



# Minutes

Name of meeting	<b>PENSION BOARD</b>
Date and time	<b>17 OCTOBER 2017 COMMENCING AT 2.00PM</b>
Venue	<b>CONFERENCE ROOM 4, COUNTY HALL, NEWPORT, ISLE OF WIGHT</b>
Scheme Member Representatives	Paul Wilkinson, Barbara Milton
Employer Representatives	Cllr Reg Barry, Tracy Bull
Officers	Matthew Collier, Pension/Payroll Lead Officer Jo Thistlewood, Technical Finance Manager Marie Bartlett, Democratic Services Officer Helen Miles, Head of Legal Services
Apologies	Claire Shand, Head of Resources

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11. [Election of Chairman for the day](#)

As the board members' term of office had expired and new members had now been appointed to the board, it was agreed to nominate a Chairman for the meeting. Guidance on the chairman role would be circulated and an appointment of chairman be agreed at the next scheduled meeting.

Paul Wilkinson was nominated and seconded.

**RESOLVED :**

THAT Paul Wilkinson be elected as Chairman for the day.

12. [Minutes](#)

**RESOLVED :**

THAT the Minutes of the meeting held on [11 July 2017](#) be confirmed subject to the following amendments:

THAT Minute number 5 to include that the proposed Terms of Reference submitted by the Pension Board had been based on a template from the Scheme Advisory Board.

THAT Minute number 6 be amended to include that the board had been advised that if they felt there had been a breach then it needed to be reported.

THAT Minute number 9, the resolution be amended to read "THAT a report be made to the pension board regarding the new legislation regarding security and data access".

13. **Declarations of Interest**

There were no declarations received at this stage.

14. **Pension Board Terms of Reference**

Following the board meeting in July 2017, a review of changes to the Pension Board Terms of Reference had been commissioned from Hymans Robertson LLP. A number of substantive amendments had been suggested. Concern was expressed by Hymans that the board had proposed a prescriptive remit which gave the board greater autonomy than the Public Service Pensions Act 2013 or the Local Government Pension Scheme Regulations intended to set out.

The Pension Fund Committee had discussed the Terms of Reference at its meeting on 6 October 2017 and the following amendments had been suggested:

- The sentence beginning "to be held between May and July" be removed from paragraph 1.9 (ii)
- The words "the board itself or any sub committees it may deem necessary" be added in paragraph 1.3 (xii)

The board discussed the proposed Terms of Reference and questioned officers on some of the content. The Technical Finance Manager advised that a meeting had been arranged for the chairman of the Pension Board meeting to meet with the Pension Fund Chairman to discuss any amendments the board proposed to the terms of reference.

**RESOLVED :**

- (i) THAT the board considered the revised terms of reference and recommended the following changes be made:
- (ii) THAT In 1.2 (i) bullet point 5 be brought in line with the bullet points above.
- (iii) THAT 1.3 (iv) be amended to read "Scheme Member representatives shall be appointed from suitable candidates nominated by UNISON".
- (iv) THAT 1.3 (iv) be amended to read "should UNISON fail to nominate suitable representatives".

- (v) THAT 1.3 (xii) be amended to read “The board may, with the approval of the Scheme Manager, co-opt persons in a non-voting capacity who are not members of the board to serve on the board itself or any sub committees, it may deem necessary particularly where this would add skills and experience.”
- (vi) THAT 1.8 (i) be amended to read “a member of the Pension Board must become conversant with”.
- (vii) THAT 1.9 (ii) be amended to read “There will be at least 4 Pension Board meetings a year and other meetings may be convened with due notice as the board determines where possible in advance of the Pension Fund Committee.”
- (viii) THAT 1.14 be amended to include accountability to the Pension Regulator.
- (ix) THAT the board authorised the chairman to meet with the chairman of the Pension Fund Committee to consider any further changes to the terms of reference which may be necessary.

15. **Pension Fund Committee Terms of Reference**

The board were advised that the Pension Fund Committee had considered the revised terms of reference which had been proposed following a board meeting in July 2017. The Committee had requested that the words “and length” be removed from the title on paragraph five.

There was some discussion regarding the risk element which board members felt needed to be included although officers advised that there was currently some reference to risk included.

**RESOLVED :**

- (i) THAT the board considered the revised terms of reference and recommended the following changes be made:
- (ii) THAT under section 1.1.1, a new bullet point be added under managing communications to cover the provision of information to members for retirement planning.
- (iii) THAT under section 1.1.1, a new bullet be added under monitoring the fund’s performance, to include reference to key performance indicators.
- (iv) THAT the word “officer” be added after “administrative support” in section 2.1.
- (v) THAT section 5 be expanded to include informal meetings convened for training purposes, to which board members would be invited.

