

**DEVON PENSION BOARD**

6 July 2023

Present:-

Councillors S Randall Johnson, C Slade (Chair), D Walshe, C Hearn, P Phillips, A Bowman (Vice-Chair), Ian Arrow and R Jeanes

Apologies:-

None

\* **112**      **Election of Chair and Vice Chair**

**RESOLVED** that Councillor Colin Slade be elected Chair and Andy Bowman be elected Vice Chair for the ensuing year.

\* **113**      **Minutes**

**RESOLVED** that the Minutes of the Meeting held on 18 April 2023 be signed as a correct record.

The Chair took the opportunity to thank Democratic Services Officer Gerry Rufolo, who was retiring, for his support as Clerk to the Board.

\* **114**      **Items Requiring Urgent Attention**

No item was raised as a matter of urgency.

\* **115**      **Membership**

The Board welcomed Ian Arrows (representing Fund members) to his first meeting of the Board.

Mr Arrows introduced himself and gave brief information about his background in law and his formal employment as a Senior Coroner for Plymouth, Torbay, and South Devon.

\* **116**      **Review of Attendance**

The Board received and noted the Report of the Director of Finance and Public Value (DF/23/69) on the attendance of Members at both Board meetings and training.

\* **117**      **Contributions and Breaches Monitoring**

The Board noted the Report of the Director of Finance and Public Value (DF/23/70) on current procedures for monitoring of timely payment of contributions from employers. A table in the Report showed a summary of the monthly contributions received in Q4 2022/23.

There were no payments of material significance, which required notification to the Pensions Regulator of the employer's failure to meet the legal deadline.

It was highlighted that an additional section on Breaches had been added and this would be included as a standard section for future reports. It was pleasing to note that an employer mentioned in the last report as not meeting deadlines was now delivering information on time.

It was suggested that there should be amended date in the table in the report for the third date to say after the 21<sup>st</sup> to allow for digital payments which had a deadline of that date. Additional information about whether employers were providing information in a timely manner was felt to be a useful addition to the report.

It was proposed by Mr Walshe and seconded by Mr Bowman and

**RESOLVED** that a new process be introduced where employers who have not met the deadlines for data information to the Authority at year end be publicly named to reduce the risk of the fund breaching legal deadlines.

The Report was also noted.

\* **118**      **Devon Pension Fund Risk Register**

The Board considered the Report of the Director of Finance and Public Value (DF/23/71) on the risks incorporated into the Fund's Risk Register (attached at Appendix 1 of the Report). The Board had previously considered the Risk Register at its meeting on 18th April 2023, and comments made had been taken on board in updating the register.

The Register highlighted the key risks in relation to the Pension Fund, the current processes in place to mitigate the risk, and the planned improvements in place to provide further assurance. It incorporated the risk register of both the Investments Team and Peninsula Pensions. The Investment and Pension Fund Committee was the ultimate risk owner for the Pension Fund and last reviewed the Risk Register in October 2022.

In addition to the current mitigation in place, further actions were planned to provide a greater level of assurance, and these were detailed together with the planned timescale for the action to take place. The level of risk will be

reviewed once these additional actions have been implemented. As a result of the incorporation of the risk register into the Authority's risk management system, there was now a more rigorous system in place for regular review of the risks identified, enabling better risk management.

The Report also detailed new risks added to the risk register as a result of changes in regulations/legislation and decisions by the Investment and Pension Fund Committee.

Members' discussion points with the Officers included:

- Reference was made to risk F4 regarding management of Environmental, social and governance issues. The fund has been accredited by the FRC as signatories to the UK Stewardship code and this had been updated in the risk register.
- Communications to members through newsletters and surveys – these would continue but further clarification was needed to find out whether these would be available in paper as well as electronic form.
- Inflation risk was addressed by the strategic review of the fund's investment strategy which took place every 3 years. This had last been presented to the Investment and Pension Fund committee in February 2022.

**RESOLVED** that the Pension Fund Register and the additional actions proposed to mitigate risk be noted.

\* **119**     **Investment and Pension Fund Committee**

The Board noted the Minutes of the Investment and Pension Fund Committee meeting held on 16 June 2023.

It was questioned whether the Pension Fund Investment policy of allocating a certain percentage for local impact funding should be identified as a separate risk. This would be considered and fed back at the next meeting. The training plan would also be included in the October meeting.

**120**     **Actions and Recommendations Trackers**

The Board considered the Report of the Director of Finance and Public Value (DF/23/72) on progress made on completing actions arising from internal audits and pension board recommendations.

