

PRESENT:

Independent Chair: Roger Buttery

Employer Representatives: Gerry Tawton

Scheme Member Representatives: Kim Cammack and David Vickers

Officers in attendance:- Claire Machej (Accounting, Investment and Governance Manager), Jo Ray (Head of Pensions) and Thomas Crofts (Democratic Services Officer)

Others in attendance: Matthew Mott (West Yorkshire Pension Fund)

1 APOLOGIES FOR ABSENCE

There were no apologies for absence received.

2 DECLARATIONS OF INTEREST

Gerry Tawton declared that his spouse was a deferred member of the Pension Fund.

3 MINUTES OF THE PREVIOUS MEETING HELD ON 22 SEPTEMBER 2022

RESOLVED

That the minutes of the meeting held on 22 September 2022 be approved as a correct record.

4 PENSION FUND UPDATE REPORT

A report was submitted to the Board on various Pension Fund matters for the quarter ending 30 September 2022. These matters included: TPR Checklist Dashboard and Code of Practice, Breaches Register Update, Risk Register Update, Asset Pooling Update, Budget and Workplan Update, and Investment Consultant Change.

In response to questions, the following comments were made:

- A new committee structure was endorsed by the Pensions Committee in October 2022. The new structure would include one additional member employer representative from the Academy sector.

2

LGPS LOCAL PENSION BOARD

1 DECEMBER 2022

- Lincolnshire Pensions Fund submitted a nil return regarding the Border to Coast Shareholder Non-Executive Director elections, as it was advised by the Monitoring Officer that the position could be considered a conflict of interest.

RESOLVED

That the Pension Fund update report be noted.

5 RESPONSIBLE INVESTMENT UPDATE REPORT

A report was submitted to the Board which gave an update on Responsible Investment (RI) activity during the second quarter of the financial year 2022/23. These matters included an update on the work undertaken by the Local Authority Pension Fund Forum (LAPFF), Border to Coast Pensions Partnership activity, Robeco and Legal and General Investment Management activity, voting activity, and the Stewardship Code 2022.

The Board raised that 482 votes had been made against management by LGIM, which officers felt was reasonable. It was clarified that, historically, shareholders had been very compliant and votes against represented more active engagement and scrutiny.

RESOLVED

That the report be noted.

6 PENSIONS ADMINISTRATION REPORT

West Yorkshire Pension Fund reported on the Fund's key performance and benchmarking for the period 1 July 2022 to 30 September 2022. These matters included performance and benchmarking, scheme information, member and employer contact, internal disputes resolution procedures, administration update, current technical issues, web registrations, shared service budget and award nominations.

In response to questions, the following comments were made:

- Employer training had been well attended and received positive feedback.
- Deferred benefit data quality was improving, and backlogs were being reduced.
- Work concerning interfund transfers was to be automated to help process the increasing caseloads.
- The number of active members had increased over the period, while the number of deferred members had decreased.

RESOLVED

That the report be noted.

7 DATA QUALITY REPORT

A report by West Yorkshire Pension Fund updated the Board on data issues and a data improvement plan.

In response to questions, the following comments were made:

- The number of missing annual allowance calculations had increased due to increased caseloads and other workload pressures.
- The pensions team faced immense pressure in actioning this work alongside works relating to the McCloud ruling and the Pensions Dashboard. Resultantly, some workstreams were being prioritised over others. Proactive recruitment, training and automisation was underway to meet these demands.
- Overall, the pensions team were optimistic that necessary work would be actioned. However, workstreams could be more efficiently prioritised if the implementation of the Dashboard was delayed.

RESOLVED

That the report be noted.

8 EMPLOYER MONTHLY SUBMISSIONS UPDATE

This paper provided the Board with up-to-date information on Employer Monthly Submissions for the second quarter of the financial year 2022/23 (July to September inclusive).

It was clarified that PSPS had instated a new payroll system and had experienced delays in generating the data required for the monthly submissions.

RESOLVED

That the report on the employer monthly submissions be noted.

9 SERVICES TO MEMBERS APPROACHING RETIREMENT (THE RETIREMENT PROCESS)

West Yorkshire Pension Fund presented the report and accompanying presentation. The following matters were highlighted:

- An explanation of the rule of 85.
- Different types of retirement and their implications to the Fund –
- including flexible retirement, early retirement and ill health retirement.
- Changes to pensionable pay across various schemes.

- The pre-retirement course run by Affinity Connect offered information on matters such as member expectations, planning and options.

Members commented that the letters to the scheme members could be simplified and made clearer.

RESOLVED

That the report and presentation be noted.

10 PENSION BOARD TRAINING – FREEDOM & CHOICE, SCAMS AND TRANSFERS

The Board received a report and presentation from West Yorkshire Pensions Fund, which assist Pension Board Members with their knowledge and skills on the following matters:

- Freedom & Choice
- Transfer and Concerns
- Amendment to transfer regulation – November 2021
- Additional concerns and what WYPF are doing
- TPR transfer Pledge

The Board noted the presentation and they stated that they were keen to incorporate the Pension Regulator’s training into their own training needs.

RESOLVED

That the Board note the training presentation.

11 ANNUAL REPORT AND ACCOUNTS 2021/22: THE EXTERNAL AUDITOR'S AUDIT COMPLETION REPORT

Consideration was given to a report to the Board on the 2021/22 financial statements Audit Completion Report from Mazars, the Funds External Auditor. It was highlighted that an unqualified audit opinion was expected to be issued alongside the audit opinion on the Lincolnshire County Council accounts.

In response to questions, the following comments were made:

- KPMG were taking over responsibilities for external audit from Mazars in the coming year.
- Separated audit reports for the Fund and the Council’s accounts was to be explored with KPMG so that unnecessary delays to sign off could be avoided.

RESOLVED

That the report be noted.

12 MEETINGS AND DELEGATIONS

Consideration was given to a report by the Head of Pensions, regarding proposed amendments to Board meetings, which had been endorsed by the Pensions Committee.

The Board discussed the report, and the following comments were raised:

- Efforts would be made to ensure that Pensions Committee meetings had a more strategic focus regarding the Fund and the Board had a deep dive focus on pensions administration.
- The new structure would allow training to be undertaken at all meetings.

RESOLVED

That the Board endorse the amendments to the Board meetings.

13 TRAINING NEEDS

The Board considered the report on its training needs.

Members of the Board reported that they were working through the Hymans Robertson online training platform and that some members had attended the Border to Coast annual conference and Pension Committee training session where it was noted that future training on Bonds and Investment Strategy was required.

RESOLVED

That the report on the Board's training needs be noted and that all Board members undertake TPR's pension scam training module in the coming months.

14 WORK PROGRAMME

A report on the Board's work programme was submitted, which presented the items for consideration at future meetings.

Members were advised that agenda content for subsequent meetings was to change, as outlined in the Meetings and Delegations report.

RESOLVED

That the report on the work programme be approved.

The meeting closed at 5.05 pm