bn and 10bn of earnings, before interest, taxes, depreciation and amortisation (EBITDA), from low carbon businesses by 2030, with the majority coming from the five growth areas of bioenergy, convenience, EV charging, renewables and hydrogen.

The most recent update from the company saw them increase their net-zero ambitions by committing to reduce operational emissions 50% by 2030, compared with their previous commitment of 30-35%. BP has also expanded the scope of its emissions reduction plan to include physically traded sales of energy products and updating their 2030 aim to 15-20%. This leaves the company aiming for net zero across operations, production and sales by 2050 or sooner. This is one of the most ambitious and detailed energy transition plans across the Energy sector.

¹Source: MSCI ESG Research 30/06/2022

Issuers Not Covered ¹

Reason	ESG (%)	Carbon (%)
Company not covered	0.1%	0.1%
Investment Trust/ Funds	7.6%	7.6%

¹Source: MSCI ESG Research 30/06/2022

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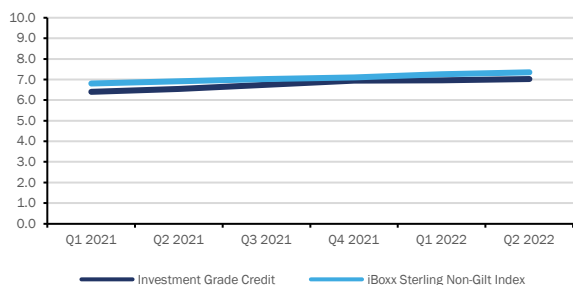
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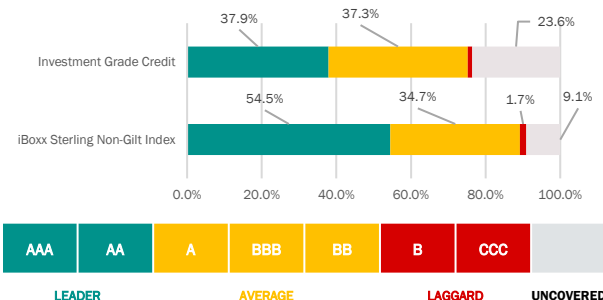


	Q2 2022 Position ¹			Key
	MSCI ESG Rating	Weighted ESG Score	vs. Benchmark	
Investment Grade Credit	AA ¹	7.0 ¹	[Yellow Box]	Fund has an equal or better <i>Weighted ESG Score</i> than the benchmark.
iBoxx Sterling Non-Gilt Index	AAA ¹	7.4 ¹		Fund has a <i>Weighted ESG Score</i> within 0.5 of the benchmark.
				Fund has a <i>Weighted ESG Score</i> more than 0.5 below the benchmark.

MSCI Weighted Score Trend¹



MSCI ESG Weightings Distribution¹



Highest ESG Rated Issuers ¹				Lowest ESG Rated Issuers ¹			
	% Portfolio Weight	% Relative Weight	MSCI Rating		% Portfolio Weight	% Relative Weight	MSCI Rating
European Investment Bank	2.5%	-2.3%	AAA ¹	America Movil	0.5%	+0.1%	B ¹
KFW	0.9%	-3.4%	AAA ¹	Volkswagen International Finance	0.3%	-0.1%	B ¹
Legal & General Group	0.6%	+0.1%	AAA ¹	Pfizer	0.2%	-0.1%	B ¹
Enel Finance International	0.6%	-0.1%	AAA ¹	Volkswagen Financial Services	0.2%	-0.5%	B ¹
IBRD	0.6%	-2.0%	AAA ¹	AT&T	0.2%	-1.0%	BB ¹

Quarterly ESG Commentary

- The ESG Weighted score was stable over the quarter, being marginally below that of the benchmark index overall.
- The lower scoring relative to the benchmark is driven by active positioning, with the Fund holding fewer companies considered to be 'Leaders'. Despite this the Fund retains its very high rating of AA, which is classed as 'Leader'.
- While the availability and quality of ESG data has been improving in recent years, there can still be material gaps across the fixed income market. This is particularly prevalent where a debt-issuing entity does not also issue publicly-listed equity, which, in most cases, the fixed income issuer maps to.

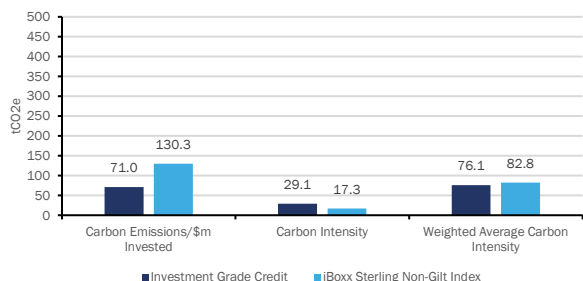
Feature Stock: America Movil

America Movil provides telecommunications services in Latin America and internationally. The company offers wireless and fixed voice services, including local, domestic, and international long-distance services; and network interconnection services. The company continues to look attractive from a fundamental credit perspective and there are expectations that the company will bring down its debt levels to its long-term target once the spinoff of its tower business is completed in Q3 of this year. Management has guided that a significant portion of its net debt obligations (13.2%) would be transferred to the spin off company.

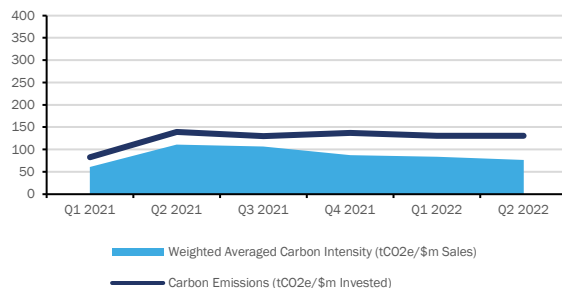
The labour-intensive nature of the company's operations exposes it to potential labour management challenges. On the governance front, the company has also been flagged for board entrenchment, lack of gender diversity, and limited disclosure on executive compensation. Engagement has been held with the company's investor relations and sustainability teams, focusing on corporate governance. It was noted that while the company scores relatively poorly it is working towards improvements with respect to gender diversity and board members' broader experience and tenure. The company conducted its first overview of the board's practices and membership in November 2021 and will share results with investors, along with annual sustainability report.



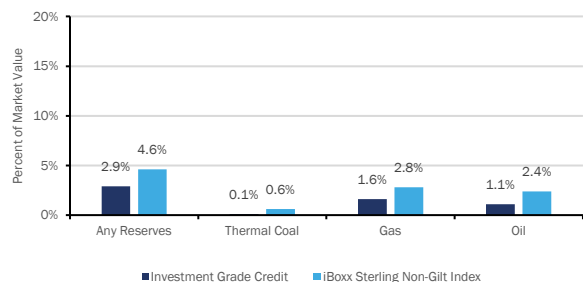
Carbon Emissions and Intensity¹



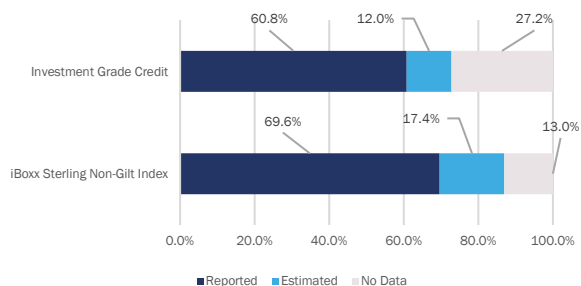
Weighted Average Carbon Intensity Trend¹



Weight of Holdings Owning Fossil Fuel Reserves¹



Availability of Carbon Emissions Data (% of Market Value)¹



Largest Contributors to Weighted Average Carbon Intensity¹

Company	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
London Power Networks	0.5%	+0.4%	6.8% ¹	No	N/A
Enel Finance International	0.6%	-0.1%	6.7% ¹	Yes	4
EDF	1.1%	-0.2%	6.5% ¹	Yes	4
South Eastern Power Networks	0.4%	+0.2%	4.9% ¹	No	N/A
Transport for London	1.0%	+0.5%	4.5% ¹	No	N/A

Quarterly Carbon Commentary

- The Fund is currently below the benchmark for weighted average carbon intensity (WACI). The largest contributor, London Power Networks, is an overweight position relative to benchmark and the company is discussed in more detail below. No single position dominates the portfolio WACI.
- Exposure to companies owning fossil fuel reserves is lower relative to the benchmark. The largest contributors include BP (via their financing vehicle), Equinor and Centrica.

Feature Stock: London Power Networks

London Power Networks, which is owned by UK Power Networks, transmits, generates and distributes electricity to domestic, commercial, and industrial customers. UK Power Networks is the 2nd largest operator of electricity distribution assets in the UK, with a stable outlook due to strong cash flow visibility and a track record of strong operational performance.

Electricity distribution is one of the core sectors in the transition towards low carbon energy. Increasingly major industries are switching from fossil fuels to electricity, and UK power networks is actively working with industry and policymakers to facilitate the change. UK Power networks launched its Green Action Plan in 2019, addressing areas where it impacts on the environment. Green Action Plan gives a framework on ambitions to reduce waste, water usage, carbon emissions and air and noise pollution, while increasing the biodiversity of many sites. UK Power Networks has also become the first electricity network operator to achieve the Carbon Trust Standard for carbon.

¹Source: MSCI ESG Research 30/06/2022

Issuers Not Covered ¹

Reason	ESG (%)	Carbon (%)
Company not covered	18.5%	22.1%
Investment Trust/ Funds	5.1%	5.1%

¹Source: MSCI ESG Research 30/06/2022

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Pensions Administration Report

Summary:

This is the quarterly report by the Fund's pension administrator, West Yorkshire Pension Fund (WYPF).

Matt Mott, Governance and Business Development Manager from WYPF, will update the Board on current administration issues.

Recommendation(s):

That the Board discuss the activity and performance of the administration service during the last quarter.

Background

1.0 Performance and Benchmarking

- 1.1 WYPF uses workflow processes developed internally to organise their daily work with target dates and performance measures built into the system. The performance measures ensure tasks are prioritised on a daily basis, however Team Managers have the flexibility to re-schedule work should time pressure demand.
- 1.2 The table over the page shows the performance against key areas of work for the period 1 April 2022 to 30 June 2022.

