



# Minutes

Name of meeting	<b>LOCAL PENSION BOARD</b>
Date and Time	<b>WEDNESDAY 5 APRIL 2023 COMMENCING AT 2.00 PM</b>
Venue	<b>COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT</b>
Present	M Doyle (Chairman), N Cain, A Curzon, M Lilley, B Milton and T Ould
Also Present	Cllr C Jarman Matthew Collier, Jo Cooke, Jo Thistlewood and Megan Tuckwell
Apologies	L Kingston

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## 43. **Minutes**

RESOLVED:

THAT the minutes of the meeting held on 17 January 2023 be approved.

## 44. **Declarations of Interest**

No declarations were received.

## 45. **Report from the Pension Fund Committee**

Consideration was given to the draft minutes of the meeting of the Pension Fund Committee held on 8 February 2023. No comments or questions were raised and the report was noted.

RESOLVED:

THAT the report from the Pension Fund Committee be received and noted.

## 46. **Annual Report and Accounts 2021-22**

The Pension Fund Manager presented the external auditors' draft audit results report (as presented to the Audit Committee on 20 March 2023) and confirmed that no areas of concern had been identified. The Pension Fund Manager provided a verbal update on the progress towards the completion of the Isle of Wight Council's audit (which included the fund's accounts), and it was advised that there was likely to be further delays of at least three weeks. Discussion took place regarding the national auditor resource issue, particularly the knock-on impact that this was likely to have on future years' and any potential financial and legal consequences that the

fund could incur as a result of the delays. It was confirmed that the Board would be notified following the publication of the fund's annual report and accounts for the year ended 31 March 2022.

RESOLVED:

THAT the draft audit results report, and the update on the progress towards the completion of the Isle of Wight Council's audit (hence the provision of the audit opinion on the pension fund's annual report and accounts), be noted.

**47. Triennial Valuation 2022**

Consideration was given to the report which confirmed the completion of the fund's triennial valuation, and advised on the publication of the final valuation report and the Funding Strategy Statement on the fund's website. Questions were raised regarding employer engagement and contribution rates. Discussion took place regarding the Investment Strategy Statement which was due for its three-yearly review in May 2023. Concerns were raised that matters of responsible investment would not be comprehensively covered within the review due to resourcing pressures, and it was suggested that an external consultant be commissioned to progress this. It was suggested that a future workshop be held to cover ESG/RI.

RESOLVED:

THAT the completion of the triennial valuation (at 31 March 2022), and the publication of the report on the actuarial valuation and the publication of the Funding Strategy Statement, be noted.

**48. Local Pension Board Annual Report 2022-23**

The chairman presented the draft annual report for the Local Pension Board for the year ended 31 March 2023. Attention was drawn to the progress made against matters of cyber security and the key-person risk. No comments or questions were raised, and the draft report was agreed for recommendation for presentation to the Pension Fund Committee.

RESOLVED:

THAT the draft Local Pension Board Annual Report 2022-23 be confirmed and be recommended for presentation to the Pension Fund Committee at its meeting on 24 May 2023.

**49. Report from the Pensions Administration Team**

The Pensions Manager presented the report on administration statistics, employer compliance with end of month reporting and payment deadlines for the year 2022-23 to date, complaints recorded, and breaches of the law identified since the last meeting. Attention was drawn to key updates relating to the target tracing service, i-Connect, Altair Image, and GMP projects. Concerns were raised regarding the future impact on the Team's capacity as a result of the upcoming McCloud remedy, the organisational review of the Council, and the issues associated with recruitment and retention of staff (and the inability to offer competitive salaries). The Board

noted the key performance indicators and expressed its thanks to the Team for their work.

RESOLVED:

THAT the report from the Pensions Administration Team be received and noted.

**50. Cyber Security**

The Pension Fund Manager presented the report which provided information and assurance that appropriate cyber security controls were in place for the Isle of Wight Council and Heywood Pension Technologies. Questions were raised around independent quality checks and the development of a fund-specific disaster recovery plan. It was advised that further work would be required to develop fund-specific policies and processes for cyber security.

RESOLVED:

THAT the next steps required to gain further assurance on cyber security controls be noted.

**51. Risk Management**

Consideration was given to the updated risk register. Attention was drawn to the closure of 17 additional risks, the creation of three new risks, the six red-rated risks, the increase in risk score of two risks, the reduction in risk score of three risks, and the unchanged score of the remaining 19 risks. Discussion took place regarding the risks on investment pooling, changes to legislation, resilience and capacity, and ESG/RI and climate change.

RESOLVED:

THAT the updated risk register be agreed and be recommended to the Pension Fund Committee for adoption.

**52. Reporting Breaches Policy Review**

The Board received a short briefing session on The Pension Regulator's code of practice in respect of reporting breaches of the law. Consideration was given to the draft Recording and Reporting Breaches of the Law Policy for the fund (in conjunction with the requirements of the Pension Regulator's code of Practice). No comments or questions were raised, and it was confirmed that the policy was fit for purpose, and it was agreed for recommendation to the Pension Fund Committee for adoption.

RESOLVED:

THAT the draft Policy for Recording and Reporting Breaches of the Law be recommended to the Pension Fund Committee for adoption at its meeting on 24 May 2023.

53. **Knowledge and Understanding**

Board members were reminded to complete the recommended training. Barbara Milton was nominated to attend the annual Local Pension Board Conference to be held in Birmingham on 18 May 2023.

RESOLVED:

THAT Barbara Milton be nominated to attend the annual Local Pension Board Conference in Birmingham on 18 May 2023.

54. **TPR Governance and Administration Survey 2022-23**

Consideration was given to the report which presented the responses from the Isle of Wight Pension Fund to the Pension Regulator's public service governance and administration survey 2022-23. No comments or questions were raised, and the response was noted.

RESOLVED:

THAT the response be noted.

55. **Items circulated for Members Attention**

The committee noted the items circulated for information since the last meeting. It was suggested that any future items relating to training and development be clearly highlighted.

RESOLVED:

THAT the items circulated for attention be noted.

56. **Workplan**

Consideration was given to the draft work programme for forthcoming meetings of the Committee and Board for the financial years 2023-2025. No comments or questions were raised, and the update was noted.

RESOLVED:

THAT the workplan be noted.

57. **Pension Administration Strategy**

The Pensions Manager presented the draft Pensions Administration Strategy for the fund. Following discussion, the Board confirmed that the strategy was fit for purpose, and it was agreed for recommendation to the Pension Fund Committee for adoption.

RESOLVED:

THAT the draft Pension Administration Strategy be recommended to the Pension Fund Committee for adoption.

58. **Other matters for the Board's attention**

No matters were raised.

CHAIRMAN

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