

Pension Advisory Board

6 December 2016 – At a meeting of the Board held at 10.00 a.m. at County Hall, Chichester.

Present: Peter Scales (Independent Chairman), Andy Elder (Scheme member representative), Kim Martin (Employer representative) and Chris Scanes (Scheme member representative).

Apologies Richard Cohen (Employer representative)

Officers: Vickie Hampshire (Project Accountant - Pensions), Clare Chambers (Pensions Operations Manager), Terry Langworthy (HR Adviser (Pensions) and Adam Chisnall (Democratic Services Officer)

Part I

Introductions

222. The Chairman welcomed Kim Martin to her first meeting.

Declarations of Interest

223. None declared.

Part I Minutes of the meeting held on 21 September 2016

224. Resolved – that the minutes of the meeting of the Board held on 21 September 2016 be agreed as a correct record.

Progress Report

225. The Board considered the progress report on matters arising from previous meetings (copy appended to the signed minutes).

226. Adam Chisnall introduced the report and highlighted the progress of the Newsletter Review. The Board also noted the Chairman's recent meeting with Caroline Burton, Independent Adviser to the Pensions Panel. Mr Scanes expressed an interest in observing a Pensions Panel. - *Adam Chisnall resolved to speak to the Pensions Panel Chairman to consider Board member attendance in the public gallery.*

227. The Board discussed the comments from Mr Cohen on the provision of transfer values. – *Clare Chambers explained that active members were not able to transfer within the regulations. Transfer values were only provided when required for mortgage or divorce calculations. Clare Chambers resolved to investigate the regulations and include an update within the Administration Procedures and Performance report at the March meeting.*

228. Mr Scales informed the Board that his position as Chairman had been reappointed for another 2 years.

229. Resolved – That the Board noted the report.

Pensions Panel Minutes – Part I

230. The Board considered the confirmed part I minutes from the July Pensions Panel meeting; and the Agenda from the November Pensions Panel meeting (copy appended to the signed minutes).

231. The Board queried when the Funding Strategy Statement would be coming to a Board meeting. – *Vickie Hampshire confirmed that the Pensions Panel would be considering the final version at their January meeting. The Funding Strategy Statement and Investment Strategy Statement should be available for the March Board meeting.*

232. The Board requested to see the Business Plan 2016/17 part II report that was considered by the Pensions Panel in November. – *Vickie Hampshire agreed to circulate the report to Board members.*

233. The Board queried the progress of the governance structure for pooling. – *Vickie Hampshire informed the Board that all authorities within the ACCESS group would be agreeing an inter authority agreement before the end of March. Vickie Hampshire agreed to provide a summary of progress to the next Board meeting.*

234. Resolved – That the minutes and agenda be noted.

Regulations and Guidance update

235. The Chairman introduced the item and explained that it would be a regular agenda item to allow the Board to be informed of any updates that were of interest.

236. The Chairman referred to the items that had been recently circulated to the Board as reported on the Progress Statement. The Draft Local Government Pensions Scheme Amendment regulations would be considered at a Board meeting when they were available.

Administration procedures and performance

237. The Board received a report by the Director of Finance (copy appended to the signed minutes).

238. Terry Langworthy introduced the report and outlined the recent breach for late Annual Benefit Statement (ABS) publication. The Board were also informed of a survey exercise to employers asking what they would like in terms of communications. 84 responses had been received which included comments such as less jargon, monthly/bimonthly newsletters, shorter and simpler documents and information that was tailored depending on the type of the employer. The Board requested to see an analysis of the results when the work was complete.

239. Vickie Hampshire reported that the requested information on late payments had been included in the report and could be provided routinely if required. The Board welcomed the information and requested that it is included in future reports.

240. The Board made comments including those that follow. It:

- Raised concerns on the high number of members not receiving an ABS. – *Clare Chambers confirmed that the portal improvements would encourage more people to use it. Communications had gone out to publicise the portal and highlight that ABSs could be accessed on it. It was reported that user statistics would be analysed to see the effect of the communication exercise.*
- Commented on the difficulties experienced when trying to log in to the portal. – *Clare Chambers explained that the portal required a high level of security, but commented that recent feedback had welcomed improvements to the log in process. Terry Langworthy informed the Board that a recent meeting employers had welcomed the portal improvements and the special access for employers that would be introduced soon to enable employers to monitor their employees use of the portal. Feedback from user acceptance testing would be used to make any necessary updates. Ms Martin requested to be included in the first tranche of employers when the access was rolled out. Clare Chambers resolved to look into this.*
- Questioned the progress on newsletters and commented that the website was still showing the 2015 newsletter. – *Clare Chambers reported that officers had discussed plans and the notes of the meeting had been circulated to Board members. The review was still underway and was looking at all newsletter communications. The Board welcomed the update and felt that the 2016 newsletter should be abandoned and officers should focus on the 2017 March newsletter. The Board also commented that members needed to be informed of the pensions increase and so officers should ensure this was considered.*
- Queried the delays reported for Benefit Estimates. – *Clare Chambers commented that a spike in activity was likely following the delays to the ABS. Members would be signposted towards the retirement illustrator which would give instant quotes and save officers time. It was hoped that the portal would improve processes with employers submitting their data directly.*
- Sought clarity on the 'N/A' scoring for ABS. – *Vickie Hampshire resolved to review the data for future reports. Clare Chambers informed the Board that some key performance indicators had recently changed which might explain the lack of data.*
- Considered the auto-enrolment opt out figures. – *Clare Chambers asked if the board would like to see the figures for auto enrolments as well as the opt outs. The Board welcomed the proposal.*

241. Resolved – That the Board notes the report and:

- (1) Requests to see the results of the employer communication survey.
- (2) Requests that the late payments information is added to future reports.
- (3) Requests auto enrolment and opt out figures for future reports.

Valuation Outcomes

242. The Board considered the 2016 Formal Valuation slides that had been to the November Pensions Panel meeting (copy appended to the signed minutes).

243. Vickie Hampshire introduced the slides and updated the Board on the progress of the 2016 valuation.

244. The Board queried the funding strategy target of 100%. – *Vickie Hampshire confirmed that the target was 100% and was calculated over a rolling 20 year basis. It was reported that de-risking would be triggered when the fund reached 95%.*

245. Resolved – That the Board notes the progress of the valuation and requests to see the Funding Strategy Statement at its next meeting.

Training

246. The Board received a document outlining the training that been recorded for Board members (copy appended to the signed minutes).

247. Adam Chisnall introduced the report and noted the progress that had been recorded for the Pension Regulator Toolkit modules.

248. Vickie Hampshire reported that training was being planned for County Council members following the May elections for which an invite could be extended to Board members.

249. Resolved – that Board members will continue to report progress on training.

Date of Next Meeting

250. The Board noted that its next scheduled meeting would take place on Thursday 2 March 2017 at 9.30 a.m. at County hall, Chichester.

Exclusion of Press and Public

251. Resolved - That under Section 100(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I, of Schedule 12A, of the Act by virtue of the paragraph specified under the item and that, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

The meeting ended at 12.05 p.m.

Chairman

Summary of Matters discussed in the absence of the Press and Public on 6 December 2016

Part II Minutes of the meeting held on 21 September 2016

(Exempt, paragraph 3, Financial or business affairs of any person (including the authority))

The Board agreed the part II minutes of the 21 September 2016 meeting.

Pensions Panel Minutes – Part II

(Exempt, paragraph 3, Financial or business affairs of any person (including the authority))

The Board noted the contents of part II minutes from the July Pensions Panel meeting and noted the progress being made on pooling arrangements.