The Audit action log tracked progress and completion of audit actions and recommendations. In addition, the report detailed a log of actions and requests raised by the Board, and final audit reports issued relating to 2022/23 audits that had not already been brought to the Board. Previously completed actions have been removed.

It was highlighted that the final audit report on cyber security had been completed and was attached and there were a number of actions that had been addressed or were in progress. Members were reminded there was a training session this afternoon for them on cyber security.

\* **121** **Peninsula Pensions Administration - Performance Statistics**

The Board considered the Report of the Director of Finance and Public Value Please (DF/23/73) on the performance of Peninsula Pensions against the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, which set out the statutory requirements regarding the disclosure of pension information.

The report detailed the team performance, which included total performance against the Occupational and Personal Pension Schemes (Disclosure of information) Regulations 2013 for the quarter ending 31 March 2023, performance for previous quarters, work with employers to implement improvements; the processing of outstanding deferred benefit and amalgamation cases in preparation for the McCloud remedy and the work to prepare the Pension Dashboard, which had impacted performance. The team received a total of 10 compliments between 1 January 2023 and 31 March 2023.

Appendix 1 of the report provides a detailed breakdown of administration performance relating to the Devon Pension Fund only, for the quarter ending 31 March 2023, and the full year 1st April 2022 – 31st March 2023, against the statutory Disclosure Regulations.

In addition, a further chart, as requested by the Board, has been included to highlight the variants in performance when compared with firstly, the previous quarter, and secondly, the previous 12-month period. And Appendix 2 of the report highlights the longer-term performance of Peninsula Pensions (Devon Pension Fund only) for this financial year from 1st April to 31 March 2023. Appendix 3 of the report highlights the amount of work received over the last 12 month rolling period, compared to the same period in the previous year.

Other updates included the McCloud Member factsheet link for information.

Peninsula Pensions' would be reviewing the Pension Administration Strategy and targets included during 2023, which included the internal target for Peninsula Pensions and expected performance requirements from individual Fund employers.

Members' questions and discussion points included:

- Administration Performance data shown in Appendix 1 might need revising. This would be checked and revised if needed.
- Some of the text in the charts in Appendices 2 and 3 were difficult to read. This would be made clearer for future.

- Recognised that the pandemic had led to an increase in change of people's working situations with some wishing to move to jobs in which they could work fully remotely.
- Requested that comparison data on performance from other comparable pension funds be made available to the Board
- Members were reminded that the outcome and recommendations from the Good Governance review were also awaited and might help with comparable data.

The Board noted the Report.

\* **122**      **LGPS Update Report**

The Board received and noted the Report of the Director of Finance and Public Value (DF/23/74) on an update on the latest developments affecting the LGPS. These related to the McCloud judgment and draft regulations concerning the remedy; consultation on changes to the Scheme Advisory Board's cost management process; and an update on the Pension Dashboard project.

Members' questions and discussion points with Officers included:

- When the conclusion of the McCloud remedy would come into effect – this had been scheduled to be at the beginning of October, but the legislation was not coming before Parliament until after the summer recess.
- Pension Schemes would then have 18 months to review all the records and implement any revisions accordingly.
- The Pension administration team were formally thanked for all their hard work on this.

\* **123**      **Future Work Programme**

The Board received and noted the Report of the Director of Finance and Public Value (DF/23/75) on the proposed Future Work Programme over the next three meetings.

It was highlighted that the TPR Code of Practice was scheduled for January 2024 though officers had recently heard that the code would not be out in time and this will need moving to later in the year. The Pension Regulator data scores had been moved to the October meeting. Also scheduled for October was the Communications Policy Review, and the Governance Policy Review currently planned for January was likely to be pushed back due to awaiting the result of the Good Governance Review.

**RESOLVED** that the following topics be added to the Work Programme:

Review of the administration strategy

\* **124**      **Dates of Future Meetings**

The Pension Board will meet at 10.30am on the following dates:

Friday 13th October 2023  
Tuesday 30th January 2024  
Monday, 29 April 2024

Members were informed that future dates for the next council year would be available shortly.

Updates and other information available here

[Browse meetings - Devon Pension Board - Democracy in Devon](#)

**NOTES:**

1. *Minutes should always be read in association with any Reports for a complete record.*
2. *If the meeting has been webcast, it will be available to view on the [webcasting site](#) for up to 12 months from the date of the meeting*

\* **DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.30 am and finished at 11.11 am