



**West
Northamptonshire
Council**

Local Pension Board

Minutes of a meeting of the Local Pension Board held on <https://www.youtube.com/channel/UCujrRO-y6RzkN6zPQ-xNAtA> on Thursday 30 June 2022 at 10.00 am.

Present

Councillor Andrew Weatherill
Alicia Bruce
Julie Petrie
Katy Downes
Kevin Standish-Day

Apologies for
Absence: Councillor Ken Pritchard

Officers Cory Blose
Paul Hanson
Mark Whitby, Head of Pensions
Michelle Oakensen
Jeverly Findlay, Committee Officer

48. **Minutes**

RESOLVED: The Local Pension Board approved the minutes of the meeting held on 28 April 2022.

49. **Declarations of Interest**

No interests were declared.

50. **Pension Committee Minutes 30 March 2022**

RESOLVED: The Local Pension Board noted the minutes of the Pension Committee held on 30 March 2022.

51. **Action Log**

Members of the Board were asked to note the Action Log (copies of which had been previously circulated).

RESOLVED: That the Local Pension Board note the action log.

52. **Annual Report of the Local Pension Board**

The Democratic Services Manager presented the Annual Report of the Local Pension Board. It provided a brief summary of the decisions made by the Board over the last year. It would be updated following the meeting. The report demonstrated the link between the Board and Council and it would be submitted to Council in September.

Further to an enquiry, the Democratic Services Manager advised that the report would not be submitted to North Northamptonshire Council, as West Northamptonshire Council was the administering authority. The Head of Pensions added that the annual report of the Pensions Committee would also be submitted to Council; the scrutiny of the fund was undertaken by the administering authority.

RESOLVED: That the Local Pension Board note the annual report and that it be submitted to the Council in its capacity as the Administering Authority.

53. **Northamptonshire Pension Fund - Administration Report**

Consideration was given to a report which provided an overview of the administrative activities of the Northamptonshire Pensions Fund.

The Governance Officer drew the Board's attention and the key performance indicators. The service performance had been consistently good, with the exception of 1 indicator. The target to 'provide transfer-in quote to scheme member' had been missed due to performance issues within the team. There would be closer monitoring of casework going forward.

It was highlighted that 100% of contributions from employers of the scheme had been received on time in March and April.

Since the last meeting, when it had been reported that Prudential had failed to provide annual benefit statements by the statutory deadline of 31 March 2022, the statements had been issued. The Pension Regulator had not proposed any further action. The Pensions Team had been provided with assurances that the statements had been sent out.

The Head of Pensions highlighted that it was the responsibility of the administering authority to put in place AVC (Additional Voluntary Contribution) arrangements and to have oversight of them. Two reviews of Prudential had been undertaken with Aon as an independent party and Prudential were considered to be the best provider in the market, providing lifestyle policies. Legal and General were currently testing the marketplace however.

The Chair asked for clarification in relation to section 5.4.2 of the report and the reference to the refunds outside of the strategy period. The Governance Officer advised that the regulations stipulated that refunds had to be paid out according to a statutory timescale over a 5 year period. If the member of the scheme did not

respond or they could not be located, this resulted in a breach. The refunds were for members who had been in the scheme 3 months to 2 years.

RESOLVED: That the Local Pension Board note the Northamptonshire Pensions Fund - Administration Performance Report.

54. **Governance and Compliance Report**

The Governance Officer introduced the report and highlighted that developments on the good governance review and the new code of practice were still awaited. A progress update on the dashboard project was provided in section 5.2 of the report. The Department of Work and Pensions would publish a response to the consultation over the summer and issue a consultation on draft standards. The pension regulator had published new guidance requirements and schemes needed to act now in order to prepare for the dashboards. Pension staff had been attending webinars about the dashboards and looking into the delivery. The iconnect system is being used by most employers and the pensions service was in a strong starting position.

It was noted that the Pensions Committee had approved the Data Improvement Strategy and Plan and the Reporting Breaches of the Law to the Pensions Regulator Policy 2022 on the previous day.

