



Minutes

Name of meeting	ISLE OF WIGHT PENSION BOARD
Date and Time	WEDNESDAY 23 SEPTEMBER 2020 COMMENCING AT 10.00 AM
Venue	VIRTUAL (MS TEAMS)
Board Members	T Bull (Chairman), Cllr R Barry, B Milton and T Ould
Also Present	Leo Atkinson-Goffe, Jo Cooke, Jo Thistlewood and Megan Tuckwell

10. **Development Session**

11. **Minutes**

THAT the Minutes of the meeting held on 17 June 2020 be confirmed as a true record.

12. **Declarations of Interest**

No declarations were received at this stage.

13. **Matters arising from Development Session**

Board members received a development session facilitated by Hymans Robertson LLP on reporting breaches of the law to the Pensions Regulator.

Discussion took place regarding improvements to reporting mechanisms; including reconsideration of the reporting chain, the format of breaches log, and the process for publicising any revised policies. Members agreed that everything must be recorded but not necessarily reported, and that future agendas should contain a standing item on breaches so that this could be monitored.

Members agreed that an item should be added to the next agenda to formally consider any changes to the Breaches Policy to ensure that it remains fit for purpose. The Technical Finance Manager agreed to circulate the current policy for consideration and comment ahead of the next meeting.

Questions were raised regarding the employer that had been repeatedly flagged as non-compliant due to late cheque payments clearing after the deadline. It was confirmed that contact had been made with this employer, and it was agreed that the Admin Team should seek a formal response outlining why they continue to pay by cheque.

RESOLVED:

- i) THAT the Technical Finance Manager circulate the current Breaches Policy to Board Members for consideration and comment.
- ii) THAT the Breaches Policy be formally considered at the next meeting.
- iii) THAT future agendas contain a standing item on breaches.
- iv) THAT the Pensions Employer Liaison and Data Quality Officer write to the repeatedly non-complaint employer requesting a formal explanation as to why they continue to pay by cheque.

14. Board Constitution

Members considered the next steps to increase board membership and the recruitment of an independent chair. Due to officer capacity and as a result of the Covid-19 pandemic, it was advised that progress was deferred until November 2020. This was a priority and had been encouraged by the Pension Fund Committee at its meeting on 2 September 2020.

The Technical Finance Manager advised that the revised Constitution (which included the Board's revised terms of reference) was due to be presented to Full Council on 18 November 2020. The Monitoring Officer issued dispensation which allowed the Board to operate as though the revised terms of reference were agreed, as it was originally due to be approved in May 2020 but was delayed due to the Covid-19 pandemic.

Discussion took place regarding the process for increasing board membership and appointing an independent chair. Members considered enhancing the role descriptions and explored the possibility of remuneration to attract new members.

Consideration was given to the recruitment process for appointing an additional employer representative. It was agreed that this should be an Isle of Wight Council officer (rather than an elected member) as there was a difficulty in securing elected member engagement. The Technical Finance Manager agreed to recirculate the draft Board Member role profile, and with agreement, would subsequently circulate this internally to Council officers.

RESOLVED:

THAT the Technical Finance Manager recirculate the draft Board Members role profile for consideration.

15. Report from Pension Fund Committee meeting

15.1 The process for the approval of the pension fund annual report and accounts

The Technical Finance Manager provided an overview of the process for the completion and approval of the pension funds annual report and accounts for the year ended 31 March 2020.

It was advised that the external auditors had completed their audit of the pension fund and had identified no issues. There was an intention that this would be presented to the Pension Fund Committee in October 2020 (subject to final audit) and to be subsequently presented to the Audit Committee in November 2020 for approval as part of the Councils annual report and accounts.

Questions were raised regarding process for approval, and the Board sought reassurance that all documents would be looked at appropriately by Committee Members. It was reassured that Committee members have seen all aspects of the report, and for transparency, the Technical Finance Manager would include a covering report detailing a full summary of the sections which had been circulated along with any comments that had been received.

RESOLVED:

THAT the process for the approval of the Pension Fund Annual Report and Accounts be noted.

