



Minutes

Name of meeting	PENSION BOARD
Date and time	TUESDAY 24 APRIL COMMENCING AT 10.00AM
Venue	CONFERENCE ROOM 4, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Scheme Member Representatives	Paul Wilkinson (Chairman), Barbara Milton
Employer Representatives	Cllr Reg Barry
Officers	Louise Brading, Jenn Beresford, Matthew Collier, Jo Thistlewood, Megan Tuckwell
Apologies	Tracy Bull

13. [Minutes](#)

RESOLVED:

THAT the Minutes of the meeting held on 27 February 2018 be confirmed.

14. [Declarations of Interest](#)

No declarations were received at this stage.

15. [Governance Compliance Statement](#)

Members considered the draft Governance Compliance Statement which had been reviewed by members of the board. Discussion took place regarding the areas in the statement which may need revision. The following amendments were agreed.

The Pensions Regulator Code of Practice

- Requirement P1.3 – The assessment of full compliance was inappropriate, as a formal “Knowledge and understanding policy/training strategy” had not yet been adopted. It was noted this would form part of the outcome of the current Governance Review for implementation over the 12-18 months from April 2018. It was agreed that this should be amended to “partial compliance”.

- Requirement P1.7 – A Scheme Member Representative questioned if the scheme was fully compliant with this requirement as she did not feel that the roles and responsibilities of the board members were clearly set out in the board’s current terms of reference. The Technical Finance Manager clarified that as the terms of reference had only recently been approved, on recommendation from the Board, and had been reviewed by the governance advisors, the full compliance status was appropriate.
- Requirement P7.1 – Questions were raised in relation to compliance with requirements around annual benefits statement. The Technical Finance Manager confirmed that in the view of the Isle of Wight Council, Annual Benefits Statements for all active, deferred and pension credit members had been issued in line with statutory deadlines, via the Member Self Service (MSS) portal.
- Requirement P7.4 – The Technical Finance Manager advised that, in the opinion of the Council, the information provided electronically complied with the legal requirements, noting that Annual Benefit Statements for members were primarily published on the MSS portal. All active members had been informed of the MSS portal via internal communication at the council, and emails to school business partners and nominated payroll contacts at external employers. Deferred members had been notified of the MSS portal by email. Members questioned whether the fund had fully complied with the requirements to notify all members of the change to electronic communication. As this could not immediately be evidenced, it was agreed that the status of the requirement would be amended to *Partial Compliance*.
- Requirement 8.3 – The board suggested that the status of the requirement could not be fully compliant as a review of the complaints and review process had not been undertaken. It was noted that, since the procedures and process for a review to be undertaken were in place but less than 12 months had passed since they had been adopted; the fund was considered fully compliant.

The Board agreed that the Governance Compliance Statement be recommended for adoption by the Pension Fund Committee at the May 2018 for publication in the annual report subject to the agreed amendments.

RESOLVED:

THAT that the Governance Compliance Statement is recommended for adoption by the Pension Fund Committee at the May 2018 meeting subject to:

- (i) P 1.3 be amended to *Partial Compliance* until the Knowledge and understanding policy/training strategy was adopted
- (ii) P 7.4 be amended to *Partial Compliance* until a review of the legal requirements in relation to communications regarding the scheme had been under taken.

16. [Administration Strategy](#)

The Technical Finance Manager advised there was a need for an administrative strategy. The strategy would be based on Hampshire's strategy and it was expected to be adopted following the Isle of Wight Pension Fund Committee's November 2018 meeting. The strategy would set out the roles, responsibilities, and expectations of the pension fund as the administering authority.

RESOLVED:

THAT the update be noted.

17. **Standing Items:**

a) [Administrative KPIs](#)

Consideration was given to the key performance indicators. The inclusion of data relating to usage of the MSS portal was highlighted. It was noted that while the service could be offered it would be difficult to set goals in relation to the number of users. Officers actively promoted the portal during calls. Discussion took place regarding how usage could be increased and it was suggested:

- Training sessions for members be introduced to demonstrate how the portal can be used. Officers agreed that this could be incorporated into the Pension's presentation in the quarterly Corporate Induction for new employees.
- The board, as scheme member representatives, should raise awareness and encourage members to use the portal.