KPI's for the period 01.04.22 to 30.06.22						
WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN
AVC In-house (General)	42	20	42	85	100	2
Change of Address	238	10	223	85	93.7	2.86
Change of Bank Details	84	10	76	85	90.48	5.94
Death Grant Nomination Form Received	608	20	487	85	80.1	9.37
Death Grant to Set Up	27	10	25	85	92.59	2.81
Death In Retirement	138	10	109	85	81.5	6.81
Death In Service	5	10	5	85	100	2.6
Death on Deferred	9	10	7	85	77.78	6.56
Deferred Benefits Into Payment Actual	223	5	220	90	98.65	1.15
Deferred Benefits Into Payment Quote	256	35	249	85	97.27	7.77
Deferred Benefits Set Up on Leaving	514	20	256	85	49.81	37.28
Divorce Quote	43	20	40	85	93.02	9.51
Divorce Settlement Pension Sharing order Implemented	1	80	1	100	100	1
Enquiry	6	5	6	85	100	1.17
Estimates for Deferred Benefits into Payment	3	10	3	90	100	6.67
General Payroll Changes	93	10	90	85	96.77	1.27
Initial letter Death in Retirement	138	10	137	85	99.28	1.67
Initial Letter Death in Service	5	10	5	85	100	1

Initial letter Death on Deferred	9	10	8	85	88.89	4.33
Interfund Linking In Actual	39	35	33	85	84.62	20.28
Interfund Linking In Quote	42	35	15	85	35.71	59.62
Interfund Out Actual	100	35	49	85	49	101.18
Interfund Out Quote	100	35	90	85	90	18.16
Monthly Posting	737	10	662	95	89.82	3.22
NI adjustment to Pension at State Pension Age	13	20	13	85	100	18.08
Payment of Spouses _Child Benefits	59	5	49	90	86.44	3.58
Pension Estimate	128	10	79	90	66.41	11.04
Pension Saving Statement	1	20	1	100	100	1
Phone Call Received	1097	3	1068	95	97.36	1
Refund Actual	84	10	84	95	100	1
Refund Quote	106	35	106	85	100	1.15
Retirement Actual	154	3	150	90	97.4	1
Spouse Potential	4	20	4	85	100	4
Transfer In Actual	15	35	15	85	100	1
Transfer In Quote	61	35	61	85	100	1.72
Transfer Out Payment	23	35	21	85	91.3	15.22
Transfer Out Quote	111	20	105	85	94.59	6.47
Update Member Details	262	20	262	100	100	1

Comment – The KPI for Death Grant Nomination Form Received was not met in April due to other priority work. However, in May and June the minimum target percentage was met as additional resource was used to update member records.

Comment – The KPI for Death In Retirement was not met in May due to the Pensioner Services Team training new staff in this area of work. This had an impact on the time taken to process cases but now staff are trained this has provided extra resource within the team and in this area of work.

Comment – The KPI for Death on Deferred was not met this quarter due to the Pensioner Services Team not completing 2 cases in April and May within the target days.

Comment – The KPI for Deferred Benefits Set Up On Leaving was not met this quarter due to staff working on historic cases (which will have already not met the KPI) to reduce outstanding numbers. This area of work has been prioritised due to the triennial valuation.

Comment – The KPI’s for some of the Interfund areas of work has not been met this month due to historic cases being processed for ABS production. Employers across all funds are currently sending in leaver notifications that have been outstanding in preparation for the triennial valuation. This has had an impact on the levels of work and has increased the numbers of linkings and interfunds out.

Comment – The KPI for Monthly Posting has not been met this quarter due to the current workloads within the Finance Team. The Team are currently helping the Contact Centre answer phones due to the increase in calls we are receiving following the ABS/DBS production and My Pension registrations.

Comment – The KPI for Payment of Spouses & Child Benefits was not met this quarter due to the Pensioner Services Team training new staff in this area of work. This had an impact on the time taken to process cases but now staff are trained this had provided more resource in the team and this area of work.

Comment – The KPI for Pension Estimate has not been met this month due to the high volume of estimates requests being received as members receive their ABS. Estimates received with a date of retirement within 3 months have been treated as a priority and future estimates have been processed but there have not been enough experienced staff to check the number of estimates that have been produced. Additional resources are being put into this area with two extra members of staff being trained.

2.0 Scheme Information

2.1 Membership numbers in the Lincolnshire Fund are as follows:

Numbers	Active	Deferred	Pensioner	Frozen	Undecided
LGPS	25,172	25,944	26,338	2,506	680
Percentage of Membership	31.22	32.17	32.66	3.11	0.84
Change from Last Quarter	+813	+257	+230	-53	+130

2.2 Age Profile of the Scheme

Status	Age Groups												TOTAL
	U20	20-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-70	70+	
Active	273	1794	1851	2339	2813	3029	3426	4059	3310	1848	356	74	25,172

2.3 Employer Activity - During 1 April 2022 to 30 June 2022

New Academies and Education Trusts	0
New Town and Parish Council	0
New Admission Bodies	0
Total of New Employer	0
Employers Exited	2
Total Numbers of employers	274

The exiting employers were G4S (the contract was ended by Lincolnshire Police) and Making Space (final active member ceased employment).

3.0 Member and Employer Contact

3.1 Over the quarter April to June 2022 we received **0** online customer responses.

Over the quarter April to June 2022, **128** Lincolnshire member's sample survey letters were sent out and **12 (9.4%)** returned:

Overall Customer Satisfaction Score:

April to June 2021	July to September 2021	October to December 2021	January to March 2022	April to June 2022
81.7%	96.9%	91.5%	95.3%	80.2%

Appendix A – Customer Surveys

3.2 Employer Training

Over the quarter 1 April 2022 to 30 June 2022 no employer webinars were held. Employer surgeries were trialled to help employers on a one-to-one basis who had received queries because of the ABS production which were blocking a member getting a statement. The webinars have started again from July and these can be attended by employers across all four funds that WYPF administer.

4.0 Internal Dispute Resolution Procedure (IDRP)

4.1 All occupational pension schemes are required to operate an IDRP. The LGPS has a 2-stage procedure. Stage 1 appeals, which relate to employer decisions or actions, are considered by a person specified by each employer to review decisions (the 'Adjudicator'). Stage 1 appeals relating to appeals against administering authority decisions or actions are considered by the Head of Pensions. Stage 2 appeals are considered by WYPF.

Stage 1 appeals against the fund

There are no appeals currently outstanding.

Date of appeal	Reason for appeal	Current position /Outcome	Date decision letter sent
24/05/2022	Appeal against pay figures used in pension estimate.	Appeal upheld as the assessment of final pay had not taken into account the provisions of the 1997 Regulations. Referred back to Service Centre (WYPF) who have requested the employer (LCC) to undertake a further assessment.	25/07/2022

Stage 1 appeals against scheme employers

There are currently no appeals outstanding.

Date of appeal	Reason for appeal	Current position /Outcome	Date decision letter sent
04/03/2022	Appeal against being refused an ill health pension.	LCC have issued a decision letter offering the member a further medical review.	15/06/2022

Stage 2 appeals

One appeal is currently outstanding.

Date application received	Reason for appeal	Current position/outcome	Date decision letter sent
11/03/2022	Appeal against decision re ill health retirement.	Decision letter has been sent and the appeal was turned down.	20/06/2022
11/07/2022	Appeal against refusal of employer to award an ill health pension.	Acknowledgement sent 11/07/2022.	

4.2 Ombudsman

There are currently no appeals outstanding.

5.0 Administration Update

5.1 Employer Work

During this period WYPF worked on two new Academies/Prime location schools and seven new admission bodies.

Academies/Prime location schools

- Both academies are due to convert to academy status during the Autumn term

Admission bodies

- One admission relates to an outsourcing which is due to take place in 2023
- Five admissions relate to transfers that have taken place, but the admission is still being concluded
- One admission relates to a new admission due to take place from 1 September 2022

5.2 Staffing

Finance – There are currently no vacant posts in the Finance Team.

Service Centre – The recent recruitment exercise for the Pension Officer posts resulted in three applicants being offered a post and they will be starting at the beginning of September. There continues to be ongoing Pension Officer recruitment as there are 15 vacant posts and these are currently being advertised. The next exercise to recruit to these posts will start in the next couple of weeks and a number of applications have already been received.

5.3 Audits undertaken by Bradford Councils Internal Audit:

a) Shared Service Partner Admission

It is audit's opinion that the standard of control of identified risks in the system is **good**.

The audit review has determined that most of the risks examined were found to be effectively managed. The control environment is largely as expected but would benefit from some enhancement to support the achievement of key business objectives.

Internal Audit made **6** recommendations for improvement which Managers have now implemented.

b) New Pensions and Lump Sums Deferred Pensions

It is audit's opinion that the standard of control of identified risks in the system is **good**.

The audit review has determined that the identified risks are being effectively managed. The control environment is as expected and supports the achievement of key business objectives.

Internal Audit made **1** recommendation for improvement which Managers are currently looking at implementing.

5.4 Pension Scams Pledge

WYPF are currently in the process of making the pledge to combat pension scams. All WYPF staff who are required to take the TPR training have done so and we are waiting for the WYPF Board members to complete the training. Once they have done this we can make the pledge. Further information on the pledge will be provided at the Pensions Board meeting in December.

5.5 Data improvement

WYPF IT have identified a suitable supplier for intelligent character recognition software which can potentially identify data quality items from scanned paperwork on a member's record. This will include some support from Civica and we are currently waiting for them to send us a proposal for access to the image server and routes to make this development happen.

5.6 MyPension

WYPF have requested Civica for a change to the functionality on MyPension which will allow WYPF to see how many members have viewed their Annual Benefit Statement. We are currently waiting for Civica to confirm when this will be released.

6.0 Current Technical Issues

See Appendix B.

7.0 Web Registrations

The number of members registered for online member web are:

Status	January to March 22	% of membership	April to June 22	% of membership
Active	8,528	35.01%	9,819	39.01%
Deferred	6,421	25.00%	7,524	29.00%
Pensioner	8,813	33.76%	9,328	35.42%

8.0 Shared service Budget

8.1 WYPF shared cost monitoring July 22

WYPF SHARED SERVICE	2021/22 OUTTURN PD13	2021/22 COST PER MBR	2022/23 BUDGET	2022/23 ACTUAL D04 JUL	2022/23 FORECAST PD04 JUL	2022/23 VAR BGT - PD04 FAV (ADV)	2022/23 COST PER MBR PD4	2023/24 FORECAST YR1	2023/24 COST PER MBR
	£000		£000	£000	£000	£000		£000	
Accommodation	203	£0.42	125	31	179	-54	£0.37	224	£0.46
CBMDC Support Services	210	£0.44	215	0	231	-16	£0.47	231	£0.47
Computer	439	£0.91	216	642	756	-540	£1.55	554	£1.13
Contingency - Invest to save	0	£0.00	500	0	306	194	£0.63	306	£0.62
Employees	3,820	£7.94	4,224	1,364	4,494	-270	£9.18	4,327	£8.82
Other Running Costs	180	£0.38	191	41	196	-5	£0.40	199	£0.41
Printing & stationery	371	£0.77	295	84	388	-93	£0.79	408	£0.83
WYPF Support Services	1,582	£3.29	2,275	0	1,935	340	£3.95	2,287	£4.66
WYPF SHARED SERVICE EXPENDITURE	6,805	£14.15	8,041	2,162	8,485	-444	£17.34	8,536	£17.40
			£17.67				-£0.33		
MEMBER NUMBER		480,970	482,400			17.34	489,468		490,589

WYPF IS CHARGED	4,355,375	307,796		5,412,466	17.34	312,225
PARTNERS ARE CHARGED	2,450,447	173,174		3,072,534	17.34	177,243
TOTAL (in 22-23 £1 was added to £16.67 for McCloud).	6,805,822	480,970	£17.67	8,485,000	17.34	489,468

Net overspend of £0.44m projected. Overspend projected on accommodation, computer – due to McCloud remedy system costs provisions, increased staffing resources for Pension Admin, printing and stationery. Underspend – transfer of funds from investments to save

and support increased staffing resources, computing and IT. Increased computer spend will be funded by the extra £1 charge per member across shared services.

