

PRESENT:

Independent Chair: Roger Buttery.

Employer Representatives: Councillor M A Whittington and Gerry Tawton.

Scheme Member Representatives: Kim Cammack and David Vickers.

Officers in attendance:-

Cheryl Evans (Democratic Services Officer), Yunus Gajra (Business Development Manager, West Yorkshire Pension Fund), Claire Machej (Accounting, Investment and Governance Manager) and Jo Ray (Head of Pensions).

14 APOLOGIES FOR ABSENCE

There were no apologies for absence.

15 DECLARATIONS OF INTEREST

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

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

16 MINUTES OF THE PREVIOUS MEETING HELD ON 16 JULY 2020

RESOLVED

That the minutes of the meeting held on 16 July 2020 be approved as a correct record and signed by the Chairman.

17 PENSION FUND UPDATE REPORT

A report was submitted to the Board on various Pension Fund matters for the quarter ending 30 June 2020. These matters included Local Authority Pension Fund Forum Membership; the Pensions Regulator checklist dashboard; the breaches register; the risk register; asset pooling; and the funding strategy statement and exit credit policy.

Two matters were highlighted to the Board:

- As proposed by the Board on 16 July 2020, and approved by the Pension Committee on 15 October 2020, there had been two additions to the risk

register: *Failure of Border to Coast Pensions Partnership Limited, as the Fund's asset pool and investment manager and the Pensions Regulator requirements not adhered to.* Both risks currently had green ratings.

- Following changes in LGPS regulations and consultation with employers, administering authorities were now required to have a robust exit credit policy in place, documented within their funding strategy statement. The draft policy, along with an update to the funding strategy statement, which had been approved by the Pensions Committee on 15 October 2020, was set out at Appendix C to the report.

RESOLVED

That the Pension Fund update report be noted.

18 PENSIONS ADMINISTRATION UPDATE REPORT

The Business Development Manager from the West Yorkshire Pension Fund reported on the Fund's key performance and benchmarking for the period 1 April to 30 June 2020. The report also included information on the membership of the fund, including 'joiners' during the three month period; customer satisfactions scores; internal dispute resolution procedures; and several other administrative updates.

It was highlighted that employer training had initially been suspended owing to the Covid-19 pandemic; however virtual training was now being provided.

The number of annual benefit statements produced for Lincolnshire by 31 August 2020 was 20,477, which represented 99.3% of members eligible to receive one. The remaining records were awaiting responses to queries with employers. The Board congratulated West Yorkshire Pension Board for issuing 99.3% of statements, despite the challenges of the Covid-19 pandemic.

It was also highlighted that with regards to the McCloud judgement, the Ministry of Housing, Communities and Local Government had issued a twelve-week consultation on amendments to the statutory underpin. A summary of the consultation was outlined on page 36 of the agenda pack. It was confirmed that it was anticipated that additional resources would be required following any changes made following the implementation from any proposals arising from the consultation. This could include a dedicated team to work through the required changes.

In response to a question, it was advised that when employers left the fund it was normally due to contractual arrangements ceasing.

It was confirmed that the Head of Pensions was notified of any security breaches from the West Yorkshire Pension Fund so there was full oversight.

RESOLVED

That the Pension Administration report from the West Yorkshire Pension Fund be noted.

19 DATA SCORES

A report from the West Yorkshire Pension Fund's Business Development Manager was submitted on the quality of the Fund's data (both common and scheme specific), as required by the Pensions Regulator (TPR). The level of missing addresses for deferred scheme members was highlighted, and a tracing programme was in place.

As the data remained unchanged since the update received in July 2020, it was suggested that future reports were provided to the Board on a six monthly basis to fit in with the reporting to TPR.

It was agreed that the Head of Pensions would circulate benchmarking information on data scores from Border to Coast partner funds via email to members of the Board.

RESOLVED

- (1) That the report on the West Yorkshire Pension Fund's data scores and data improvement plan be noted.
- (2) That future updates on *Data Scores* be presented to the Board on a six monthly basis, starting in January 2021.

20 INTERNAL DISPUTES RESOLUTION PROCEDURES

A report from the Business Development Manager was submitted on the Fund's Internal Disputes Resolution Procedure and how the process was administered by the Lincolnshire Pension Fund and the West Yorkshire Pension Fund.

