

DEVON PENSION BOARD

21 October 2019

Present

Councillors C Slade (Chair) and S Randall-Johnson

William Nicholls, Independent Member
Carl Hearn, Fund Employer Representative
Graham Smith, Fund Employer Representative
Julie Bailey, Fund Member Representative
Paul Phillips, Fund Member Representative
Andy Bowman, Fund Member Representative
Colin Shipp, Fund Member Representative

Attending in Accordance with Standing Order 25 (2) :-

Councillor R Bloxham

* **135** **Minutes**

RESOLVED that the Minutes of the meeting held on 15 July 2019 be signed as a correct record.

* **136** **Items Requiring Urgent Attention**

No item was raised as a matter of urgency.

* **137** **Review of the Communications Policy**

The Board considered the Report of the County Treasurer (CT/19/89) on a draft Communications Policy (full draft Policy attached to the Report) which set out the Fund's policies on the provision of information and publicity about the Scheme to Members and their representatives and Employing Authorities. This was last updated and considered by the Investment and Pension Fund Committee at its meeting in November 2018. The draft Policy was now updated to include sections on Complaint Handling and Communications with key Governance Partners as well as streamlined sections on the Investment and Pension Committee and the Pension Board to avoid repetition of the Governance Policy.

Members referred to minor drafting errors (which would be amended) and suggested that reference was made to the Board Members acting as observers at meetings of the Brunel Oversight Board (pages 10/11 of the draft Policy) and a correction to show that this Board met 4 times per year (page 13 of the draft policy).

It was **MOVED** by Councillor Slade, **SECONDED** by Mr Bowman and

RESOLVED that, subject to the comments above, the updated Communications Policy be endorsed for consideration by the Investment and Pension Fund Committee.

* **138** **Pension Administration Strategy Review**

The Board considered the Report of the County Treasurer (CT/19/90) on a review of the administration strategy (a draft Pension Administration Strategy was attached to the Report) and timetable for implementation following a period of consultation with Employers and implementation in April 2020 following approval by the Investment and Pension Fund Committee.

The Strategy provided a mechanism to formulate a service level agreement between the administering authority and the scheme employers. It covered a number of areas including procedures for liaison and communication and set out the performance standards and expectations for employers and the administering authority. The Strategy also aided governance arrangements, which ensured that scheme employers and Peninsula Pensions worked together to comply with The Pension Regulators Code of Practice.

Members' discussion points/comments with Officers included the suggestion that the Employers should be named in the breaches log (page 5 of the draft Strategy referred), and the wording in regard to the Communication tool should be consistent with the wording in the Communications policy (page 6 of the draft Strategy referred).

The County Treasurer also reported on positive data relating to the level of 'sign up' on to the on-line Members' Self Service (MSS) site and that consideration was being given to an 'Open Day' for employers/members. The Board suggested the targeting and support for individual employers where take-up of the MSS was low, which could also be addressed at any Open Day event.

It was **MOVED** by Councillor Slade, **SECONDED** by Randall-Johnson and

RESOLVED that subject to the above observations, the revised Pension Administration Strategy be endorsed and commended to the Investment and Pension Fund Committee.

* **139** **Pension Fund Risk Register**

(Councillor Bloxham attended in accordance with Standing Order 25 (2) and spoke to this item referring to actions authorised by the Investment and Pension Fund Committee relating to benchmarking work to be commissioned by the Brunel Partnership in regard to the 'carbon footprint' of the Fund).

The Board considered the Report of the County Treasurer (CT/19/91) on the Risk Register (attached at Appendix 1 to this Report) which was last considered by the Board at its meeting on 15th July 2019. There were no additional risks identified however further actions were planned to provide a greater level of assurance, and these were detailed together with the planned timescales. The level of risk would be reviewed once these additional actions were implemented. A new on-line Register was also being developed which would assist with updates as necessary.

Members discussion points included:

- the need for Officers to reference climate change and associated risks;
- in regard to F16 'outcome of the McCloud and Sergeant cases', inclusion of mitigating controls and other information;
- the need for further mitigation information relating to the three Red risks identified; and
- reference was also made to the implications of changing longevity/death rates.

It was **MOVED** by Councillor Slade, **SECONDED** by Councillor Randall Johnson and

RESOLVED that, subject to the above observations, the Pension Fund Risk Register and the additional actions proposed to mitigate risk be noted.

* **140** **Review of Attendance**

The Board noted the Report of the County Treasurer (CT/19/92) on a log of attendance at the Board meetings and training events. The training of both Board and the Committee's Members would be reviewed further once new pending guidance was available from the Scheme Advisory Board and which was also expected to include advice on the support provided by the Section 151 Officer.

