



## **Pensions Fund Committee**

Minutes of a meeting of the Pensions Fund Committee held at Jeffery Room, The Guildhall, Northampton, NN1 1DE on Wednesday 15 December 2021 at 4.00 pm.

### **Present:**

Councillor Malcolm Longley (Chair)  
Councillor Charles Morton (Vice-Chair)  
Councillor Phil Bignell  
Councillor Lloyd Bunday  
Councillor Graham Lawman  
Councillor Cathrine Russell  
Peter Borley-Cox  
John Wignall

### **Apologies for Absence:**

Councillor Paul Joyce  
Councillor Jamie Lane  
Councillor Peter Matten  
Robert Austin

### **Officers:**

Mark Whitby, Head of Pensions  
James Smith, Assistant Director - Finance (Strategy)  
Joanne Kent, Governance and Regulations Manager  
Michelle Oakensen, Governance Officer  
Maisie McInnes, Democratic Services Officer

#### **41. Declarations of Interest**

Peter Borley-Cox declared disclosable pecuniary interests as members of LGPS. Councillor Lloyd Bunday disclosed a personal interest as he and his wife are deferred members of LGPS. Councillors Phil Bignell and Graham Lawman disclosed personal interests as their wives are deferred members of LGPS.

#### **42. Minutes**

The public minutes of the previous meeting held on 11 October 2021 were agreed as a true and accurate record of the meeting.

#### **43. Chair's Announcements**

The Chair introduced the last Pensions Committee of the year, and thanked officers and members for their hard work and wished everyone a Merry Christmas.

44. **Action Log**

The Chair asked members to note the action log.

**RESOLVED:** That the Pension Committee noted the action log.

45. **Administration Performance Report**

At the Chair's invitation, the Governance and Regulations Manager presented the report and highlighted the key points contained in section 5 of the report. She explained the key performance indicators (KPI) for the period 1 June 2021 to 30 September 2021 were contained in appendix A of the report. The KPI report showed the payment of pension benefits from deferred members had a red rag rating which the Governance and Regulations Manager explained was an ongoing issue as the volume of work in this area had increased significantly, and with recent system outages and pressures from Covid-19 related absence and other staff absence, performance was behind target.

The Governance and Regulations Manager moved onto Appendix B which summarised the timeliness of payment of scheme employer and member pension contributions. She summarised that she had no concerns as the timeliness of payments was positive from March to August 2021.

In terms of breaches of the law, the two breaches which were reported at the last Pensions Committee had now been resolved. In addition, the internal dispute resolution procedure case displayed in section 5.4 had been resolved.

The Governance and Regulations Manager concluded the report and invited members to ask any questions.

**RESOLVED:** That the Pensions Committee noted the contents of the report.

46. **Business Plan Update**

At the Chair's invitation, the Head of Pensions presented the report and summarised the salient points from the Business Plan update:

- The procurement process for the retender of the investment advisory services contract that had been awarded to Mercer LLC had been signed and sealed, so the process had now concluded.
- The review of the Business Continuity Plan had completed and was scrutinised by the Local Pension Board.
- The Pensions team had recruited a full time colleague to undertake work on rectifying pension records, and the Guaranteed Minimum Pension rectification was now moving forward.
- The McCloud age discrimination remedy was ongoing and requests for data was out with scheme employers and a software provider was on hand to input missing data, to ensure that data could be infilled within records.
- The Fund was currently awaiting an official response from the Local Government Association (LGA) on how to handle any complaints or issues identified as a result of the McCloud age discrimination remedy.

- The scope and conduct potential liability reduction exercise had been postponed as resources were being utilised elsewhere and there was a backlog of work due for statutory projects which had to take precedent.
- In terms of the Fund's property strategy, the review was due to be completed and a report with an action plan taken to the next Investment Sub-Committee meeting in February 2022.
- The budgets were healthy and the WNC staff pay awards would have an adverse impact on LGPS and the report variants would show in the report for the next quarter.

The Head of Pensions concluded his report and invited members to ask any questions.