RESOLVED:

- (i) THAT the information relating to the MSS portal be included in the Corporate Induction programme.
- (ii) THAT scheme member representatives encourage members to use the MSS portal.

b) [Issues Log, Including Data Cleansing Project](#)

The Technical Finance Manager provided an update on Issues Log advising that significant progress had been made. While there were a number of issues for which the status was red, the majority were newly added. Members requested that issue 6; pertaining to training needs analysis remain on the log with a green status until the related activities had embedded.

Members were also updated on the data cleansing project, which had been absorbed into the issues log as a number of separate items at

member's request. The target of completing the work by the end of the calendar year remained unchanged. It was hoped a Data Quality Officer would be appointed before the end of May 2018.

In relation to the issue around the pension fund committee's capacity to deal with all business under the existing meeting structure, a work plan for the work of the committee and the board was presented. The work plan highlighted the volume of work which needed to be addressed. It was suggested there could be a need for a separate Investment Sub-Committee. However, more work was needed before any details could be formally proposed. Members agreed that the number of meetings allocated for the fund would not sustain the upcoming work programme.

RESOLVED:

THAT the update be noted.

c) **Breaches Log**

The Technical Finance Manager advised that there had been no additional breaches or complaints reported since the meeting in February 2018.

RESOLVED:

THAT the update be noted.

d) **Training Log**

The chair presented the log, which set out the training needs of the band recorded each member's progress against each need. It was agreed that Barbara Milton would take on responsibility for collating the log. However, each member would remain responsible for updating their own status. The log would be used in conjunction with the work plan to determine the priorities of training.

RESOLVED:

THAT the log be noted.

18. **Investment KPI's**

The Technical Finance Manager historically the fund had relied on fund managers to report on performance with advice from Mercer Limited, the fund's investment consultants. However as a result of the pooling agenda it was likely a new performance framework would be introduced.

The fund would be required to monitor the investment performance of the pool against set key performance indicators (KPI's). The Committee would be responsible for this. However, the board would need to ensure that the Committee is monitoring appropriately.

RESOLVED:

THAT the work of the board includes ensuring the fund effectively monitor the pool's performance through the agreed Key Performance Indicators.

19. **Budgeting and Accounting Structure**

The Technical Finance Manager provided an informal update, highlighting that while the Pension Fund sits separately within the Isle of Wight Council's accounting structure (using Company 2000) and that historically there had been no formal budget set. Reassurance was provided that transactions between the fund and the council were backed by cash transactions; payroll deductions, pensioner payroll, and creditor payments were automated. The fund accounts were subject to both internal and external audit. It was noted that a draft financial report would be presented at the Pension Fund Committee on 18 May 2018, and the full report would be presented in July.

With regards to budgeting, the Technical Finance Manager advised that while there was a budget for the administration team within the council's accounts, which was recharged to the Pension Fund, there was no budget for other aspects of the funds work. A budget would be created for 2018-2019 and rolled forward for annually. A report would be brought periodically to the board and committee as part of the work plan.

RESOLVED:

THAT the update be noted.

20. **Awareness session**

Members considered an update on the new website project. It was noted that the new website would be based on a templated solution by Hymans Robertson, linkable, fully customisable, and had been well received by other LGPS pension funds. The site would be separate from iwight.com.

The website agreement had been signed in January 2018 and a new domain had been set-up, with the branding and templated text finalised in April 2017. It was anticipated that the website would be ready for review in mid-May 2018. Hymans would also assist with the launch of the new site,

RESOLVED:

THAT the update be noted.

21. **Work plan**

The work plan was discussed and noted.

RESOLVED:

THAT the update be noted.

CHAIRMAN