Members commended the powerful training tool provided by the Pension Regulator.

* **141** **Investment and Pension Fund Committee**

The Board received the Minutes of the Investment and Pension Fund Committee held on 13 September 2019.

* **142** **Peninsula Pensions Performance Report**

The Board received the Report of the County Treasurer (CT/19/93) on Peninsula Pensions' internal service standard target and performance against the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, which set out the minimum requirements regarding the disclosure of pension information. This additional reporting element had been introduced in 1st January 2019.

Performance targets were monitored on a monthly basis via a task management system and reporting tool within the pension database and the Report detailed the Team's performance over 2018/19 and recent quarter. The Board noted that the total number of cases outstanding continued to reduce and the general trajectory was encouraging.

Members' points/comments and suggestions in discussions with the Officers included:

- the ongoing extensive training programme across the teams and streamlining of processes;
- if practicable, to report the breakdown of the backlog across low, mid and high priority tasks;
- the encouraging decrease in staff turnover;
- a new data initiative with Employers with monthly signing off of submissions to improve accuracy and productivity; and
- adding more forecast information for consideration by Officers.

* **143** **Devon Pension Board: Budget Monitoring 2019/20**

The Board noted the Report of the County Treasurer (CT/19/94) on the Board's direct costs and projections for 2019-20.

The budget monitoring statement for month 6 (as at the 30th September 2019) was set out in the Report and the projected outturn remained on target. Members questioned the allocation for travel and members expenses which should be reviewed by Officers in view of the low actual figure at month 6.

* **144** **Actions and Recommendation Tracker**

The Board noted the Report of the County Treasurer (CT/19/95) on an audit action log which tracked progress and completion of audit actions and recommendations. In addition, officers had also produced a log of actions and requests raised by the Pension Board.

Members discussed the need for Members' (non-councillor members) contact details (email addresses only) on the County Council's website (democracy papers) noting that this information (private non-secure email addresses) was available on the Peninsula webpages.

Officers would investigate the matter further for report.

* **145** **External Audit Findings Report 2018/19**

The Board received the Report of the County Treasurer (CT/19/96) on the findings arising from the statutory audit of the Devon Pension Fund and the preparation of the Pension Fund's financial statements for the year ending 31st March 2019. A copy of the Audit Findings report

for the Devon Pension Fund was attached at Appendix 1. It described the work the external auditors had undertaken to address the risks identified in the audit plan, which was presented to the Audit Committee in February 2019. The Report had been presented to the Audit Committee on 29th July 2019 and to the Investment and Pension Fund Committee on 13th September 2019.

The Independent Audit opinion was that the financial statements gave a true and fair view for the year ended 31 March 2019 and had been prepared properly in accordance with the Code of Practice and legal requirements.

* **146** **Future Work Programme**

The Board considered the Report of the County Treasurer (CT/19/97) on the proposed work programme which included the standing items and proposed business for the January, April and July meetings.

Members noted that presentations were given at the training events and could also be made at meetings as and when required in terms of the agenda items and topical issues.

It was **MOVED** by Mr Bowman, **SECONDED** by Councillor Randall Johnson and

RESOLVED that the future work programme as outlined in the Report be approved.

* **147** **Dates of Future Meetings**

Thursday, 16th January 2020; Thursday, 16th April 2020; Monday, 13th July 2020; Monday, 19th October 2020; Friday, 22nd January 2021; and Monday, 26th April 2021

* **148** **Exclusion of the Press and Public**

RESOLVED that the press and public be excluded from the meeting for the following items of business under Section 100(A)(4) of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act, information relating to the financial or business affairs of an individual other than the County Council and, in accordance with Section 36 of the Freedom of Information Act 2000, by virtue of the fact that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

* **149** **Governance Review**

(An item taken under Section 100A (4) of the Local Government Act 1972 during which the press and public were excluded).

The Board noted the Report of the County Treasurer (CT/19/98) on the Pensions Regulator's annual governance and administration surveys where they had noted that improvements made across the LGPS nationally had slowed down. Subsequently an engagement exercise with 10 unnamed LGPS funds selected at random had taken place between October 2018 and July 2019 which had included the Devon fund.

The Report detailed their findings with a request to senior management to review and consider their observations concerning relatively minor issues for discussion before the engagement was concluded.

The Board commended the positive findings arising from the thorough independent review and congratulated the senior officers and staff involved.