Planned cost per member was £17.67 (£16.67 + £1 for McCloud), latest is £17.34 (£16.34 + £1 for McCloud)

a. **Accommodation** overspend of £0.05m – planned repairs and cost of utilities, however, there is reduced foot fall in the building, with resulting reduction in cleaning and general maintenance.

b. **CBMDC support service cost** - projecting an overspend of £0.02m, we have been informed of a review of central support charges, with our increased number of staff in recent years, we are expecting a small increase.

c. **Computer costs / IT** – overspend of £0.54m, mainly due to provisions being made for McCloud system development. This is being funded by increased charges per member of £1.00 for total shared members of 489,468 (WYPF 312,225; partners 117,243).

d. **Invest to save** - out of a provision of £0.50m, £0.31m is left. £0.19m is being used to fund staffing resources mainly within Pension Admin, and additional spend for computing cost and IT across WYPF (network, servers, equipment etc. separate from McCloud).

e. **Employees** – overspend of £0.27m, mainly due to increased staffing resources in pension admin. Whilst, increased staffing resources is needed in all areas to address constant shifting regulations, the good news is we have seen more success in recruiting more staff in the Pension Admin area.

f. **Printing and stationery** overspend of £0.10m, increased printed communications for new shared service partners’ members. We expect this forecast to go down from increased uptake of digital services.

g. **WYPF support services** cost is fully recharged to Pension Admin and Investment Management proportional to service provided, this is reviewed annually. Currently projecting underspend, again due to vacancies on the down side, on the upside we do have a number of projects that are being delivered using internal resources, the net result is a net saving.

Recharge for 2021/22 was reduced as a result of underspend, marginally went up due to increased member numbers and the charge for McCloud.

Lincolnshire LGPS	MBR NO MAR22	2021/22 REVISED BUDGET	2021/22 ACTUAL	VAR BDGT- ACT PD12	2021/22 COST PER MBR	2022/23 BUDGET	MBR NO MAY22	2022/23 COST PER MBR PD04	2022/23 FORECAST PD04
CHARGE ACTUAL / FORECAST	79,131	£1,141,570	£1,122,078	£19,492	14.18	£1,398,245	79,998	£17.34	£1,386,997

9.0 Awards

WYPF has not been shortlisted for any awards at the current time.

Conclusion

WYPF and LPF continue to work closely as shared service partners to provide an efficient and effective service to all stakeholders within the Lincolnshire Pension Fund.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Customer Surveys
Appendix B	Current Technical Issues

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Matt Mott, who can be contacted at matt.mott@wypf.org.uk

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Customer Survey Results - Lincolnshire Members (1st April to 30th June 2022)

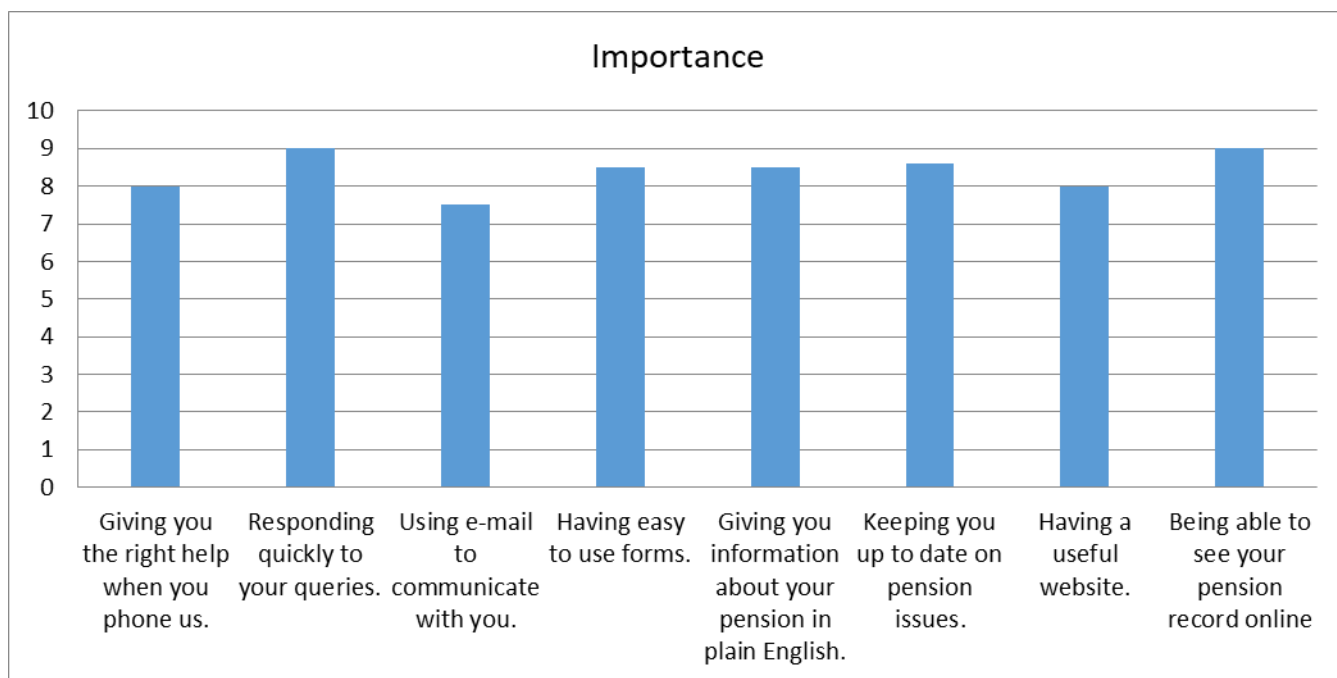
Over the quarter April to June we received **0** online customer responses.

Over the quarter April to June **128** Lincolnshire member's sample survey letters were sent out and **12 (9.4%)** returned:

Overall Customer Satisfaction Score;

April to June 2021	July to September 2021	October to December 2021	January to March 2022	April to June 2022
81.7%	96.9%	91.5%	95.3%	80.2%

The charts below give a picture of the customers overall views about our services;



Sample of positive comments:

Member Number	Comments
8041781	I was very happy because my pension was paid quickly. Very polite people on the phone, happy thank you.
8117831	Excellent both online and on the phone.
8027461	Professional easy to access. Very knowledgeable and very helpful staff.
8023149	Easy to follow online when I managed to get into it. Happy with your service, thanks.

Complaints/Suggestions:

Member Number	Comments	Summary of Acknowledgement Letter Sent to Member
8140071	<p>Took too long to answer phone, operator was a little rude and accent difficult to understand.</p> <p>I wanted a balance of my account and I was told I would have to wait until May for a statement. Not a good service.</p>	Response sent by Sandra - Letter sent apologising for call waiting times and explained our annual benefit statements start to be produced between May and August each year. If you have registered for our online service you will receive an email when yours is ready.
8136881	Worrying, I wish I had invested elsewhere. It's taken over a year to transfer my previous pension to yourself. I have lost on the value because of the timing etc	Response sent by Lucy – Reasons for delay were explained.

Current Technical Issues

HM Revenue and Customs (HMRC)

Pension schemes newsletters <https://www.gov.uk/government/collections/hm-revenue-and-customs-pension-schemes-newsletters>

HMRC [published newsletter 138](#) on 29 April 2022

- relief at source
- the annual allowance calculator
- Scheme Pays reporting
- non-taxable payments following a member's death and Real Time Information (RTI) reporting — charity lump sum death benefits
- pension scheme migration
- accounting for tax returns
- registration statistics
- pension flexibility statistics

HMRC [published newsletter 139](#) on 31 May 2022

- relief at source — annual return of information for 2021 to 2022
- digitisation of relief at source
- managing Pension schemes service
- Accounting for Tax (AFT) returns

HMRC [published newsletter 140](#) on 30 June 2022

- Pension scheme arrears and interest (covering equalising for GMP)
- Managing pension schemes service
- Accounting for Tax returns
- The Pensions Regulator's blog post on pension scams
- Scheme pays reporting clarification

The Pensions Ombudsman

Latest news from the Pensions Ombudsman (TPO) New online application form launched

TPO recently launched an enhanced [online application form](#). The more user-friendly form is also smarter, with customers only required to answer relevant questions.

Updates from the Pensions Dashboards Programme (PDP)

Progress insights April 2022

The PDP published its April 2022 progress update report on 27 April 2022. On 29 April 2022 Chris Curry, PDP Principal, published a blog covering that report and hosted a webinar expanding on its content. You can read the PDP progress insights on the PDP website.

The blog covers:

- the need for pension schemes to act now to prepare for dashboards
- timelines and what to expect from DWP and the PDP
- ISP market development
- data matching and the need for improved data quality
- the process for partial matches.

Blog on consumer protection

David Reid, PDP Head of Policy, published a [blog covering the consumer protection landscape for pensions dashboards](#).

Scheme Advisory Board (SAB)

Scheme annual report 2021 On 13 June 2022 [SAB published the Scheme's annual report 2021](#).

The report provides a single source of information about the status of the LGPS for its members, employers and other stakeholders. The report collates information supplied by 86 administering authorities, as at 31 March 2021. Highlights include:

- total membership grew by 1.08 per cent from 6.160 million to 6.226 million
- total assets increased to £342 billion - a rise of 23.4 per cent
- local authority net return on investment from 1 April 2020 to 31 March 2021 was 20.56 per cent - reflective of market conditions
- a positive cash-flow was maintained overall, including investment income

- over 1.8 million pensioners were paid
- COVID-19 significantly impacted life expectancy - with a drop of 0.9 years and 0.5 years for males and females respectively (2019 figures versus 2020)
- total management charges increased by £196 million, an increase of 12.9 per cent - primarily driven by a rise in investment management charges, while administration, oversight and governance costs remained broadly stable.

