

PRESENT: COUNCILLOR E W STRENGIEL (CHAIRMAN)

Councillors P E Coupland (Vice-Chairman), M G Allan, A W Briggs, S Bunney, P M Dilks and T J N Smith

Co-Opted Members: Tom Hotchin (Academy Sector Representative)

Officers in attendance:-

Andrew Crookham (Deputy Chief Executive & Executive Director - Resources), Jo Kempton (Head of pensions), Josh Drotleff (Finance Technician), Thomas Crofts (Democratic Services Officer)

Officers in remote attendance:-

Claire Machej (Accounting, Investments and Governance Manager)

Others in attendance:-

David Vickers (Employee Representative – LGPS Pension Board), Chris Hitchin (Border to Coast), Rachel Elwell (Border to Coast)

Others in remote attendance:-

Lisa Darvill (West Yorkshire Pension Fund) and Sukhjot Kaur (West Yorkshire Pension Fund)

29 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor T Young, Steve Larter and Roger Buttery.

30 DECLARATIONS OF MEMBERS' INTERESTS

Councillor M G Allan declared an interest as a pensioner member of the Pension Fund.

Tom Hotchin (Academy Sector Representative) declared an interest as a contributing member of the Pension Fund.

31 MINUTES OF THE PREVIOUS MEETING HELD ON 21 SEPTEMBER 2023

RESOLVED

That the minutes of the meeting held on 21 September 2023 be approved as a correct record and signed by Chairman.

32 REPORT BY THE INDEPENDENT CHAIR OF THE LINCOLNSHIRE LOCAL PENSION BOARD

Consideration was given to a report by the Independent Chair of the Lincolnshire Local Pension Board which updated the Pensions Committee on the work of the Board during the past few months. David Vickers, Scheme Member Representative to the Board, presented the report and the following matters:

- The Board had considered the pension administrators progress concerning the TPR Dashboard, key risks and overall performance. The Board felt that the TPR Dashboard would be a very useful tool for scheme members and that the administrator's performance was somewhat disappointing, especially in relation to death in service benefits.
- The Board found the low uptake and completion of relevant training by the Committee to be a risk, and that membership vacancies needed to be filled.

The Committee discussed the report, and it was noted that concerns regarding the pension administrator's performance had been raised by the Committee on numerous occasions and that staffing was frequently cited as an ongoing issue. The Committee felt that the Administrator's Resource Plan due to come to the Committee in January 2024 would be a good opportunity to further address these concerns.

RESOLVED

That the report and comments made be noted.

33 PENSION FUND UPDATE REPORT

Consideration was given to a report which updated the Committee on Fund matters for the quarter ending 30 June 2023 and any other current issues. The Committee was guided through the report and the following key points were highlighted:

- A change to the funding basis had been agreed with the actuary to ensure prudence and consistency in asset classes had been maintained. The impact of this was a 5% drop in the funding position; however, the overall fund position was still over 100% funded.
- Options were being explored to help expediate training for Committee members.
- The Border to Coast funding model was being reviewed. This change had been anticipated for some time and had been brought forward one year. The final changes were to be brought to the Committee for consideration once fully drafted.
- The external auditors had yet to sign off the Council's 2021/22 and 2022/23 accounts, which included the pension fund accounts, but this was expected to be completed by the end of the month and end of the year respectively.

The Chairman and Councillor A Briggs reported that they had attended the Border to Coast Annual Conference, which was very useful, and it was recommended that other members attend the next year's conference. Their key findings from the conference were explained to the Committee.

The Committee was reminded that the LAPFF Annual Conference was scheduled to take place in Bournemouth on 6-8 December 2023 and the LGPS Annual Governance Conference was scheduled for 18-19 January 2024 in York.

The Committee discussed the report. It was felt that an in-person session dedicated to going through the LOLA training material would be beneficial.

The Committee also felt that future reporting on the future funding model for Border to Coast should include a snapshot comparison of the cost differences between the old and new arrangements for their consideration.

RESOLVED

1. That the report be noted.
2. That a LOLA training session be scheduled for members of the Pensions Committee and LGPS Pensions Board.

34 PENSIONS ADMINISTRATION REPORT

Consideration was given to a report prepared by the Fund's pension administrator, West Yorkshire Pension Fund (WYPF). The Committee was guided through the report, and the following matters were highlighted:

- Progress had been made regarding staffing and resourcing and subsequently performance across key areas was improving.
- Assurance was given that despite slow processing of information, payments had been made on time.
- Deferred benefits requests had increased, adding to the existing workload.
- The shared service agreement refresh was underway.
- The administrator was ready to deliver the McCloud underpin as and when required.

The Committee discussed the report, and some formatting issues were identified in the shared service risk register, which would be rectified in future reports.

RESOLVED

That the report and comments made be noted.

35 RISK REGISTER ANNUAL REVIEW

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PENSIONS COMMITTEE

12 OCTOBER 2023

Consideration was given to a report by the Head of Pensions which presented the Pension Fund Risk Register and Risk Policy to the Committee for annual review and approval. Members were guided through the report and it was noted that there were no material changes to the policy and risk register.

It was reported that the risk of 'loss of key staff', which was a major concern, was improving with the recruitment of new staff now underway as well as the return to work of a key colleague.

RESOLVED

1. That the risk management policy be approved.
2. That the risk register be approved.

36 PERFORMANCE MEASUREMENT ANNUAL REPORT

Consideration was given to a report by the Head of Pensions which set out the Pension Fund's longer term investment performance for the period ending 31 March 2023. Members were guided through the report and information relating to ten, five and three year returns, Performance analysis, and the PIRC Local Authority Universe was highlighted.

It was reported that Lincolnshire Pension Fund was within the 36th percentile of the PIRC Local Authority Universe over the 10-year period.

Consideration was given to the report and it was clarified that the PIRC Local Authority Universe was a ranking out of 63 pension authorities. It was also clarified that it was difficult to properly rank fund performance, as no two funds could be considered comparable in terms of the types of investments they held.

RESOLVED

That the report be noted.

37 CONSIDERATION OF EXEMPT INFORMATION

RESOLVED

That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it is considered to contain exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

38 BORDER TO COAST STRATEGY UPDATE

Consideration was given to an exempt report and presentation from Border to Coast Pensions Partnership.

A number of questions were asked, and comments received.

RESOLVED

That the exempt report, presentation and discussion be noted.

The meeting closed at 12.25 pm