



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

Report to:	Pensions Committee
Date:	14 October 2021
Subject:	Report by the Independent Chair of the Lincolnshire Local Pension Board

Summary:

The purpose of this report is:

- A) To update the Pensions Committee on the work of the Pension Board (PB) during the last few months;
- B) For the Pensions Committee to receive assurances gained from the PB's work; and
- C) For the Pensions Committee to consider recommendations from the PB.

Recommendation(s):

The Pensions Committee is requested to note the report.

Background

1.0 OUTCOMES FROM PENSION BOARD MEETING ON 15 JULY 2021

1.1 The PB met on the 15 July and a particular focus was on the following:

- a) Employer Monthly Submissions and Contribution Monitoring;
- b) Data Quality;
- c) Prudential AVCs; and
- d) Draft Annual Report and Accounts.

1.2 **Employer Monthly Submissions and Contribution Monitoring** - the PB considered the standard report on employer monthly submissions for the final quarter of the financial year 2020/2021. Performance during the final quarter was generally

good. The issue identified earlier in the year with one of the Fund's larger payroll providers had been resolved and no fines were issued during the quarter. During the financial year, there were 20 cases of the late payment of contributions and 111 cases of the late submission of monthly returns. Arising from the discussion on late payments, etc., I was requested to write to the Scheme Advisory Board – a copy of the letter and response is attached at **Appendix A**.

- 1.3 **Data Quality** – the PB considered a further update from WYPF on the data scores for the Lincolnshire Pension Fund as reported to the Pensions Regulator; these were Common 95.86% and Scheme Specific 84.32%. Both scores show only a marginal improvement over those recorded six months previously, namely 95.66% and 84.03%, respectively. The target is 100%, particularly for Common Data. WYPF is currently working on a data improvement plan, using a tracing company in an attempt to track lost members. WYPF expect that the data quality report will show a bigger improvement when the report is next considered by the Board as work is underway to address some of the bigger outstanding numbers within the improvement plan. The PB will continue to monitor the position because the Pensions Regulator expects an improvement in data quality for all public sector schemes.
- 1.4 **Prudential AVCs** – for many years, Prudential has provided an excellent service for members with AVC funds. However, Prudential's administration platform has been changed recently resulting in major problems and a poor service to members. Both Lincolnshire and WYPF reported Prudential to the Pensions Regulator and are monitoring their performance closely. West Yorkshire has reported a slight improvement in services to members in recent months, and Prudential are awarding members a payment for poor service, inconvenience and distress. A further update will be given as part of the Fund Update Report.
- 1.5 **Draft Annual Report & Accounts** – the PB also considered the Pension Fund draft Annual Report & Accounts and congratulated the Head of Pensions on an excellent document. The PB raised a few queries which were satisfactorily resolved.

Conclusion

ASSURANCES GAINED BY THE BOARD

- 2.1 The vast majority of employers pay their contributions on time and submit the required documentation.
- 2.2 The PB has some concerns about the data scores and cannot provide full assurance on this aspect.
- 2.3 Services from Prudential continue to cause concern, although it is pleasing to see some improvement in services to members. The PB and Officers will continue to monitor progress in the coming months.

2.4 The draft Report & Accounts demonstrates excellent stewardship.

Roger Buttery
Independent Chairman

September 2021

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	Letter from the Chairman of the Pensions Board to the Scheme Advisory Board regarding Employer Contribution Concerns

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 Roger Buttery, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

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