



Pensions Fund Committee

Minutes of a meeting of the Pensions Fund Committee held at Holding Room, The Guildhall, St Giles Street, Northampton, NN1 1DE on Tuesday 4 June 2024 at 4.00 pm.

Present:

Councillor Charles Morton (Vice-Chair)
Councillor Phil Bignell
Councillor Keith Holland-Delamere
Councillor Graham Lawman
Councillor Peter Matten
Peter Borley-Cox
Paul Wheeler
Andy Langford
Elnora Latchman

Officers:

Mark Whitby, Head of Pensions
Michelle Oakensen, Governance and Regulations Manager
Cory Blöse, Employer Services and Communications Manager
Madalina Bratec, Governance Specialist
Jeverly Findlay, Committee Officer

1. Apologies for Absence and Notification of Substitute Members

Apologies for absence were received from Councillors Malcolm Longley, Lloyd Bunday, Cathrine Russell and Jamie Lane. Also Robert Austin and James Smith, Assistant Director Finance.

2. Declarations of Interest

Councillor Graham Lawman declared an interest as his wife was now in receipt of a pension. Elnora Latchman declared an interest as she receives a pension. Paul Wheeler declared an interest in agenda item 7 as one of the sub-contractors was on the register for East Midlands Academy.

3. Minutes

RESOLVED:

That the minutes of the Pensions Fund Committee meeting of 27 March 2024 be approved and signed as a correct record.

4. **Administration Report**

The Governance and Regulations Manager presented the report for the period of 1 February to 31 March 2024 and drew the Committee's attention to the key performance indicators (kpis) in Appendix A. All had been met with the exception of 4; 2 of which were amber and 2 red.

Now that the target for processing the payments of benefits from active service had changed from 5 working days to 10 working days to allow sufficient processing time, this kpi was moving in the right direction. Sickness within the team had caused some performance issues and some of the sickness cases were now going through the formal absence management process. There had been pressure on the operations team due to staffing issues. In March, 4 additional full-time posts and 1 part time post had been approved by the Committee. The Administration Assistant and Training Officer posts would hopefully be advertised in July; these appointments would aid service resilience.

The partially upheld IDRP case was due to delays in paying benefits where there was also an additional voluntary contribution arrangement in place. In the future the member would be contacted at the earliest opportunity and the process would be monitored.

Further to an enquiry regarding the breaches section of the report, the Governance and Regulations Manager advised that material breaches would be reported to committee or to the Chair (if outside the committee schedule) and to The Pensions Regulator. The Employer Services and Communications Manager added that it was important to understand if the breach was systemic or a one off with regard to employers.

Further to an enquiry relating to administrative costs, the Head of Pensions advised that the management expenses costs per member were lower than the CIPFA benchmark, but it was difficult to make comparisons between funds as some used consultants and outsourced their work.

Councillor Lawman highlighted that one of the failures listed was due to an employer not providing the correct information, so should not be considered as a fault of the service. The Governance and Regulations Manager advised that officers were looking into what additional reporting could be undertaken to identify failures when multiple parties were involved and various crossover of information required. If a member delayed completing their forms this also affected the performance. CIPFA would likely be providing revised national kpis in the future.

With regard to sickness levels across the sector, the Head of Pensions advised that they were high with 300 days of sickness recorded. For the fund, the average number of days per full time equivalent had been reviewed and the percentage of sickness within one month. The figure had been at 18% one month, but it was usually 10-14%, and the average sickness level had improved.

Further to an enquiry from Councillor Matten, the Employer Services and Communications Manager advised that when a retirement was voluntary employees did not always provide significant notice to their manager. The website was being redesigned to tie in the employer and member information.

RESOLVED:

The Pension Committee noted the report.

5. Governance and Compliance Report

The Governance and Regulations Manager provided an update on the Pension Dashboard Programme.

The Department for Work and Pensions (DWP) had issued a written ministerial statement providing an update on the publication of connection guidance and a new staging timeline. All public service pensions schemes were required to connect to the dashboard ecosystem by 31 October 2025. The project plan had been updated accordingly. All decisions would need to be recorded. The National Audit Office had issued a report on 10th May outlining reasons that had contributed to the project pause, such as the lack of digital infrastructure that had been put in place. The report also highlighted that there was a 23% increase in costs with regard to the project.