DLUHC consultation on Oasis consolidation

The Department for Levelling Up, Housing and Communities (DLUHC) has confirmed it does not expect to make a final decision on the application to consolidate Oasis academies into one LGPS fund before autumn 2022.

DLUHC has twice consulted on the consolidation. The most recent one closed in February 2022. See bulletin 218 for more information.

Inducement to opt out

We have been made aware of a council job advert offering an additional cash allowance if staff opt out of the LGPS.

You may wish to remind your employers of the safeguards introduced by the Pensions Act 2008. The safeguards prohibit employers from discouraging members from joining or remaining in a workplace pension scheme (such as the LGPS).

See [Automatic enrolment detailed guidance no.8 \(safeguarding individuals\)](#) for more

TPR blog on climate reporting

On 10 June 2022, the Pensions Regulator (TPR) published a blog on climate reporting. This is in anticipation of around 100 pension schemes publishing their first reports, produced in line with the Climate Change Governance and Reporting Regulations.

TPR will review the reports. The outcome of their review will be used to provide high-level observations. It will also inform the Department for Work and Pension's review covering the:

- effectiveness of the regulations, and
- range of schemes to which the regulations should apply.

Cost Cap

GAD - Cost cap results published

On 29 June 2022, the Government Actuary's Department published the results of the first cost cap valuation for L G P S (England and Wales) and L G P S (Scotland).

The cost cap was introduced by the Public Service Pensions Act 2013. The Act requires the setting of an employer cost cap rate against which changes in the cost are to be measured. If the cost changes and falls outside a two per cent corridor above / below the rate, action must be taken to bring the cost back to the rate.

The results of the first valuations show that the cost has remained within the two per cent corridor for both schemes. This means no changes to benefits or member contributions are needed.

The employer cost cap rate for L G P S (England and Wales) is 14.6 per cent. [The results for the valuation as at 31 March 2016](#) show that the cost is 1.2 per cent below the cost cap rate.

The employer cost cap rate for L G P S (Scotland) is 15.2 per cent. [The results for the valuation as at 31 March 2017](#) show that the cost is 0.2 per cent above the cost cap rate.

Pension Dashboards

Pensions Dashboards Further consultation on dashboards launched

The DWP launched a further consultation on pension dashboards on 28 June 2022.

The further consultation supplements the consultation on the draft dashboard regulations. The consultation on the draft regulations ran from 31 January 2022 to 13 March 2022. See [bulletin 220](#) for more information.

The further consultation sets out two proposals. The first proposal provides clarity on the 'Dashboard Available Point' (DAP). The second proposal allows the Money and Pensions Service and the Pensions Regulator to share information about dashboards with each other.

The DAP is the point at which dashboards will be available to all members of the public. The consultation proposes that the DWP will decide on the DAP and then give pension schemes 90 days' notice. It is hoped that this will give schemes sufficient time to make final preparations.

The consultation closes on 19 July 2022.

You can find a link to the consultation on the non-scheme consultation pages of www.lgpsregs.org

Pensions Dashboards Programme (PDP) update

Speaking at the Pensions Age Northern Conference Chris Curry, Principal of the Pensions Dashboards Programme (PDP), confirmed that:

- The Department for Work and Pensions (DWP) is expected to respond to the consultation on the draft regulations for pensions dashboards before summer recess (21 July 2022), See [bulletin 222](#) for more information.
- The regulations will likely be laid in Parliament later this year.
- Dashboards are still on track for 2023, with less than 12 months until some schemes begin onboarding.
- Later in the year, PDP will run a further consultation on the specific standards for dashboards, which they will look to work with the industry through webinars and events.
- PDP has successfully tested an end to end version of the dashboards ecosystem and that the alpha phase of the project was complete.

TPR warns - your pensions dashboards deadline is coming

On 22 June 2022, TPR launched a new 'Deadline' campaign reminding trustees to start preparing for their pensions dashboards deadline. The campaign applies equally to scheme managers.

Staging Deadline

The staging deadline for the L G P S and all other public service pension schemes will be deferred from 30 April 2024 to 30 September 2024.

Schemes will be expected to meet the required standards (connection, security and technical) by 30 September 2024. They must also, by that date, be able to respond to find requests, complete matching and provide administrative and signpost data on request.

Administering authorities will need to be able to provide value data (accrued and projected values) by 1 April 2025. Though they can provide this earlier if they wish.

You can access the consultation documents on the:

- [non-scheme consultations](#) page of www.lgpsregs.org

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Temporary bank accounts

Summary:

This report updates the Board on the number of temporary bank accounts created by West Yorkshire Pension Fund (WYPF) to hold monies due to beneficiaries of the scheme.

Matt Mott, Governance and Business Development Manager from WYPF, will update the Board.

Recommendation(s):

That the Board discuss the report and consider whether they wish to take any further actions.

1.0 Background

- 1.1 For a number of years, WYPF have set up a number of temporary bank accounts with HSBC for deferred or pensioner beneficiaries who are entitled to a pension scheme benefit but for whom we have lost contact with or who will not claim their benefits.
- 1.2 Under the current scheme rules members who are entitled to a refund are required to claim the refund within 5 years of leaving. WYPF has a number of members who have not claimed the refund within the 5-year period. As a result, temporary deposit accounts have been set up for these members. Late claims will then be released from the account and paid to the claimant.
- 1.3 The payment into a temporary bank account means that the Fund has discharged its liability and the member is not faced with an unauthorised tax charge if they were to claim their benefits late.
- 1.4 The Pensions Board have asked for information on the number of temporary accounts held and the amount of money held in these accounts.

2.0 Lost Contact Pensioners/Deferreds

STG1 – Pensioner/Beneficiary

Currently Opened

No. of Deposit with Credit Balances	36
Total Credits	£37,885.12

Opened Accounts

2022/23	5
2021/22	3
2020/21	17
2019/20	27
2018/19	34
2017/18	66
2016/17	11
2015/16	4

Closed Accounts

2022/23	16
2021/22	5
2020/21	15
2019/20	42
2018/19	22
2017/18	27
2016/17	4
2015/16	0

- 2.1 The number of temporary deposit accounts held for this category of members has decreased to 36 from 48 which was reported at the last Pensions Board.

Total number: 36

Current amount held in accounts: £37,885.12

This is a reduction on the number of accounts previously held as some beneficiaries have been traced.

- 2.2 A detailed breakdown of the number of accounts opened and closed is shown at Appendix A.

3.0 Post 2014 Refunds

STG2 – Post 14 Refunds

Currently Opened

No. of Deposit with Credit Balances	466
Total Credits	£59,331.38

Opened Accounts

2022/23	68
2021/22	199
2020/21	169
2019/20	131

Closed Accounts

2022/23	12
2021/22	27
2020/21	48
2019/20	14

3.1 The number of temporary deposit accounts held for this category of members has increased to 466 from 378:

Total number: 466

Current amount held in accounts: £59,331.38

This is an increase from the amount previously held of £51,371.37

3.2 This is an increase of 88 reported at the last Pensions Board, as expected as more and more members come up to their five-year deadline. However, the National Technical Group has contacted the Scheme Advisory Board to request a change in the LGPS Regulations 2013 to remove the requirement for a refund to be paid within five years. A response is still awaited.

3.3 A breakdown of the number of accounts opened and closed this year is shown at Appendix B.

4.0 Members not claiming benefits

- 4.1 A number of temporary bank accounts relate to members not claiming their benefits for reasons unknown. This could be because any pension may impact on DWP benefits they may be claiming; the pension is too small or they do not believe the pension is genuine.
- 4.2 If persistent attempts to contact the beneficiary fails, then a personal visit usually resolves the issue and the account is closed and balances are paid to the beneficiary. The Pensioner Services Team have recently contacted all the beneficiaries who have a deposit account either by e-mail or text and this has resulted in some of the deposit accounts being closed and the pensions put into payment. The Team are currently assessing where those who have not responded live and putting a plan together to do home visits if they live in a similar geographical area. This will potentially start in September/October.

5.0 Tracing

- 5.1 At least on an annual basis WYPF review the bank accounts and carry out further traces to see if the member can be located. This can be through the National Fraud Initiative, using a tracing agency or other means such as death notifications, member contacting us etc.
- 5.2 On-line tracing agencies used include Experian, Locta and Trace IQ. Where pensions are a reasonable amount (the cost is deductible from the benefits payable) then individuals tracing agents are used.

6.0 Conclusion

- 6.1 Payments into a temporary bank account are made when all tracing options are exhausted and mean that the Fund has discharged its liability and the member is not faced with an unauthorised tax charge if they were to claim their benefits late.
- 6.2 The accounts are regularly monitored and closed where members are located or confirmation received that they have died.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Deposit Account Summary - Pensioner/Beneficiary
Appendix B	Deposit Account Summary - Post 14 Refunds

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Matt Mott, who can be contacted on matt.mott@wypf.org.uk

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Deposit Account Summary – Pensioner/Beneficiary

STG1 Pensioner/Beneficiary Open		
Number	Date Opened	Cumulative Total
1	26/05/20	529.90
2	07/06/18	477.71
3	04/12/20	4,559.87
4	17/03/21	373.54
5	23/05/16	1,191.57
6	14/06/22	3,451.65
7	30/06/21	319.67
8	30/06/21	359.64
9	23/11/18	2,575.95
10	26/11/18	864.99
11	06/05/22	0.00
12	16/09/19	602.99
13	09/01/18	38.72
14	09/01/18	28.99
15	06/02/20	10,978.16
16	06/02/20	2,477.13

17	10/02/20	124.93
18	06/02/20	154.50
19	06/02/20	725.02
20	26/06/19	374.59
21	04/12/20	1,298.68
22	29/04/22	0.00
23	26/11/15	954.08
24	29/04/22	0.00
25	09/05/17	182.03
26	22/01/20	243.50
27	27/02/18	154.35
28	16/09/20	25.04
29	14/11/17	72.76
30	29/08/19	85.55
31	06/09/19	1,980.47
32	10/02/20	7.40
33	28/03/19	503.48
34	16/09/20	536.32
35	02/11/16	706.63
36	10/02/20	925.31

£37,885.12

STG1 Pensioner/Beneficiary Closed			
Number	Date Opened	Date Closed	Cumulative Total