- (vi) THAT the board authorised the chairman to meet with the chairman of the Pension Fund Committee to consider any further changes to the terms of reference which may be necessary.

16. **Reporting Breaches of the Law to the Pension Regulator Policy**

A Reporting Breaches of the Law to the Pensions Regulator policy is one of the key documents required by the Pensions Regulator as part of the schemes' governance framework. Members were reminded that there was a training module on this topic in the Pensions Regulator's training toolkit.

The board were advised that the policy outlined the process whereby breaches would be reported to the Section 151 Officer and the Pension Fund Committee chairman and an urgent meeting would be called if it was deemed necessary. Otherwise the breach would be reported to the board at its next scheduled meeting.

The Employer representatives were asked to inform outside employers of the policy so that there was awareness of it.

**RESOLVED :**

THAT the board reviewed the reporting Breaches of the Law to the Pensions Regulator Policy and did not identify any changes to be made. The board recommended the policy to the Isle of Wight Pension Fund Committee for adoption.

17. **Complaints and Internal Dispute Resolution Process (IDRP)**

The Technical Finance Manager advised the board of the process for complaints and internal disputes resolution. Members were reminded that there was a module on this topic included in the Pension Regulator's training toolkit.

**RESOLVED :**

(i) THAT the board reviewed the Complaints and Internal Dispute Resolution Process (IDRP) and did not identify any changes to be made. The board recommended the policy to the Isle of Wight Pension Fund Committee for adoption.

(ii) THAT the board agreed to recommend to the Pension Fund Committee that the monitoring officer (or deputy) be appointed as the adjudicator of stage two disputes.

18. **Governance Compliance Statement**

A summary of the fund's assessment of compliance with governance requirements was provided which would be used to monitor the progress made each year and prioritise issues. A governance policy was required and would be included on the agenda for the next board meeting.

It was explained that the pension/payroll lead officer would be in attendance at future board meetings to support the board's understanding of data issues.

**RESOLVED:**

- (i) THAT the board noted the report.
- (ii) THAT identified data that may require review be included in the work plan for the board.

19. **Internal Audit Report 2016/17 – Payroll and Pensions administration**

The internal audit service had looked at internal controls in respect of the administration and governance for pensions. The next review was expected in three years although if the board believed it necessary an additional audit could be requested.

**RESOLVED :**

THAT the Internal Audit Report 2016/17 payroll and pensions administration be noted.

20. **External Auditors Audit Report 2016-17**

The board were advised that the end of year process for March 2017 had not run as well as it was hoped due to staff absences; members were assured that plans were in place for the 2017/18 end of year to run smoother.

**RESOLVED :**

THAT the External Auditors Audit Report 2016-17 be noted.

21. **Completion of Scheme Return**

It is a regulatory requirement that an annual return of scheme data is filed with the Pensions Regulator by the required deadline (26 October 2017), and one of the key responsibilities of the board is to ensure that the return is submitted. Members were informed that the Regulator had recently issued a fine to a London Borough for non-submission of their annual return.

**RESOLVED :**

THAT the completion of scheme return be noted.

22. **Issues Log**

The board were provided with a summary of the issues from November 2016 to September 2017, it was noted that the number of issues had increased although this was due to expanding a number of current issues to cover specific actions. An officer group had been set up to monitor the log, which was used as an action plan.

The Technical Finance Manager advised that she would enquire if the board chairman would be invited to attend the meetings to be kept up to date with the issues logged.

**RESOLVED :**

THAT the issues log be noted.

23. **Consideration of changes to pension fund governance arrangements**

The board expressed some concern having spoken to members of the joint Pension board and committee in Hampshire, the advantages of joining the arrangements were acknowledged. The board agreed to look at this with an open mind.

The Head of Legal Services advised that a useful starting point for the working group would be to investigate the risks involved. Officers had been in contact with the Department for Communities and Local Government (DCLG) to seek their guidance on matters which should be considered in combining the board and committee.

Officers told the board that a combination was not a done deal and that proper investigation would be undertaken, with further reports provided to both the board and Pension Fund Committee prior to any decision being made.

The Pension Fund Committee had discussed this proposal and agreed that it required investigation, members of the Committee had offered to assist in the working group and the board had also been asked to provide a volunteer – both employee representatives expressed willingness to participate in the working group.

**RESOLVED :**

THAT officers proceed with the investigation into the combination of the committee and the board, that a working group of officers, committee and board members be established, and reports be made to future board meetings.

CHAIRMAN