15.2 Scheme changes

Members received the report presented to the Pension Fund Committee at its meeting on 2 September 2020, which detailed recent developments in the legislative requirements, statutory guidance and requirements of the Pensions Regulator in the management of the Local Government Pension Scheme.

With regard to the McCloud remedy, it was advised that the consultation response had been drafted and circulated to Board and Committee members. Members noted that the burden for administering the corrections would fall to the Admin Teams of individual funds, and resource implications may arise from this as a project board would need to be put in place.

It was advised that the remedy for the residual discrimination survivor benefits had not yet been finalised, and the exit payments for public sector employees had been capped. Members requested that they receive regular position updates on the McCloud Remedy and scheme changes at future meetings.

RESOLVED:

THAT future agendas contain a standing item on the McCloud Remedy and scheme changes.

16. Standing Items

16.1 KPI's

Members received the administration statistics for the year 2020-21 to date 31 August 2020. It was advised that all Annual Benefits Statements and Pensions Savings Statements had been issued and were available on Members Self Service, and communications had gone out to all affected members.

The Pensions Employer Liaison and Data Quality Officer provided an update on progress with the implementation of the workflow system. It was advised that this would create more transparent tasks; enabling accurate reporting on how long the Admin Team take to process payments, as well as reporting on delays caused by external influences. Members agreed that they would appreciate a presentation on this at a future meeting.

Questions were raised regarding progress with the i-Connect project. The Employer Liaison and Data Quality Officer provided an update and confirmed that 15 of the 30 employers were currently live. It was anticipated that there would be 100% usage by April 2021, dependant on employer engagement.

RESOLVED:

- i) THAT the administration statistics for the year 2020-21 to date (31 August 2020) be noted.
- ii) THAT the Employer Liaison and Data Quality Officer deliver a presentation on workflow processes and reporting at a future meeting of the Board.

16.2 Breaches Log and Complaints

Members noted that no breaches of complaints had been reported. Members noted that late payments of employer contributions would be discussed under the following item (Minute 15c).

RESOLVED:

THAT members noted that no breaches or complaints had been reported.

16.3 Employer Compliance with Administration Strategy

The Technical Finance Manager presented information on employer compliance with end of month reporting and payment deadlines for the year 2020-21 to date 31 July 2020. It was noted that there was overall good performance, reporting against the statutory deadlines. Instances of late submissions were due to payments made by cheque, and it was reassured that the Pensions Employer Liaison and Data Quality Officer would write to this employer requesting a formal explanation as to why they continue to submit contributions in this manner.

RESOLVED:

THAT the employer compliance with end of month reporting and payment deadlines for the year 2020-21 to date (31 July 2020) be noted.

16.4 Workplan

Discussion took place regarding the work programme for forthcoming meetings of the Pension Fund Committee and Pension Board. Members agreed that the first hour of future Board meetings should be used for training sessions, and the Technical Finance Manager agreed to contact Hymans Robertson to facilitate this. Members requested that a future training session focus on risks, and that any

presentation materials be provided in advance of the session in order for the information to be reviewed.

RESOLVED:

THAT the Technical Finance Manager contact Hymans Robertson to facilitate future development sessions.

17. Items circulated for Members' attention

Members noted the items circulated for information since the last meeting, and it was advised that Board Members had been booked onto various virtual training events and seminars which would take place over the coming months.

RESOLVED:

THAT the items circulated to board members for information since the last meeting (17 June 2020) be noted.

18. Other matters for the Boards attention

Members were invited to raise any other matters. Questions were raised regarding the current value of the fund's investments compared to the end of June, given recent market movements. The Technical Finance Manager agreed to circulate a detailed breakdown of this after the meeting. Members were reassured that there had been no notification of any significant issues impacting the funds position, and that a full report (including Hymans' Robertson's analysis of general market conditions) would be presented at to the Pension Fund Committee on 28 October 2020.

RESOLVED:

THAT the Technical Finance Manager provide the Board with a breakdown of the current value of the fund's investments (compared to the end of June 2020) given recent market movements.

CHAIRMAN