1	09/05/16	25/05/16	0.00
2	08/01/16	12/07/16	23,201.47
3	09/03/16	24/08/16	31,489.05
4	13/04/16	06/03/17	132.46
5	08/06/17	16/06/17	0.00
6	08/06/17	03/07/17	456.38
7	08/06/17	28/07/17	1,744.00
8	10/05/17	28/07/17	107.59
9	07/06/17	28/07/17	219.75
10	28/07/17	31/07/17	2,699.10
11	08/06/17	04/08/17	620.18
12	22/12/16	09/08/17	0.00
13	07/06/17	09/08/17	32.14
14	08/06/17	05/09/17	0.00
15	26/05/17	17/09/17	582.02
16	07/06/17	28/09/17	55.19
17	08/06/17	24/10/17	2,143.17
18	08/06/17	25/10/17	952.07
19	07/06/17	07/11/17	104.99
20	07/06/17	07/11/17	138.50
21	08/06/17	24/11/17	2,336.92
22	07/06/17	11/12/17	332.92
23	07/06/17	13/12/17	333.90
24	15/12/17	09/01/18	1,613.76
25	24/10/17	29/01/18	2,519.86
26	08/06/17	29/01/18	4,035.26
27	24/10/17	01/02/18	987.28
28	16/01/18	13/02/18	0.00
29	09/11/17	27/02/18	759.09
30	10/01/17	05/03/18	952.14
31	16/01/18	14/03/18	102.88
32	08/06/17	11/04/18	548.27
33	23/02/18	10/05/18	4,315.88
34	08/06/17	15/05/18	2,927.55
35	08/06/17	18/05/18	807.63
36	23/02/18	22/05/18	3,148.91
37	20/12/17	25/07/18	3,346.16
38	02/08/18	31/08/18	1,072.34
39	02/08/18	12/09/18	2,351.14
40	02/08/18	24/09/18	501.54
41	18/07/18	25/09/18	42.42
42	23/05/17	25/09/18	165.65

43	24/12/15	02/11/18	7,441.21
44	07/09/18	02/11/18	3,419.57
45	16/01/18	13/11/18	1,481.93
46	10/01/18	22/11/18	5,417.54
47	15/11/17	26/11/18	50.04
48	15/03/18	29/11/18	391.48
49	02/08/18	23/01/19	1,591.22
50	02/08/18	07/02/19	412.10
51	12/02/19	14/02/19	99.30
52	10/05/18	18/02/19	45.73
53	23/01/19	26/02/19	559.43
54	23/01/19	25/04/19	3,148.48
55	15/04/19	29/04/19	132.87
56	02/08/18	30/04/19	686.88
57	02/08/18	30/05/19	117.07
58	21/07/17	03/06/19	2,968.31
59	14/02/19	05/08/19	5,030.76
60	02/01/19	14/08/19	4,722.53
61	07/06/17	05/09/19	818.05
62	28/03/17	05/09/19	73.38
63	04/04/17	05/09/19	52.22
64	07/09/18	09/09/19	0.00
65	13/03/19	09/09/19	0.00
66	23/11/18	09/09/19	0.00
67	06/01/17	09/09/19	0.00
68	13/04/16	09/09/19	0.00
69	20/12/17	09/09/19	0.00
70	05/07/19	09/09/19	0.00
71	06/09/17	09/09/19	0.00
72	02/08/18	08/10/19	746.86
73	08/11/18	08/10/19	457.60
74	08/11/18	08/10/19	35.24
75	08/11/18	08/10/19	32.07
76	01/05/19	14/10/19	3,048.76
77	11/12/17	25/10/19	14,286.79
78	08/06/17	25/10/19	1,115.82
79	15/12/17	25/10/19	4,403.00
80	15/01/19	28/10/19	754.66
81	09/01/18	28/10/19	696.23
82	12/04/19	29/10/19	4,741.65
83	15/01/19	12/11/19	924.58
84	09/01/18	12/11/19	2,013.32
85	13/12/17	25/11/19	1,797.47
86	09/01/18	06/12/19	1,897.60
87	17/10/19	09/12/19	15,771.32
88	06/01/17	11/12/19	3,399.89
89	30/05/18	23/12/19	13.72
90	31/08/18	23/01/20	3,623.99

91	10/05/18	30/01/20	786.98
92	06/02/20	06/02/20	0.00
93	09/11/17	07/02/20	12,038.89
94	14/02/20	14/02/20	0.00
95	18/04/19	09/03/20	48.85
96	10/05/18	16/04/20	7,078.42
97	15/11/16	24/06/20	20,290.35
98	30/01/20	15/12/20	36.73
99	10/06/20	12/01/21	3,237.29
100	30/01/20	18/01/21	968.44
101	06/06/17	12/02/21	20.05
102	06/06/17	12/02/21	71.28
103	06/06/17	12/02/21	468.80
104	06/06/17	12/02/21	268.87
105	06/06/17	12/02/21	251.27
106	06/06/17	12/02/21	268.03
107	06/06/17	12/02/21	4.19
108	06/06/17	12/02/21	87.25
109	06/06/17	12/02/21	65.55
110	23/07/20	12/02/21	137.49
111	10/02/20	04/05/21	912.44
112	16/01/18	06/05/21	279.59
113	23/02/18	27/10/21	2,251.80
114	10/11/21	10/12/21	0.00
115	27/11/20	13/01/22	4,726.56
116	07/06/17	21/04/22	65.30
117	02/07/20	04/05/22	82.37
118	14/02/19	04/05/22	35.17
119	19/06/20	06/05/22	1,858.80
120	19/06/20	06/05/22	109.54
121	19/06/20	06/05/22	92.14
122	05/06/20	06/05/22	119.57
123	19/06/20	06/05/22	177.51
124	23/09/19	18/05/22	3,049.76
125	15/07/19	18/05/22	2,348.94
126	09/08/19	09/06/22	201.14
127	09/08/19	09/06/22	154.01
128	28/03/19	21/06/22	3,719.84
129	23/07/20	15/07/22	657.53
130	22/10/20	15/07/22	506.89
131	09/06/22	28/07/22	1,838.14

£265,616

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Deposit Account Summary – Post 14 Refunds

STG2 Post 14 Refunds Open		
Number	Date Opened	Cumulative Total
1	06/01/2022	19.54
2	06/01/2022	116.05
3	10/01/2022	715.58
4	14/01/2022	32.47
5	20/01/2022	227.93
6	20/01/2022	16.17
7	20/01/2022	3.49
8	27/01/2022	0.48
9	03/02/2022	284.31
10	14/02/2022	63.31
11	14/02/2022	68.23
12	14/02/2022	384.58
13	17/02/2022	0.00
14	17/02/2022	39.95
15	17/02/2022	24.49
16	25/02/2022	0.00
17	25/02/2022	0.00
18	25/02/2022	5.65
19	01/03/2022	847.32
20	03/03/2022	19.52
21	04/03/2022	15.25
22	08/03/2022	0.00
23	14/03/2022	42.43
24	14/03/2022	245.29
25	21/03/2022	200.45
26	21/03/2022	31.50

27	22/03/2022	24.64
28	22/03/2022	217.80
29	22/03/2022	34.99
30	22/03/2022	6.46
31	22/03/2022	11.22
32	22/03/2022	7.78
33	22/03/2022	3.11
34	22/03/2022	20.82
35	22/03/2022	14.02
36	25/03/2022	76.11
37	04/04/2022	8.24
38	04/04/2022	333.17
39	04/04/2022	0.00
40	05/04/2022	346.86
41	07/04/2022	244.30
42	07/04/2022	951.12
43	07/04/2022	38.75
44	12/04/2022	42.70
45	22/04/2022	0.00
46	22/04/2022	0.32
47	22/04/2022	15.56
48	22/04/2022	11.43
49	22/04/2022	9.11
50	05/05/2022	129.44
51	20/05/2022	213.62
52	20/05/2022	188.80
53	20/05/2022	0.00
54	20/05/2022	19.70
55	20/05/2022	6.29
56	20/05/2022	22.04

57	20/05/2022	337.41
58	20/05/2022	0.00
59	20/05/2022	12.51
60	20/05/2022	37.40
61	20/05/2022	125.98
62	24/05/2022	784.55
63	24/05/2022	0.00
64	30/05/2022	338.01
65	06/06/2022	8.29
66	06/06/2022	5.07
67	07/06/2022	1,243.05
68	07/06/2022	72.09
69	07/06/2022	120.49
70	14/06/2022	194.00
71	14/06/2022	12.30
72	17/06/2022	0.00
73	20/06/2022	3.99
74	20/06/2022	358.48
75	20/06/2022	44.47
76	20/06/2022	27.92
77	20/06/2022	71.61
78	23/06/2022	95.25
79	28/06/2022	33.14
80	28/06/2022	8.85
81	01/07/2022	63.00
82	01/07/2022	142.57
83	01/07/2022	24.67
84	05/07/2022	897.57
85	05/07/2022	6.08
86	05/07/2022	3.61
87	08/07/2022	39.79
88	08/07/2022	78.66
89	08/07/2022	7.12

90	08/07/2022	49.27
91	20/07/2022	0.00
92	20/07/2022	0.00
93	20/07/2022	0.00
94	20/07/2022	0.00
95	20/07/2022	0.00
96	20/07/2022	0.00
97	20/07/2022	0.00
98	20/07/2022	0.00

£11,682.32

STG2 Post 14 Refunds Closed			
Number	Date Opened	Date Closed	Cumulative Total
1	09/12/2021	18/01/2022	208.41
2	07/08/2020	08/02/2022	410.15
3	19/08/2021	16/02/2022	594.90
4	04/02/2022	03/03/2022	460.67
5	06/09/2021	15/03/2022	0.00
6	19/08/2020	16/03/2022	150.11
7	17/02/2022	16/03/2022	64.09
8	07/07/2021	21/04/2022	501.97
9	22/04/2022	06/05/2022	208.23
10	07/04/2022	11/05/2022	884.84
11	16/06/2021	18/05/2022	201.40
12	11/02/2021	18/05/2022	24.75
13	10/03/2020	21/06/2022	1,701.75
14	07/06/2022	21/06/2022	1,040.58
15	25/03/2020	01/07/2022	12.52
16	05/07/2022	13/07/2022	0.00
17	21/11/2021	18/07/2022	69.97
18	20/05/2022	28/07/2022	221.79
19	08/07/2022	29/07/2022	33.98

£6,790.11

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Services to members approaching retirement (the retirement process)

Summary:

The Pension Board has requested information on services provided by West Yorkshire Pension Fund (WYPF) to scheme members at retirement. Because of the Defined Benefit nature of the LGPS, services are restricted to a process that can deliver the statutory entitlement scheme members accrue during their Local Government career. The largest, complex and most important part of the service provided is the ability to ensure the pension entitlement is correct and to communicate this to the scheme member as part of the retirement process.

To assist Pension Board Members with their knowledge and skills a presentation will be provided regarding services provided to scheme members at retirement (the retirement process).

