



Pensions Fund Committee

Minutes of a meeting of the Pensions Fund Committee held at The Jeffrey Room, The Guildhall, Northampton, NN1 1DE on Wednesday 29 June 2022 at 4.00 pm.

Present:

Councillor Malcolm Longley (Chair)
Councillor Charles Morton (Vice-Chair)
Councillor Jamie Lane
Councillor Graham Lawman
Councillor Peter Matten
John Wignall
Robert Austin

Substitute Members:

Andy Langford as substitute for Peter Borley-Cox

Also Present:

Robert McInroy, Hymans Robertson
Andreas Parfitis, Aon
Karen McWilliam, Aon

Apologies for Absence:

Councillor Paul Joyce
Councillor Cathrine Russell
Councillor Lloyd Bunday
Peter Borley-Cox

Officers:

Mark Whitby, Head of Pensions
Cory Blose, Employer Services and Systems Manager
Michelle Oakensen, Governance Office
Maisie McInnes, Democratic Services Officer

72. Declarations of Interest

Rob Austin declared a disclosable pecuniary interest as a member of LGPS. John Wignall declared a personal interest as a retired member of LGPS. Councillor Graham Lawman disclosed a personal interest as his wife is a deferred member of LGPS.

73. Minutes

The minutes of the previous meeting held on 30 March 2022 were agreed as a true and accurate record of the meeting subject to the admission of Councillor Graham Lawman on the list of those present.

74. **Chair's Announcements**

The Chair welcomed everyone to the meeting and announced he had two important items to note. He explained at the previous meeting of the Investment Sub-Committee, poor attendance led to the meeting not being quorate meaning that no decisions could be taken at the meeting. The Chair reminded members that if they are unable to make a meeting of the Pensions Committee or Investment Sub-Committee, they are to send a substitute in their place or send apologies in advance so that the Democratic Services Officer could manage attendance and rearrange the meeting if necessary. The Chair made comment about the length of meetings and asked officers to ensure that the meetings were no longer than 2 hours to ensure members were focussed and engaged.

75. **Action Log**

The Governance Officer presented the action log as detailed in the report.

RESOLVED: That the Pensions Fund Committee noted the action log.

76. **Administration Report**

At the Chair's invitation, the Governance Officer presented the Administration Report and summarised that in terms of the Key Performance Indicators (KPIs) these were all positive with consistently good performance over the period except for 2 targets. This was detailed in section 5.1.3 of the report. In January, February and March 2022, the Governance Officer reported that 100% of payments were received on time from employers. The Governance Officer highlighted the breach in section 5.3.2 of the report, which detailed that prudential had failed to provide annual benefit statements by statutory deadline. As a result of this the deadline was extended to 30 April and this was met. The Pensions Regulator confirmed that no further action would be taken at this time.

The Governance Officer shared that a new section, material data breaches, had been added as a standing item in the report. The Governance Officer explained this was important for transparency. As detailed in section 5.4, there was a data breach involving 157 scheme members due to a printing error with double-sided printed letters with another scheme members details printed on the reverse. This was quickly identified, and West Northants Council's breach guidelines were followed and GDPR training provided to staff. In terms of Internal Dispute Resolution Procedure cases, there was one dispute in the period 1 February to 30 April 2022 that was responded to and the monitoring officer had decided not to uphold.

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

RESOLVED: That the Pensions Fund Committee noted the report.

77. Governance and Compliance Report

At the Chair's invitation, the Governance Officer presented the report and explained that there had been further work undertaken since publishing the report on pensions dashboards in section 5.1 of the report, as there had been further development from the dashboard programme. The progress report and log released covered key topics such as how to prepare for further dashboards, timeliness, and data quality. The DWP will publish its response to the consultation and produce draft standards over the summer. Since the governance and compliance progress report had been published, the Pension Regulator has published guidance stating that all schemes should be taking action and preparing in advance for future activity. The Governance Officer shared that Northamptonshire Pension Fund were undertaking background reading, attending webinars and conducting research into system requirements in preparation. The fund already used iConnect for most employers which helped record monthly data collection and ensure data quality was up to date.