The internal disputes resolution procedure was outlined to the Board and it was confirmed that the two-stage process was thorough and cases were looked at by independent senior officers, who did not have any personal interest in the case and could provide an impartial decision. The Board was assured that the Business Development Manager, who acted as the independent senior officer for stage two cases, did not have a conflict of interest and acted independently. It was confirmed that the West Yorkshire Pension Fund did not get involved with employer stage one disputes.

RESOLVED

That the report be noted.

21 EMPLOYER MONTHLY SUBMISSIONS UPDATE

The standard report on employer monthly submissions for the period April to June 2020 was submitted to the Board, in which the Board was advised that from the 270 employers in the Fund, eleven payments of contributions and 25 data submissions had been received late for the first quarter of 2020-21, and no fines had been issued. Late returns by employers were set out at Appendix A to the report.

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It was confirmed that late data in the first month of the year, April 2020, was typical for the time of year and usually related to some employers having switched payroll provider.

RESOLVED

That the update report on employer monthly submissions be noted.

22 PENSION FUND EXTERNAL AUDIT REPORT 2019/2020

Consideration was given to a report which summarised the findings from the work undertaken by the Council's External Auditors, Mazars, in giving their opinion on the Pension Fund Accounts and Annual Report. Mazars' findings had been presented to the Audit Committee in September 2020. The External Auditors Audit Completion Report was set out at Appendix A to the report.

It was advised that Mazars' was expected to issue its unqualified opinion on the Lincolnshire Pension Fund by the end of October 2020.

In response to a question, it was advised that the audit had been a long process; however this was partly owing to exceptional circumstances relating to the Covid-19 pandemic. It was noted that the deadline for the accounts opinion had been extended from July to November 2020, owing to the exceptional circumstances.

RESOLVED

That the report be noted.

23 TRAINING NEEDS

The Board considered the standard report on its training needs.

Members of the Board reflected on the virtual training they had attended, which had included the Hymans Robertson bi-weekly update; and sessions run by Barnett Waddingham; Border to Coast; and the Chartered Institute for Public Finance and Accountancy.

Reference was made to the forthcoming Room 151 virtual training by the Local Government Treasury, Technical and Strategic Finance on 21 October 2020. The Head of Pensions agreed to circulate details of the event.

The Accounting, Investment and Governance Manager agreed to explore whether there were any good practice examples on the way in which training was recorded and this would be shared with the Board. In the meantime, members of the Board were asked either to email the Head of Pensions or the Accounting, Investment and Governance Manager with details of any training attended or to maintain their own log to share with the two officers on a quarterly basis.

It was confirmed that officers automatically recorded any attendance at the joint training sessions with the Pensions Committee arranged by the County Council.

RESOLVED

That the report on the Board's training needs be noted.

24 WORK PROGRAMME

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

Further to Minute 19 above, it was noted that future reports on Data Scores would be considered by the Board on a six monthly basis, starting on 7 January 2021.

One item was added to the list for the meeting on 7 January 2021:

- Border to Coast Pension Board Deep Dive – with attendance from a senior officer from Border to Coast.

RESOLVED

That the report on the work programme, including the reports be noted, subject to the additions listed above.

25 EXCLUSION OF PRESS AND PUBLIC

RESOLVED

That in accordance with Section 100A of the Local Government Act 1972, the press and public be excluded for the following items of business on the grounds that if they were present there could be a disclosure of exempt information, as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

26 ACTUARIAL TENDER AND APPOINTMENT RECOMMENDATION

Consideration was given to an exempt report by the Head of Pensions on the actuarial tender and appointment recommendation.

Officers responded to the questions raised.

RESOLVED

That the exempt report be noted.

27 INTERNAL AUDIT OF LINCOLNSHIRE AND WEST YORKSHIRE
PENSION FUNDS

Consideration was given to an exempt report by the Accounting, Investment and Governance Manager on the internal audit of Lincolnshire and West Yorkshire Pension Funds.

Officers responded to the questions raised.

It was agreed that a further update be provided as part of the Pension Administration Update Reports in March 2021 and July 2021.

RESOLVED

- (1) That the exempt report be noted.
- (2) That a further update be provided as part of the Pension Administration Update Reports in March 2021 and July 2021.

28 CYBER SECURITY

Consideration was given to an exempt report and presentation by the Business Development Manager, West Yorkshire Pension Fund, on cyber security.

Officers responded to the questions raised.

RESOLVED

That the exempt report and presentation be noted.

The meeting closed at 4.06 pm.