

PRESENT:

Independent Chair: Roger Buttery,

Employer Representatives: Councillor M A Whittington

Scheme Member Representatives: Kim Cammack and David Vicker

Officers in attendance:-

Michelle Grady (Assistant Director – Finance), Jo Kempton (Head of Pensions), Claire Machej (Accounting, Investment and Governance Manager) Joshua Drotleff (Finance Technician) and Thomas Crofts (Democratic Services Officer)

Others in attendance:-

Matthew Mott (West Yorkshire Pension Fund), Milo Kerr (Border to Coast), Neil Hawkins (Border to Coast), Lisa Darvill (West Yorkshire Pension Fund) and Sukhjot Kaur (West Yorkshire Pension Fund)

1 APOLOGIES FOR ABSENCE

An apology for absence was received from Peter Allan (Employer Representative).

2 DECLARATIONS OF INTEREST

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

3 RATIFICATION OF THE NOTES OF THE INFORMAL MEETING HELD ON 13 JULY 2023

RESOLVED

That the notes of the informal meeting held on 13 July 2023 be ratified.

4 PENSION FUND UPDATE REPORT

Consideration was given to a report by the Head of Pensions, which provided an update on Fund matters. The Board was provided with updates on the following: the breaches register, recruitment to new posts, the risk register and asset pooling.

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**LGPS LOCAL PENSION BOARD
9 NOVEMBER 2023**

The Board were advised that all members of the Pensions Committee had completed the necessary training except for the newest members who were still within the six month window to complete their training.

The Board expressed concerns regarding the timely completion of training by the Pensions Committee as the six month training window was soon to pass for the newer members.

RESOLVED

That the update be noted.

5 PENSIONS ADMINISTRATION REPORT

Consideration was given to a report by West Yorkshire Pension Fund (WYPF), which provided an update on current administration issues.

It was reported that membership numbers had grown by 9% and some KPIs had not been met in part due to increased levels of leave and volumes of work. However, there were no worrying trends to report. It was also reported that member satisfaction scores were now at 88.9%.

The Board considered the report, and the following matters were raised:

- The Board were advised that the number of 'frozen' scheme members (members entitled to a refund) had increased, which presented some risks, as these members could become in receipt of deferred benefits.
- Issues concerning delayed AVCs had been recognised and were in part due to the calculation of tax allowance thresholds.
- Underperforming KPIs were given priority in the setting of performance targets.
- The Pensions Committee had requested the pension administrator's resources plan be presented at a subsequent meeting to investigate the existing backlog of work.
- Membership numbers recorded the number of records not people, as multiple records could belong to the same person. The increasing number of records nonetheless generated extra work for the administrator.
- Employer training continued to be rolled out.
- Wording around cases referred to the Pensions Ombudsman was to be clarified and amended in the next report in order to demonstrate the clear reason for the decision from the stage two IDRPs.
- Implementation of the McCloud remedy will be based on existing member records. Additional information was requested from employers, but response levels and accuracy were poor. Existing records contain sufficient information to successfully calculate the impact of McCloud on individual member records.
- Regulatory updates were outlined.

RESOLVED

That the report be noted.

6 TEMPORARY BANK ACCOUNTS

Consideration was given to a report by West Yorkshire Pension Fund (WYPF) on the number of temporary bank accounts created by the Fund to hold monies due to beneficiaries of the scheme.

Consideration was given to the report and during the discussion the following comments were raised:

- Tracing of scheme members had stalled during the pandemic public health measures.
- The new Pensions Dashboard was anticipated to help trace members whose addresses had not been updated.
- Temporary bank accounts would not be included as part of the pension fund revenue account as these balances belong to members not the Fund and measures were taken to safeguard against fraud.
- Unclaimed pension benefits could impact state benefit claims.
- Monies owed to a scheme member remained untouched until a legitimate claim was made to access them. Scheme members that were entitled to benefits were obligated to receive the monies owed to them.

RESOLVED

That the report be noted.

7 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.

There were no material changes to the risk register since the last time it was presented.

Concerning personnel, one colleague had returned from long term sick leave and an additional post had been successfully recruited in the team.

Consideration was given to the report and during the discussion the following comments were raised:

- Collectively, the Pension Committee's level of training was improving, with the exception of the newest members.

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- Information on further pooling was expected following the conclusion of the current consultation. The addition of a risk in this area will be considered once more information has been received.

RESOLVED

That the report and comments made be noted.

8 BORDER TO COAST ANNUAL REPORT AND ACCOUNTS

Consideration was given to a report by Border to Coast Pensions Partnership, which presented an overview of their vision, governance arrangements, strategic priorities, finances, partnerships and an update on pooling savings.

Consideration was given to the report and the service's value for money was discussed. It was clarified that Border to Coast did not pass on costs for profit but operated on a cost only fee basis.

RESOLVED

That the report and comments made be noted.

9 TRAINING NEEDS

The Board's training needs were considered, and it was highlighted that the LOLA training had been updated and further modules now needed to be completed, but previously completed modules did not need to be redone. It was noted that a group training session on LOLA for the Pensions Committee and Board was to be scheduled for the new year.

Members of the Board discussed their recent training activity, which included the following:

- Unison's 24-hour pensions event, which covered pensions pooling and transparency in governance.
- CIPFA webinar, which covered a comparison of funding levels and a recap of the McCloud ruling.
- Various private sector events.

RESOLVED

1. That the training needs be noted.
2. That the Board Training Policy be approved.

10 WORK PROGRAMME

Consideration was given to the Board's work programme, which presented items for consideration at future meetings.

Members were advised that there were no changes to the work programme since its publication. The following matters were noted:

- That the Employer Monitoring and Data Analytics Review reports were now annual items and would be presented at the January meeting.
- The six-monthly Data Quality report was to be presented in January, as was the External Auditors report on the 2022/23 Annual Report and Accounts.
- The Pensions Combined Code was to be presented to the Board once it had been published.
- Barnet Waddingham was due to present climate change training to the Pensions Committee on 11 January 2024, to help plan the journey towards net zero. Board members were welcome to attend.

RESOLVED

That the work programme be noted.

The meeting closed at 4.05 pm