Appendix A of the report illustrated the review cycle of all the strategies. The Chair considered that this was particularly useful.

RESOLVED: That the Local Pension Board note the contents of the report.

55. **Data Improvement Policy and Plan**

The Head of Pensions advised that the Data Improvement Policy had been re-written and activities reviewed to keep data at a high quality. Data scoring was undertaken annually and a considerable amount of work undertaken on reconciliation. The work that would need to be undertaken as a result of the McCloud age discrimination remedy had already commenced. The Data Improvement Plan would be brought back to the Board annually.

Julie Petrie welcomed the section in the report relating to clear data submission templates and forms as these were complex and errors could occur. The Head of Pensions advised that 99% of the data was on iconnect. The templates were standardised by the software provider but improvements could be made on the paper forms. The Employer Services and Communications Manager added that the forms were regularly reviewed and that the Communications Officer and Quality Assurance Officer were currently reviewing them. The leavers form was also reviewed annually. The software supplier was putting a solution in place in order to provide self-service for employers. The Head of Pensions advised that the majority of leavers did not need to complete a form. The challenge was to improve the position for retirements.

The Chair asked how the action plan would be monitored. The Head of Pensions considered that logically this would be included in the Administration Report but most

actions were included in the Business Plan update. This would be considered by officers.

It was noted that due to the committee dates pre-scrutiny of this policy by the Board had not been possible unfortunately.

RESOLVED:

- (i) **That consideration be given to the inclusion of the monitoring of the Data Improvement Policy and Plan in either that Administration Report or the Business Plan Update.**
- (ii) **That the Local Pension Board note the Data Improvement Policy and Plan.**

56. Reporting Breaches of the Law to the Pensions Regulator

The Governance Officer advised that this policy had originally been scheduled to be produced in line with the new code of practice which had been due to be published in November 2021. The Reporting Breaches of the Law to the Pensions Regulator Policy had been reviewed based on the current code of practice, as it was expected that the new code of practice would not greatly alter the requirements for breaching the law. All breaches needed to be recorded both material and non-material.

It was noted that section 4 of the report mistakenly referred to Cambridgeshire and this should be Northamptonshire.

The Board commended the policy which they considered to be easy to follow.

RESOLVED: The Local Pension Board reviewed the Reporting Breaches of the Law to the Pensions Regulator Policy.

57. Valuation Update

The Employer Services and Communications Manager reported that the pre-valuation activities had been completed up to March and data cleansing up to December 2021. Assessments of risky employers would be incorporated into the valuation. The contribution rates for the two unitary authorities and the police for the next 3 years would be finalised in the next couple of months and the Pension Committee had approved the process for this. Queries from employers were being reviewed and the data would be sent to the actuary the following week. Section 5.6 of the report set out the key dates for the decisions that would need to be taken at the committees and members of the Local Pension Board could attend those meetings to receive the information first hand from the Actuary in an observer capacity. The Board welcomed the plan on one page as it was easy to read.

Councillor Weatherill queried if the stabilisation of contributions led to greater volatility. The Employer Services and Communications Manager advised that a long term view was taken of the investment markets and the modelling created enabled

the actuary to consider around 5,000 economic futures over the next 20 years. The worst 5% scenarios were tested against. The modelling was clearly working, as the fund was looking to freeze or reduce the contributions from employers. All pensions were on the same 3 year cycle and the actuary worked for the majority of funds in the local government pension scheme. In April/June next year a lessons learned exercise would be undertaken.

RESOLVED: That the Local Pension Board note the contents of the report.

58. **Northamptonshire Pension Board Forward Agenda Plan**

RESOLVED: That the Local Pension Board note the contents of the report.

60. **Exclusion of Press and Public**

RESOLVED: That Under Section 100A of the Local Government Act 1972, the Local Pension Board agreed that the public be excluded from the meeting for the following items of business on the grounds that if the public were present it would be likely that exempt information under Part 3 of Schedule 12A to the Act would be disclosed to them.

The meeting closed at 10.30 am

Chair: _____

Date: _____