Matt Mott, Governance and Business Development Manager from WYPF, will update the Board on services to members approaching retirement.

Recommendation(s):

That the Board note the report and presentation and consider if they require any further information on the services provided to members approaching retirement.

Background

- 1.1 The role of the Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Council as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) including securing compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS; securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and any other such matters as the LGPS regulations may specify.

- 1.2 To be able to assist the Scheme Manager and meet the requirements of the Public Service Pensions Act 2013, Pension Board Members must be able to demonstrate suitable knowledge and skills of the LGPS to effectively scrutinise the decisions made by officers.

2.0 The Retirement Process

- 2.1 The scheme member should have a general idea of the nature of the LGPS at retirement age. They will have received an Annual Benefit Statement containing current and projected values of the pension benefits every year of their scheme membership and they are able to attend a pre-retirement course ideally with 6 to 12 months before retirement, but certainly at any time in the last 3 years of their employment.
- 2.2 The process usually begins with data and instruction provided to WYPF ideally within 3 months, but certainly within 1 month of the scheme members intended retirement date.
- 2.3 The initial instruction may be made by either the employer or by the scheme member and data, such as pensionable pay, date and reason for retirement are provided by the scheme employer.
- 2.4 Throughout the process scheme members are provided with clear information of their benefits including details of:
- the benefits payable
 - options to commute part of their pension to a tax free lump sum
 - This is restricted to a maximum of 25% of the capital value of their pension “pot”
 - date of pension payment
 - date of lump sum payment (if applicable)
 - where they may access independent pension advice
 - contact details for WYPF in the event they require further information or explanation regarding the LGPS regulations
 - Information regarding communication and contact after retirement
 - Details of how to make a complaint
- 2.5 The majority of services provided by WYPF largely goes unnoticed by scheme members as the administration ensure the benefit values to be paid are the correct statutory entitlement under the scheme regulations based on data provided by the employer.
- 2.6 The data provided, over the career of the scheme member, is checked and, challenged, if necessary, before confirmed as correct. Only then are the pension calculations performed (they are also checked to ensure they are correct) and a

retirement pack sent to the member which includes all the necessary pension values and election forms they must complete in order to receive payment.

2.7 Only once all information has been received by WYPF can the payment process commence. Details required are:

- Date and reason for retirement
- Pensionable pay
- Confirmation of the scheme member's date of birth
- Election form to receive payment
- Election form to commute pension to lump sum
- Bank details

2.8 The payment of the scheme benefits is usually on the first payday, 23rd of the month, following the retirement date and the lump sum payment, if there is one, must be paid under scheme regulations within 4 weeks of the date of retirement, however, it is usually paid within 3 days of the date of retirement.

2.9 After retirement the pensioner member receives regular communication by way of P60, life certificate and the occasional pay advice. WYPF also promote use of MyPension the portal for online access to view pension details, including payslip and P60s but also with the capability for scheme members to send and receive information to and from WYPF.

3.0 Conclusion

3.1 For the Pension Board to note that services provided to scheme members at retirement may take several forms, including: data checking, calculation of benefits, payment of benefits, communication and contact information, however, it is largely determined, even restricted, by the nature of the LGPS as a Defined Benefits pension scheme.

Consultation

a) a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Matt Mott, who can be contacted at matt.mott@wypf.org.uk.



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Employer Monthly Submissions Update

Summary:

This paper provides the Board with up-to-date information on Employer Monthly Submissions for the first quarter of the financial year 2022/23 (April to June inclusive).

Recommendation(s):

That the Board consider the report and if there are any further actions they wish to take against employers submitting late or inaccurate payments or data.

Background

- 1.1 There are just over 270 contributing employers within the Lincolnshire Pension Fund. All employers have a statutory responsibility, as set out within the Pensions Act 1995, to ensure that they pay over contributions due to the Fund on a timely basis. The date these are due is set out in the Fund's Administration Strategy, which all employers have signed up to, and has been set as the 19th of the month following their payroll. The Fund considers an employer a 'late payer' if either the cash and/or the data is received after this date.
- 1.2 The Fund has in place robust processes for monitoring the receipt of payments and data from employers. Within the Pensions Team, the Finance Technician is responsible for monitoring employer contributions monthly. Additional checks on the detailed data submissions and employer rates are undertaken by the West Yorkshire Finance Team. The pensions system itself also identifies errors, queries, or where further information is required from the employer (e.g. additional leavers' information).
- 1.3 After any late payment (including data submission) an email is sent to the employer reminding them of their responsibilities. In addition to emailing employers, both the Lincolnshire and West Yorkshire Pension Fund teams are in regular contact with employers and their payroll providers to prompt payments/data submissions and clarify any queries. Much work has been put into building a good relationship with

employers and payroll providers, to assist in understanding the monthly process they need to complete and the data they are required to supply.

- 1.4 A summary of all late contributions or data submissions since April 2022 is set out in table one below. Appendix A sets out the employers who were late, and details when the outstanding payment or information was received.

Table One: Late contributions and data submissions to June 2022

Month	Payment of Contributions		Submission of Data		Payment of Contributions and Submission of Data		Data and Payments do not Match / Incorrect Rate	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
April	0	0.0%	6	2.2%	1	0.4%	5	1.8%
May	2	0.7%	9	3.3%	0	0.0%	2	0.7%
June	4	1.5%	10	3.7%	0	0.0%	6	2.2%
Total	6		25		1		13	

- 1.5 The analysis shows the number of employers making a late payment of contributions or missing both payment of contributions and data is a relatively small percentage of the overall number of employers. The occurrences of late data submissions are higher and have risen, when compared to the second half of 2021/22. The increased number of late data submissions in April is likely to be linked to year-end work demands across payroll providers. For May and June, there were late contributions from two payroll providers, who in total, manage contributions for six employers in the Fund. Serious IT issues, relating to upgrades on payroll systems, have caused these late contributions. The Fund is in regular contact with the payroll providers and employers and has been monitoring the situation closely. Complete resolutions at both payroll providers is close. Should these six employers (who historically have excellent track records) have not been late, May and June performance would have been in line with the good performance seen in the second half of 2021/22.
- 1.6 The first quarter of 2022/23 has also shown an increase in number of data submissions not matching the cash payments made to the Fund. Generally, these discrepancies are small in cash terms, however, employers have, and will continue to be contacted asking why these differences have arisen and to review their processes to ensure variances do not occur on future submissions. If there are issues with the data submitted, the Fund will liaise with employers and WYPF to ensure the necessary amendments are made.
- 1.7 None of the breaches individually have been material and therefore have not been reported to the Pensions Regulator; however, they have been included en masse in the breaches register.
- 1.8 If any employer makes contribution payments or submits data late in three out of six months on a rolling basis, they will receive a fine, unless they are able to offer

extenuating circumstances. Fines are currently set at a minimum of £136. Table two sets out the number of fines issued since April 2022.

Table Two: Late contributions fines to June 2022

April	May	June
0	0	0

1.9 There were no fines issued in 2022/23 quarter one, however, there are four employers at immediate risk of receiving a fine should any of their cash or data be late in the coming 2-4 months. These employers have been notified of this risk and reminded of their responsibilities.

Conclusion

2.1 This report provides quarterly monitoring information on the timeliness and accuracy of employer submissions to help the Board understand if there are any issues arising from late payments or data submissions and any further actions which are required to address employers not meeting their statutory responsibilities.

2.2 Employer submissions have increased in prominence as the number of employers within the scheme has increased. The Fund has responded to this by having a dedicated resource to monitor employer submissions and working closely with West Yorkshire and employers to reduce the numbers of late payers.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Employers late payments and/or data contributions - quarter one 2022/23 (April - June inclusive)

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

Late Contributions and Payments April - June 2022

April 2022

Employer	Late Cash Contributions	Date received	Late Data Submissions	Date received	Payment of Contributions & Submission of Data	Date received	Payment and Data Don't Match
ADULTS SUPPORTING ADULTS	NO		YES	20/05/2022	NO		NO
LOUTH TOWN COUNCIL	NO		YES	23/05/2022	NO		NO
THE GAINSBOROUGH ACADEMY	NO		YES	12/06/2022	NO		NO
WASHINGBOROUGH ACADEMY	NO		YES	27/06/2022	NO		NO
WEST LINDSEY DISTRICT COUNCIL	NO		YES	23/05/2022	NO		NO
WOODHALL SPA PARISH COUNCIL	NO		YES	24/05/2022	NO		NO
SCOTTER PARISH COUNCIL	NO		NO		YES	23/05/2022	NO
LAAT SCHOOLS	NO		NO		NO		YES
BOSTON HIGH SCHOOL ACADEMY	NO		NO		NO		YES
SIR FRANCIS HILL PRIMARY SCHOOL	NO		NO		NO		YES
SIR ROBERT PATTINSON ACADEMY	NO		NO		NO		YES
ST BERNARDS ACADEMY	NO		NO		NO		YES

May 2022

Employer	Late Cash Contributions	Date received	Late Data Submissions	Date received	Payment of Contributions & Submission of Data	Date received	Payment and Data Don't Match
CROWLAND PARISH COUNCIL	YES	08/07/2022	NO		NO		NO
METHERINGHAM PRIMARY SCHOOL	YES	27/06/2022	NO		NO		NO
LINCOLN COLLEGE	NO		YES	28/06/2022	NO		NO
ST LAWRENCE ACADEMY	NO		YES	28/06/2022	NO		NO
WASHINGBOROUGH ACADEMY	NO		YES	27/06/2022	NO		NO
WRANGLE COUNTY PRIMARY	NO		YES	05/07/2022	NO		NO
WILLIAM FARR ACADEMY	NO		YES	28/06/2022	NO		NO
PUBLIC SECTOR PARTNERSHIP SERVICES	NO		YES	05/09/2022	NO		NO
EAST LINDSEY DISTRICT COUNCIL	NO		YES	24/08/2022	NO		NO
SOUTH HOLLAND DISTRICT COUNCIL	NO		YES	31/08/2022	NO		NO
BOSTON BOROUGH COUNCIL	NO		YES	08/09/2022	NO		NO
G'BOROUGH QE HIGH SCHOOL	NO		NO		NO		YES
SUDBROOKE PARISH COUNCIL	NO		NO		NO		YES

