

Pension Advisory Board

25 May 2016 – At a meeting of the Board held at 9.30 a.m. at County Hall, Chichester.

Present: Peter Scales (Independent Chairman), Mark Baker and Richard Cohen (Employer representatives), Andy Elder and Chris Scanes (Scheme member representatives)

Officers: Steve Harrison (Chief Technical Officer), Rachel Wood (Pension Fund Investment Strategist), Clare Chambers (Pensions Operations Manager), Tara Atkins (Pensions Intelligent Client) and Adam Chisnall (Acting Democratic Services Officer)

Part I

Declarations of Interest

123. Mr Baker declared a personal interest as a Director of Finance for Sussex Police which has connections with CAPITA.

Part I Minutes of the meeting held on 16 March 2016

124. Mr Scanes commented on minute no. 89 and reported that he had not received any draft newsletters to comment on. – *Clare Chambers and Tara Atkins confirmed that no newsletters had been sent since the last meeting and explained that the intention had been to send Mr Scanes the final draft after key officers had provided comment. The Board reiterated their wish not to delay the process, but felt that the Board should be involved earlier in the process.*
125. The Board agreed that all newsletters should be copied to the Chairman and that Mr Scanes should receive the Member and Pensioner draft newsletters. The Employer newsletter should be sent to the Employer representatives on the Board.
126. Resolved – that
- (1) The part I minutes of the meeting of the Board held on 16 March 2016 be agreed as a correct record.
 - (2) The draft newsletters be circulated as agreed at minute 125.

Urgent Matters

127. The Chairman informed the Board that Mark Baker had been offered a new job role and so would be stepping down from the Pension Advisory Board. The Chairman thanked Mr Baker for his work on the Board and gave reassurance that officers were already looking into replacement arrangements. It was proposed that the Annual Pensions Panel meeting with District and Borough Councils could be a good opportunity to investigate this.

Progress Report

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

129. The Board noted the report and informed that Mr Cohen's training session on the UK and EU taxation system had been deferred to September.

Pension Panel Minutes – Part I

130. The Board considered the confirmed Part I minutes from the February Pensions Panel meeting and the Agenda from the April Pensions Panel meeting (copy appended to the signed minutes).

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

Business Planning and Performance

132. The Board received a report by the Chairman of the Pensions Advisory Board (copy appended to the signed minutes).

133. The Chairman introduced the report which gave a summary of the performance of the Board against the 2015/16 Business Plan.

134. It was reported that the Department for Communities and Local Government (DCLG) had looked into local Pension Boards to check if they had been established. The Board were asked to consider if a report should be sent to the DCLG on the work of the Board. The Board agreed that a report should be sent to the DCLG only if specific issues arise.

135. The Board discussed their progress and felt it would be useful to receive the Pensions Panel and Governance Committee's comments on the report and on the work of the Board.

136. The Chairman agreed to circulate any information he found for other Pension Boards to the Board members.

137. Resolved – that the Board agrees the reports for the Governance Committee and the Fund Annual Report. The Board will also consider sending reports to the DCLG if specific issues arise.

Administration procedures and performance

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

139. Clare Chambers introduced the report and explained that going forwards, the report would be a combination of the previously received reports for 'Administration Procedures and Performance' and 'Pension Fund Member Communications'. Members were informed that the combined report contained the additional information on Membership Movements and Auto Enrolment Opt Outs that had been requested at the previous meeting.

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

- Queried how often the figures for Membership Movements were monitored. – *Rachel Wood informed the Board that the information was monitored quarterly and resolved to report by quarter going forwards.*
- Sought clarity on the information contained in Appendix A. – *Clare Chambers explained to the Board that the reconciliation work to resolve the backlog had identified missing forms from employers which had impacted the figures. KPIs would separate the issues to ensure that the relevant areas were monitored carefully. The Board were reassured that the backlog was reducing.*
- Asked for more detail on the data cleansing exercises that were carried out. – *Clare Chambers explained that Capita had commissioned the data cleanse as part of a wider project agreed by West Sussex. The report was produced, then the data was cleansed, then the report was rerun to see the improvements. The results of the data cleanse could be shared with the Board. The Board proposed that this could come to the September meeting if available.*
- Queried the responses to the electronic communication exercise and asked why a deadline of 30 June had been set for responses. – *Tara Atkins explained that if members did not provide an email address or opt out of electronic communications, it would be their responsibility to check the pension website. The new website would be user friendly and the email notifications would signpost to the website. Officers had received a high response from pensioner members to retain paper copies. In respect of the 30 June deadline, Tara Atkins explained that the deadline had been set to allow all the responses to be collated. Members would still be able to opt out after this deadline but via a different method.*
- Questioned when the new website would be available. – *Tara Atkins confirmed that the website would go live on 31 August, following user acceptance testing. The employer website would go live in November. Members of the Board requested to be included in the acceptance testing.*
- Sought clarity over the contribution table at section 6 of the report. – *Rachel Wood agreed to add context to the data for future reports.*
- Queried the measures for intervention on the risk register. – *Rachel Wood explained that more description was added to Pensions Panel reports for the risk register and that this could be shared with the Board. Rachel Wood agreed to include this detail on future reports.*
- Asked if the Annual Benefits Statements were on schedule. – *Tara Atkins reported that some employers had not submitted their year end data which could add delays to their employee's reports. The affected members would be informed of the delay to their statement as necessary.*

141. Resolved – that Board welcomes the combined report and that the requested information is made available for future reports.

Valuation assumptions

142. The Board received a set of slides from Hymans Robertson (copy appended to the signed minutes).

143. The Board considered the slides that had been presented at the April Pensions Panel meeting.

144. The Board queried the risk of separating the Fund and the Council. – *Rachel Wood explained that work was underway to investigate the implications of separating the fund.*

145. Rachel Wood informed the Board that details on valuation were due to come to the Annual Pension meeting in July and it was proposed that the funding strategy could come back to the September Board meeting with a potential for combined training with local authorities.

146. The Board requested that the slides from the April meeting should be circulated to employers with the correspondence copied to the Board members.

147. Resolved – that Board notes the slides and requests that employers receive a copy.

West Sussex Local Pension Board Guidance

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

149. Resolved – that Board notes the Guidance document and agrees to the Data Protection Act Principles.

Training

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

151. The Board received details on external training events that were available for Pension Board members and agreed to confirm with officers if they wished to attend.

152. Adam Chisnall requested that the Board members report back on their progress through the Pension Regulator Toolkit and send through certificates for completed modules.

153. The Board noted that training for September meeting would be on Employer Valuation and the UK and EU taxation system.

154. The Board still agreed with Minute 96, and that any papers to the Pensions Panel on AVCs should be copied to Board members.

155. Resolved – that Board members will send copies of their progress on the Pension Regulator Toolkit to Adam Chisnall and inform Officers if they wished to attend external training.

Date of Next Meeting

156. The Board noted that its next scheduled meeting would take place on Wednesday 21 September 2016 at 9.30 a.m. at County hall, Chichester.

Exclusion of Press and Public

157. 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 12.26 p.m.

Chairman

Summary of Matters discussed in the absence of the Press and Public

Part II Minutes of the meeting held on 16 March 2016

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

The Board agreed the part II minutes of the 16 March 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 February Pensions Panel meeting.

Pension Fund Pooling

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

The Board noted the progress that was being made on the pooling arrangements.