The Governance Officer explained that since the last meeting, the Fund managed to secure a North Northamptonshire Council representative for the Local Pension Board. There was still a vacancy on the Pension Fund Committee and recruitment would be rescheduled to the summer.

The Governance Officer highlighted the new section in the report at 5.3 Fund Policy/Strategy Updates. This would enable officers to provide updates on immaterial changes to policies and strategies, rather than requiring the entire policy to be reviewed for small changes. Since the last meeting The Anti-Fraud and Corruption policy had been updated to add a link to the whistleblowing policy in the report. The Data Improvement Strategy was a separate agenda item in the meeting.

The Governance Officer referred to the training program detailed in Appendix A of the report and encouraged members to make contact if they were interested in any further training opportunities.

RESOLVED: That the Pensions Fund Committee noted the report.

78. Employers Admissions and Cessations Report

The Employers Admissions and Cessations Manager presented the report and invited members to ask any questions.

RESOLVED: That the Pensions Fund Committee:

- a) Noted the admission of the following admitted body to the Northamptonshire Pension Fund and approved the sealing of the following admission agreement:**
 - **RM Education Limited**
- b) Noted the exit of the following bodies from the Northamptonshire Pension Fund:**
 - **Maid Marion Limited**
 - **Consortium Audit**

79. **Administering Authority Discretions**

At the Chair's invitation, the Head of Pensions presented the report and summarised that as detailed in section 4 of the report, the administering authority has discretion over the determination of the value of any exit credit that should be paid to any exiting employers. The Head of Pensions explained that the current process was that key decisions were determined by the Head of Pensions and Executive Director Finance (Section 151). The report proposed that the Employer Services Manager be named as the officer responsible for making determinations in relation to matters around exiting employers and exit credits in the first instance. The Head of Pensions explained this would enable him to be able to judicate in the case of any appeals and create a framework to be put in place.

The Chair asked if this proposal would speed up the process. The Head of Pensions explained that the framework would speed up the decision making and put logical steps in place. The Fund had been working on this for a few months and it was determined as the best way forward.

Members discussed the report and shared that they agreed with the framework but felt that the Fund's starting position should be to pay the credit back to the employer. Members felt there should be a threshold on the amount paid back and any significant amounts should be brought to the committee to decide as credits could be quite considerable. The Chair agreed that it would be good to report from a governance perspective. The Head of Pensions responded that the law was quite clear on this as the actuary identifies the surplus and the administering authority's role was to determine how much was to be paid. The law is clear on the multifactorial decision making which considers risks, contracts and who would pay deficit and that the monitoring officer would be responsible for handling any appeals. The Employer Services Manager explained that the fund had tested out the framework and sought legal advice which found that the framework was robust.

Members questioned if there would be a conflict of interest with the individual dealing with appeals and determining the exit credits. The Head of Pensions shared that he was comfortable with the post holder, as any individual who would take on the role would have a role within the Pensions Fund.

RESOLVED: That the Pensions Fund Committee approved the updated proposed Administering Authority Discretions Policy provided in Appendix A of the report.

80. **Data Improvement Policy and Plan**

The Head of Pensions presented the report and explained that the Data Improvement Policy and Plan had been previously brought to committee. The policy had been completely rewritten to align with the Funds priorities going forward. In effect, the new plan demonstrates the in-year activities surrounding various projects and data scoring. The strategy itself gives indication on a monthly-basis on how the fund keeps high quality control of data. The Head of Pensions explained that the

recommendations were seeking approval of the strategy that was regularly reviewed and concluded his report.

RESOLVED: The Pension Committee approved the revised Data Improvement Policy and Plan.

81. **Northamptonshire Pension Committee Forward Agenda Plan**

The Governance Officer presented the Northamptonshire Pension Committee Forward Agenda Plan and invited the Committee to note the report.

RESOLVED: That the Pensions Fund noted the forward plan.

82. **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 17:55

Chair: _____

Date: _____