June 2022

Employer	Late Cash Contributions	Date received	Late Data Submissions	Date received	Payment of Contributions & Submission of Data	Date received	Payment and Data Don't Match
G'BOROUGH QE HIGH SCHOOL	YES	25/08/2022	NO		NO		NO
MANOR LEAS INFANT ACADEMY	YES	20/07/2022	NO		NO		NO
METHERINGHAM PRIMARY	YES	20/07/2022	NO		NO		NO
SPALDING GRAMMAR ACADEMY	YES	20/07/2022	NO		NO		NO
CRANWELL COUNTY PRIMARY	NO		YES	21/07/2022	NO		NO
CROWLAND PARISH COUNCIL	NO		YES		NO		NO
NIGHTINGALE CLEANING	NO		YES	21/07/2022	NO		NO
WRANGLE COUNTY PRIMARY	NO		YES	21/07/2022	NO		NO
PUBLIC SECTOR PARTNERSHIP SERVICES	NO		YES	05/09/2022	NO		NO
EAST LINDSEY DISTRICT COUNCIL	NO		YES	24/08/2022	NO		NO
SOUTH HOLLAND DISTRICT COUNCIL	NO		YES	31/08/2022	NO		NO
BOSTON BOROUGH COUNCIL	NO		YES	08/09/2022	NO		NO
LINCOLN COLLEGE	NO		YES		NO		NO
WILLIAM FARR ACADEMY	NO		YES		NO		NO
BOURNE TOWN COUNCIL	NO		NO		NO		YES
AMBERGATE SPORTS COLLEGE	NO		NO		NO		YES
BRANSTON COMMUNITY ACADEMY	NO		NO		NO		YES
CAISTOR YARBOROUGH ACADEMY	NO		NO		NO		YES
MONKSHOUSE PRIMARY	NO		NO		NO		YES
ST PETER & ST PAUL CATHOLIC	NO		NO		NO		YES

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Annual Report and Accounts 2021/22: External Audit Update Report

Summary:

This report bring to the Board an update report from Mazars, the Funds External Auditor, on the 2021/22 audit of the financial statements. The report details the audit work outstanding and findings from the work completed to date.

Recommendation(s):

That the Board consider the report and feedback from the external auditor in their progress report.

Background

- 1.1 The Pension Fund Annual Report and Accounts for the year ended 31 March 2022 have been completed and were approved by the Pensions Committee at its meeting on 14 July. They are now being independently audited by the Fund's external auditors, Mazars.

Statement of Accounts

- 1.2 Over the summer, unquoted holdings 31 March valuations have been received, and after review by Pension Fund Officers, have been incorporated into the Pension Fund Accounts. The total impact of these updated valuations is a £8.771m increase in asset values (across alternatives, infrastructure, private equity and property venture). At the date of preparing this paper a number of 31 March valuations were still outstanding. When these are received, they will be reviewed and incorporated into the accounts as necessary.
- 1.3 The above amendments have been made to the Statement of Accounts for 2021/22, plus a small number of disclosure amendments identified by the External Auditor during their presentational review of the accounts document.

Audit Progress Report

1.4 A copy of the External Auditors Progress Report is attached to this report at appendix A. This details the findings from their work on the Pension Fund financial statements completed to date and summarises the work outstanding on the audit.

1.5 In summary, the key points to note are:

- **Status of the Audit (Section two)**: The auditor still has work to complete on:
 - Investments, as some third-party investment information is still outstanding from Fund Managers;
 - The consistency opinion, including checks from the final pension fund accounts to the Annual Report;
 - Revised financial statements, to check updated valuation information has been incorporated in the final version of the accounts; and
 - Audit quality control and completion procedures, including specific procedures carried out in relation to the significant audit risks identified and the final review of the audit work by the Mazars Engagement Lead.

- **Significant Findings (Section four)**:
 - The review of management override of controls has not highlighted any issues to bring to the Committee's attention; and
 - Valuation of investments within level 3 of the fair value hierarchy: subject to completion of the work highlighted in section two should provide the assurances required, but highlights that a number of updated valuation statements have been received by the Fund since the date the accounts were published in draft at the end of June.

- **Internal Control Recommendations (Section five)**: No material internal control recommendations have been identified to date.

Conclusion

2.1 The audit of the Pension Fund Statement of Accounts for the year ended 31 March 2022 is largely complete and it is expected that the external auditor, Mazars, will issue an unqualified audit opinion in November. They also expect to issue the consistency opinion on the Annual Report by the statutory deadline.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Mazars External Audit Progress Report (August 2022)

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

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Audit Progress Report

Lincolnshire Pension Fund – Year ended
31 March 2022

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August 2022



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- 03 Audit approach
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Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. Reports and letters prepared by appointed auditors and addressed to the Pension Fund are prepared for the sole use of the Pension Fund and we take no responsibility to any member or officer in their individual capacity or to any third party. Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.

01

Section 01:

Executive summary

1. Executive summary

Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2021/22 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 4 of this report, we have set out our conclusions and significant findings from our audit work to date. This section includes our conclusions so far on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

Management override of controls; and

Valuation of investments within level 3 of the fair value hierarchy.

Based on the audit work completed to date there are no identified significant control deficiencies and no unadjusted misstatements envisaged that we are required to report to the Audit Committee.

Status and audit opinion

To-date we have completed a substantial proportion of our fieldwork on the financial statements for the year ended 31 March 2022. At this present time, we envisage giving our opinion in November 2022 in line with the proposed timeframe for issuing our audit report on Lincolnshire County Council's financial statements.

At the time of preparing this report, there are some matters outstanding as outlined in section 2. We will provide an update to you in relation to the matters outstanding through our Audit Completion Report. Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:



Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements.



Consistency report

We anticipate concluding that the Pension Fund financial statements within the Pension Fund's Annual Report are consistent with the Pension Fund financial statements within the Statement of Accounts of Lincolnshire County Council.



Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Fund and to consider any objection made to the accounts. No objections or questions from local electors have been received.

Executive summary

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Summary of misstatements

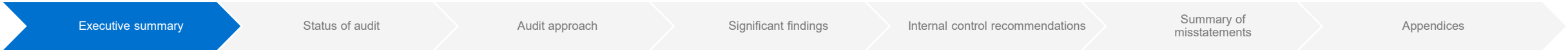
Appendices

1. Executive summary

COVID-19 impacts

We have worked remotely in relation to this audit. Whilst auditing on a remote basis can be challenging, we have been able to work in liaison with the finance team to deliver the audit and wish to thank them for their support.

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02

Section 02: **Status of the audit**

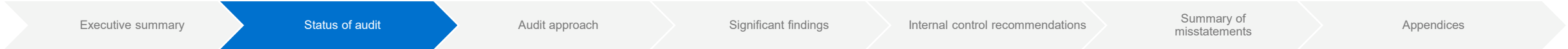
2. Status of the audit

Our work is progressing well and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

Audit area	Status	Description of the outstanding matters
Investments		Some information remains outstanding from fund managers. Our review of third party confirmations received to-date is not yet complete.
Consistency opinion		We have received a draft of the Pension Fund Annual Report. However, we have not yet compared the revised Pension Fund financial statements (within the Statement of Accounts of the Council) with the revised Pension Fund financial statements within the Pension Fund's Annual Report.
Finalised financial statements		The Pension Fund is revising its financial statements to reflect updated valuations it receives from fund managers. Following consideration of the revised valuations we will then complete our checks on the finalised financial statements before giving our opinion.
Audit Quality Control and Completion Procedures		Our audit work, including the specific procedures carried out in relation to the significant audit risks identified, is yet to undergo review by the Engagement Lead. In addition, there are residual procedures to complete, including completing our internal technical consultations on the proposed audit opinion and the updated financial statements, updating post balance sheet event considerations to the point of issuing the opinion and obtaining final management representations.

-  Likely to result in material adjustment or significant change to disclosures within the financial statements.
-  Potential to result in material adjustment or significant change to disclosures within the financial statements.
-  Not considered likely to result in material adjustment or change to disclosures within the financial statements.

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03

Section 03: **Audit approach**

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3. Audit approach

Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in February 2022. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

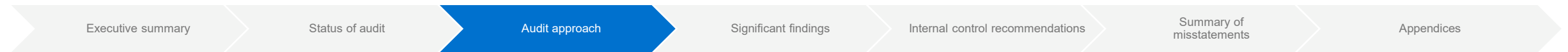
Materiality

Our provisional materiality at the planning stage of the audit was set at £29.3 million using a benchmark of 1% of net assets available to pay benefits. We also set a separate provisional specific materiality for the fund account of £11.4 million at the planning stage of the audit using a benchmark of the higher of 10% of contributions receivable and 10% of benefits payable.

Our updated assessment of materiality, based on the draft financial statements and qualitative factors was set using the same benchmarks:

- Statement materiality £30.5 million.
- Fund account specific materiality £12.1 million.

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04

Section 04: **Significant findings**

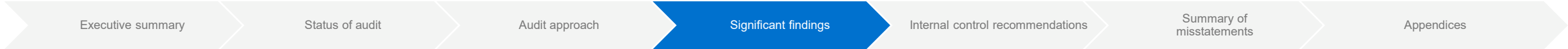
4. Significant findings

In this section we outline the significant findings from our audit work to date. These findings include:

- our audit conclusions regarding other significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. We currently envisage concluding that the financial statements have been prepared in accordance with the financial reporting framework; and
- any significant difficulties we experienced during the audit.

Significant risks

Management override of controls	Description of the risk
	In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.
	<p>How we addressed this risk</p> <p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none"> • accounting estimates impacting amounts included in the financial statements; • consideration of identified significant transactions outside the normal course of business; and • journals recorded in the general ledger and other adjustments made in preparation of the financial statements.
	<p>Audit conclusion</p> <p>Our work to date has provided the assurance we sought in each of these areas and has not highlighted any material issues to bring to your attention.</p>



4. Significant findings

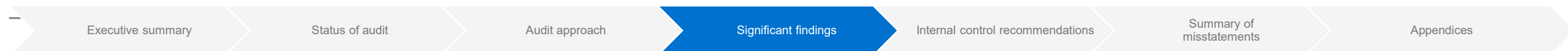
Valuation of investments within level 3 of the fair value hierarchy	<p>Description of the risk</p> <p>At 31 March 2022 the Pension Fund held investments which were not quoted on an active market with a fair value of £427.5 million, accounting for 14.6 per cent of the Fund's net investment assets. This included: Alternatives (£347.5 million), Property (£11.6 million), Infrastructure (£59.3 million), Private Equity (£7.9 million) and Unquoted Equity Holding in the Border to Coast Pensions Partnership (£1.2 million). Inherently these assets are harder to value, as they do not have publicly available quoted prices from a traded market, and as such they require professional judgement or assumptions to be made when valuing them at year end.</p> <p>As the pricing of these investment assets is subject to judgements, they may be susceptible to pricing variances for 2021/22 due to the assumptions underlying the valuation. We therefore consider that there is an increased risk of material misstatement.</p>
--	--

How we addressed this risk

We addressed this risk by completing the following additional procedures:

- agreeing the valuation included in the Pension Fund's underlying financial systems to supporting documentation including investment manager valuation statements and cash flows for any adjustments made to the investment manager valuation;
- agreeing holdings from fund manager reports to the custodian's report;
- agreeing the investment manager valuation to audited accounts or other independent supporting documentation, where available;
- reviewing the valuation methodologies through review of accounting policies within audited financial statements and challenge of the fund manager, where required;
- where audited accounts are available, check that they are supported by a clear opinion; and

Valuation of investments within level 3 of the fair value hierarchy (cont'd)	<p>How we addressed this risk (cont'd)</p> <ul style="list-style-type: none"> • where available, reviewing independent control assurance reports to identify any exceptions that could present a risk of material misstatement in the Pension Fund's financial statements. <p>Audit conclusion</p> <p>Subject to completion of the outstanding work and matters outlined on page 7, our work has provided the assurance we sought in the above areas. It has however highlighted a difference between the valuation of investments in the initial set of accounts prepared and the final version of the accounts on which we will be giving our opinion. This difference results from the timing of valuations received from fund managers. The adjusted misstatement involved will be detailed in our Audit Completion Report.</p>
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4. Significant findings

Qualitative aspects of the Fund's accounting practices

We have reviewed the Fund's accounting policies and disclosures and our work to date has concluded they comply with the 2021/22 Code of Practice on Local Authority Accounting, appropriately tailored to the Fund's circumstances..