Members expressed concern regarding the employer response and the Head of Pensions assured members that it was a double checking exercise and the Fund already request data as a formal requirement. Once the McCloud remedy had been completed, any challenges received by the Fund as a result of incorrect data, would be directed to the employers. The Chair requested that an update be brought to the next Pensions Committee on the progress of employer responses.

**RESOLVED:** The Pension Committee noted the Business Plan Update to 31 October 2021

#### 47. **Risk Monitoring Report**

At the Chair's invitation, the Governance Officer presented the Risk Monitoring report and explained the report was a standard agenda item that was presented biannually to members. The Local Pension Board had reviewed the report and the report consolidated the risks and amendments to the risk register and details were summarised in Appendix A. There was a significant focus on cyber resilience and pension scams as an ongoing threat, and mitigations were put in place to strengthen systems and areas of the Fund to keep up to date with evolving developments to ensure robust cyber resilience. The short term and medium term risks were outlined in the report and the Governance Officer highlighted section 5.2.3 of the report and reminded members of the importance of the CIPFA training provided by Aon for members to complete to prevent loss of knowledge from the Pensions Committee.

Members discussed the report and questioned risk 14 on the register, which referred to the incorrect/poor quality of data held, and the Governance Officer explained that the employer services team managed this area and incorrect data also referred to when information was submitted in the wrong format.

**RESOLVED:** The Pension Committee review the Risk Register and advised on no further changes.

48. **Governance and Compliance Report**

At the Chair's invitation, the Governance and Regulation Manager presented the report and reiterated the need for members to complete training with the schedule of training events outlined in appendix A of the report.

**RESOLVED:** The Pension Committee noted the contents of the report.

49. **Training Strategy Review**

At the Chair's invitation, the Governance Officer presented the report and emphasised the focus on training with the proposed Training Strategy contained in Appendix A of the report with a copy showing the tracked changes highlighted in Appendix B.

The Governance Officer explained that the Training Strategy had been updated to comply with government guidance as a result of the good governance review. The strategy had been reviewed as presented to the Pensions Committee and officers had made revisions where necessary.

The Training strategy included some practical changes such as the credit methodology, and the training requirements for senior officers and the virtual training modules for committee members. The training modules provided by Aon were easier for members to follow and gave members the knowledge required, and competency could be demonstrated in the live sessions as members could ask questions in live time and receive answers from specialists. The Governance Officer explained that the modules provided a rounded knowledge base for councillors. Historically, external conferences were useful but tended to have some irrelevant content, whereas the Aon modules were knowledge focused and accessible for members.

The Governance Officer concluded the report and monitoring of training records for members would be ongoing and members would receive training for key events, such as valuation as an example, to assist members with dealing with upcoming matters in advance.

Members expressed their delight with the Aon training modules, and emphasised the accessibility of the training, particularly for new members.

The Chair questioned how member training would be monitored to ensure members were kept on track and the Governance officer explained that the Governance Officer would regularly liaise with Aon and receive updates on training progress, as well as informing the Chair of any members with outstanding training.

**RESOLVED:** The Pension Committee approved the revised Training Strategy.

50. **Admissions and Cessations Report**

At the Chair's invitation, the Head of Pensions presented the report on behalf of the Employer Services Manager and explained that he was happy to take any questions and had nothing to add to the contents of the report.

**RESOLVED:** That the Pension Committee:

a) Noted the admission of the following admitted bodies to the Northamptonshire Pension Fund and approved the sealing of the following admission agreements:

- Birkin Cleaning Services Ltd
- CleanTEec Services Ltd
- Easy Clean Contractors Ltd

b) Noted the exit of the following body from the Northamptonshire Pension Fund:

- Aspens Services Ltd

51. **Exclusion of Press and Public**

The Chair moved that the remainder of the meeting be held in private:

**That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item(s) of business on the grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, Paragraph(s) 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

**RESOLVED:** Members agreed that the public and press were excluded from the remainder of the meeting and the Pensions Committee moved into private session.

The meeting closed at 5.12 pm

Chair: \_\_\_\_\_

Date: \_\_\_\_\_