The General Code of Practice had come into force on 27 March. Officers now had a compliance tool which they had started to populate and significant work would need to be undertaken in order to demonstrate compliance.

Members were reminded that they needed to complete their training by 20th July or 12 months from the date of their appointment onto the committee. A feedback form would be sent to Committee members in July to evaluate the Hymans training.

Further to an enquiry from Paul Wheeler, with regard to the annual report guidance, the Head of Pensions advised that the service was near to full compliance.

RESOLVED:

That the Pension Committee:

- (i) Noted the Governance and Compliance Report.
- (ii) Noted the immaterial amendments and updates to policies and strategies (sections 6.29-6.31).

6. Admissions and Cessations Report

The Employer Services and Communications Manager drew Members' attention to the recommendations in the report and it was

RESOLVED:

That the Pension Committee:

- (i) Noted the admission of the following admitted bodies to the Northamptonshire Pension Fund and approve the sealing of the admission agreements;
 - KGB Cleaning (Grange Primary Academy)
 - Purgo Supply Services Ltd (Prince William and Stimpson Avenue Academies)
- (ii) Noted the exit of the following bodies from the Northamptonshire Pension Fund:
 - Dolce Limited (Little Harrowden)
- (iii) Noted the update on previously reported cessations relating to:
 - Compass (Innovate MAT)

7. **Business Plan Update**

The Head of Pensions drew the Committee's attention to the executive summary and the three amber activities. The procurement of the Integrated Service Provider (ISP) was being reviewed, so had been delayed, but this was not a concern. The processing of undecided leaver records would remain as amber for the year; however it was at the lowest volume for years and was moving in the right direction. Two new members of staff were being recruited in Business as Usual.

A review was being undertaken with regard to suitability of having multiple investment strategies and would require a consultancy spend; this would be brought to the committee for a decision in July or October.

With regard to the Heywood Engage member self-service portal, this was still under discussion as members with multiple records between funds could cause issues.

RESOLVED:

The Pension Committee noted the Business Plan Update.

8. **Administration Strategy**

The Employer Services and Communications Manager advised that a major re-drafting of the Administration Strategy had been undertaken. The Local Pension Board had reviewed the strategy and their comments had been taken into account. The consultation on the strategy would take place over a month and would come back to the committee in October. New sections had been added to the strategy following feedback from Aon. There was a new section which reflected the Fund's "digital by default" approach to administration. This section also reduced the deadline for the submission of i-Connect from 10 working days after the end of the calendar month to 7 working days to help the Fund ensure it meets statutory deadlines for follow on actions. There were different escalation processes for different activities, and these were set out in appendix D.

Councillor Peter Matten considered that the strategy was excellent and pointed out a couple of typographical errors.

The Employer Services and Communications Manager highlighted that the strategy would be reviewed annually and would be brought back to committee every 3 years.

With regard to quotations for divorce cases being provided within 10 working days, Elnora Latchman pointed out this may need to be shorter if there was a court order. The Governance and Regulations Manager advised that this would be verified but it should not be an issue and that would still mean the cases were completed within the KPI.

RESOLVED:

The Pension Committee approved the amended administration strategy for consultation with employers.

9. **Equality, Diversity and Inclusion Report**

The Governance and Regulations Manager reported that the Pensions Regulator had published guidance last year which the Fund had reviewed. An action plan had been produced in consultation with Aon. The guidance primarily focused on the role of the governing body, reasonable adjustments would need to be considered and barriers removed where possible to allow people to become members of the Committee or the Board. The plan also considered wider issues such as member communication and investments. The first key area to consider would be training for Committee and Board members, as well as Officers, to ensure the right level of understanding was embedded before any further decisions were made. It was noted that most of the protected characteristics for members were not held on the system due to there being no processing need under GDPR.

RESOLVED:

The Pension Fund Committee:

- (i) approved the proposed EDI actions located in appendix A.
- (ii) approved to update the Web Content Accessibility Guidelines from version 2.1 to 2.2 in the member communication section and to include the identification of barriers in the Fund appointments section as proposed in 5.18.

10. **Northamptonshire Pension Fund Forward Agenda**

The Governance and Regulations Manager drew Members' attention to the Pension Fund Forward Agenda Plan.

RESOLVED:

That the Northamptonshire Pension Fund Forward Agenda Plan be noted.

11. **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.

The meeting closed at 5.15 pm

Chair: _____

Date: _____