In line with our expectations, there have been no significant changes to accounting policies for the year ended 31 March 2022.

Draft accounts were received from the Fund on 30 June and were of a good quality.

Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management. It is however worth noting that our audit work has been completed through remote working arrangements. Whilst challenging at times, through the effective use of technology and close liaison with finance and other officers of the Fund these challenges were overcome.

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not to date exercised any of these powers as part of our 2021/22 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. No such objections have been raised.

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05

Section 05: **Internal control recommendations**

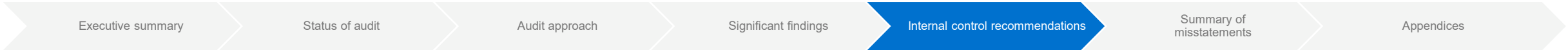
5. Internal control recommendations

The purpose of our audit is to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements. We do this in order to design audit procedures to allow us to express an opinion on the financial statement and not for the purpose of expressing an opinion on the effectiveness of internal control, nor to identify any significant deficiencies in their design or operation.

The matters reported in this section are limited to those deficiencies and other control recommendations that we identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our work to date has not identified any internal control issues to bring to your attention. Should any issues arise during the completion of our audit, these will be reported to the Audit Committee in a follow-up letter.

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Cameron Waddell

Mazars

The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne, NE1 1DF

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*where permitted under applicable country laws.

Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	2022 Valuation – Draft Results

Summary:

This report introduces a presentation from the Fund's Actuary setting out the draft whole Fund results from the latest valuation undertaken as at 31 March 2022.

Recommendation(s):

That the Board consider and discuss the report.

Background

1. As part of the Local Government Pension Scheme (LGPS), the Lincolnshire Pension Fund is required to undertake a valuation of the Fund's assets and liabilities every three years – this is called the Triennial Valuation. The purpose of the valuation is to understand the overall funding level of the Pension Fund (i.e. does it have enough assets to meet its liabilities), to understand the individual funding levels of each employer and to set the contribution rates for all the employers for the next three year period.
2. The Pensions Committee approved the process for setting the assumptions to be used in the Valuation process at the July meeting of that Committee, and this was reported to the Board at their July meeting.
3. The Fund's appointed Actuary, Barnett Waddingham, received the membership and cashflow data from the Fund as at 31st March 2022, and will present the draft whole Fund results today.
4. The valuation will include allowances for the estimated impact of the McCloud remedy, at both a Fund and an employer level, with the approach set out by DLUHC earlier this year. In addition, as required by GAD and set out in the recommendations of their latest Section 13 report, the report will consider the potential impact of climate risk on the funding strategy, across a number of scenarios.

5. Once finalised, individual employer results will be shared with each employer in the Fund, expected to be in mid-November. Employers will also receive the draft Funding Strategy Statement (FSS), which will be brought to a later Board meeting, for consultation.
6. The Funding Strategy Statement sets out how employer rates are set, how new employers are admitted to the Fund, and how employers leaving the Fund are dealt with. It will also include:
 - Ill health/death in service self-insurance – as discussed previously with the Committee, the Fund is moving to a self-insurance model for funding ill health and death in service strain costs, away from the external insurance option that was offered previously.
 - Pre-payment policy – setting out the considerations for accepting pre-payment requests of primary and secondary contributions, including the risks to the employer.
7. To assist employers understanding of their valuation results, employer surgeries will be held at County Offices. These will consist of a presentation from the Actuary on each day and bookable appointments with the Fund Actuary and the Head of Pensions to enable an employer to discuss their specific results and circumstances.
8. As with previous valuations, all employers will be required to complete a declaration agreeing the primary and secondary contribution rates for the three year period commencing 1 April 2023, to be returned in January 2023.
9. The final Valuation report, including the rates and adjustments certificate which sets out employers' contribution rates for the three year period to March '26, will be brought back to the Pensions Committee for final approval in March 2023, and to the Board for their information.

Conclusion

10. The Fund's Actuary will present the draft 2022 Valuation results at a whole Fund level to the Board. Once agreed, the individual employer results will be shared, alongside the FSS for consultation.
11. The final Valuation report, including the rates and adjustments certificate which sets out employers' contribution rates for the three year period to March '26, will be brought back to the Pensions Committee for final approval in March 2023, and to the Board for information.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jo Ray, who can be contacted on 01522 553656 or jo.ray@lincolnshire.gov.uk.

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pensions Board
Date:	22 September 2022
Subject:	Training Needs

Summary:

This item provides Board Members the opportunity to discuss any training attended since the last Board meeting and provide feedback to other Board Members on its content.

This report also brings to the Board any conference or training highlight notes from the previous three-month period.

The Board should consider if there is any further training they wish to receive or attend in future months.

Recommendation(s):

The Board are:

1. Requested to share information on any relevant events attended since the last Board meeting;
2. Note any conference and training feedback from the previous three months; and
3. Consider if there is any further training required in future months.

Background

- 1.1 The Fund's Training Policy requires members of the Pensions Committee, following attendance at any conference, seminar, or external training events, to share their thoughts on the event, including whether they would recommend it for others to attend. It was agreed that this would be a useful addition to Pension Board meetings too.
- 1.2 Therefore the Board are requested to share information on relevant events attended since the last Board meeting.

- 1.3 There are no conference notes to share with the Board this quarter.
- 1.4 The Hymans Robertson online training platform, LGPS Online Learning Academy (LOLA) is now available for all Board members to access and complete training. Log on details were shared with the Board earlier in the month. The Committee and Board training meeting on Thursday 13 October will include an introduction to LOLA.

Conclusion

- 1.5 The Board should consider past training events attended and future training needs.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a Risk Register which can be obtained by contacting the Head of Pensions.

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	LGPS Local Pension Board
Date:	22 September 2022
Subject:	Work Programme

Summary:

This report provides the Board with an opportunity to consider its work programme for the coming meetings.

Recommendation(s):

To review the Board's future work programme, highlight any activity for inclusion in the work programme.

Background

- 1.1 The work programme, which is attached at Appendix A to this report, outlines the items for consideration at future meetings of the Board.

Conclusion

- 1.2 Members of the Board are invited to review, consider, and comment on the work programme.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a Risk Register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

LGPS PENSION BOARD – WORK PLAN

22 September 2022	
Meeting Location: County Offices, Lincoln	
<i>Item</i>	<i>Lead Officer</i>
Pension Fund Update <i>(Report)</i>	Jo Ray (Head of Pensions)
Stewardship/Responsible Investment Update <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Pensions Administration Update <i>(Report)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Temporary Bank Accounts <i>(Report)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Services to Members Approaching Retirement <i>(Report and Presentation)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Employer Monthly Submissions Update <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
2022 Triennial Valuation: Whole Fund Draft Results <i>(Report)</i>	Jo Ray (Head of Pensions)
Annual Report and Accounts 2021/22 – External Audit Update Report <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Training Needs <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Workplan <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)

1 December 2022

Meeting Location: County Offices, Lincoln

<i>Item</i>	<i>Lead Officer</i>
Pension Fund Update (<i>Report</i>)	Jo Ray (Head of Pensions)
Stewardship/Responsible Investment Update (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Pensions Administration Update (<i>Report</i>)	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
The Pension Regulator Data Scores (<i>Report</i>)	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Employer Monthly Submissions Update (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
The Pledge to combat Pension Scams (<i>Report and Presentation</i>)	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
The Pensions Regulators Consolidated Code of Practice (<i>Report</i>)	Jo Ray (Head of Pensions)
Annual Report and Accounts 2021/22 – External Audit – Audit Completion Report (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Training Needs (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Workplan (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)

March 2023	
Meeting Location: County Offices, Lincoln	
<i>Item</i>	<i>Lead Officer</i>
Pension Fund Update <i>(Report)</i>	Jo Ray (Head of Pensions)
Stewardship/Responsible Investment Update <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Pensions Administration Update <i>(Report)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Temporary Bank Accounts <i>(Report)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Employer Monthly Submissions Update <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
2022 Triennial Valuation: Final Valuation Results and Funding Strategy Statement <i>(Report)</i>	Jo Ray (Head of Pensions)
Pensions Dashboard <i>(Report and Presentation)</i>	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Annual Review of Policies <i>(Report)</i>	Jo Ray (Head of Pensions)
Business Plan and Budget Setting for the Pension Fund <i>(Report)</i>	Jo Ray (Head of Pensions)
Annual Report and Accounts 2022/23 – Review of Accounting Policies <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Training Needs <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)
Workplan <i>(Report)</i>	Claire Machej (Accounting, Investment and Governance Manager)

July 2022**Meeting Location: County Offices, Lincoln**

<i>Item</i>	<i>Lead Officer</i>
Pension Fund Update (<i>Report</i>)	Jo Ray (Head of Pensions)
Stewardship/Responsible Investment Update (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Pensions Administration Update (<i>Report</i>)	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
The Pension Regulator Data Scores (<i>Report</i>)	Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund)
Employer Monthly Submissions Update (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Annual Review of Pension Fund Risk Register (<i>Report</i>)	Jo Ray (Head of Pensions)
Annual Report and Accounts 2021/22 – Approval of Draft Annual Report and Accounts (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Training Needs (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)
Workplan (<i>Report</i>)	Claire Machej (Accounting, Investment and Governance Manager)