

Local Pension Board of Warwickshire Pension Fund

Annual Report 2018-19

The Public Services Pensions Act 2013 requires the Administering Authority for each Local Authority Pension Scheme (LGPS) fund in England and Wales to establish a Local Pension Board

The role of local pension boards is to assist the Administering Authority to secure compliance with LGPS Scheme Regulations and other legislation relating to the governance and administration of the Fund, together with any requirements imposed by the Pensions Regulator. In short, the Board's role is to ensure the effective and efficient governance and administration of the Warwickshire Fund

The Regulations also require the membership of the Board to be made up of equal numbers of employer and employee representatives with a minimum of four members i.e. at least two employer representatives and two employee representatives. The employer representatives on the Board must be independent of the Fund - that is to say they must have no involvement with the day to day management of the Fund. The Warwickshire Board has three employee representatives and three employer representatives

The Warwickshire Board was established as required by the 2013 Act and met three times during 2018/19 The membership of the Board during 2018/19 has been as follows: -

Employer representatives

Councillor Jill Simpson-Vince (Warwickshire County Council) until 27 November 2018

Councillor Parminder Singh Birdi (Warwickshire County Council) from 27 November 2018

Mr Keith Francis (The Citizens Advice Bureaux Service)

Mr Chris Blundell (Rugby District Council) until 5 March 2019

Mr David Buckland from 5 March 2019

Employee Representatives

Mr Alan Kidner (Unison)

Councillor Dave Parsons

VACANCY

The Administering Authority continues to make strenuous efforts to fill this vacancy.

Independent Chairman (Non- voting)

Mr Keith Bray (formerly Director of Financial Services at the City and County of Cardiff)

The Board met on three occasions during 2018/19

10 July 2018 – Attendees Keith Francis
Alan Kidner
Keith Bray (Chair)

The Board received an administration update covering: -

- Ongoing website development
- The Risk register - An online toolkit is now available for members to view
- The Fund's registration for the CIPFA Benchmarking Club
- The admission of new employers – the Board sought assurances that covenants for new employers would be monitored with a view to ensuring that the financial difficulties that had arisen in the past would be avoided in future.
- Cessations. These, including the transfer of Stratford Upon Avon to the West Midlands Pension Fund, had been dealt with successfully
- General Data Protection Regulation (GDPR). The GDPR audit had been concluded, staff were receiving training, and all fund members would receive information regarding the Fund's obligations. Under GDPR
- The GMP (guaranteed Minimum pension) reconciliation with HRMC -the Board were advised that this would be concluded by November 2018

The Board received an update on progress at the Borders to Coast Pensions Partnership Including the transfer of assets

The Board considered its training needs and it was agreed that a training session would be held during the morning prior to the next Board meeting on 27 November

The Board reviewed the minutes of the Pension Fund Investment Sub Committee meetings held on 12 March 2018, 15 May 2018 and 11 June

Under matters arising from the 12 March meeting the Board requested a copy of the Investment Strategy Statement. There were no matters arising from the meetings of 15 May and 12 June

The Board requested to see the reports to which the minutes related.

The Board also requested to see the confidential reports to Committee.

The Legal Services Manager advised that if the Board felt that there was a need to see a confidential report, for example for a piece of work it was undertaking, this would be considered on a case by case basis. It would not be possible however for the Board to see all confidential reports as a matter of course. The Board expressed disappointment and disquiet at this decision.

The Chairman commented that practice varied amongst LGPS funds but he was aware that many funds placed no such restriction on the provision of reports to their Boards. He shared the Board's disappointment and disquiet about the decision as he

felt it hampered the Board's ability to fulfil its responsibilities properly. He requested that the position be kept under review.

It was agreed that Indemnity Insurance for Board Members would be taken out with AON.

27 November 2018 – Attendees Councillor Parminder Singh Birdi
Keith Francis
Alan Kidner
Councillor Dave Parsons
Keith Bray (Chair)

This meeting was preceded by a training session
Robert Bilton (Hymans Robertson provided an overview of the governance of the Local Government Pension Scheme (LGPS) including its purpose, legal framework, powers and responsibilities
In his capacity as Forum Officer of LAPFF, Keith Bray provided an overview of the work of the Local Authority Pension Fund Forum. The Warwickshire Fund has been a member of the Forum for many years

The Board considered the Annual Report and Accounts for 2017/18

The Pensions Manager provided an administration update covering the development of the webpage which is now live. The Board noted with some concern that there was no report available on performance indicators due to staffing issues.

The Strategic Finance Manager presented the existing communications strategy and reported that that it was being updated so a further report would be presented at a late date. The Board noted that security measures had been taken into account with regard to the GDPR

The Board reviewed the Pension Fund Investment Sub-committee papers made available to them for the meeting held on 10th September but remained concerned that access to exempt papers (i.e. confidential papers) were still not available to the Board.

The Board was informed that the Administering Authority's Section 151 Officer would be leaving his post in January 2019 but were reassured that it was a legal requirement to fill the post immediately following the departure of the current Section 151 Officer

5 March 2019 Attendees Councillor Parminder Singh Birdi
David Buckland
Keith Francis
Alan Kidner

The Board were informed that an Interim Section 151 Officer had been appointed

The Board reviewed the minutes of the Pension Fund Investment Sub Committee held on 10th December and asked to be informed of the amount of the fund invested overseas and how much is invested in each overseas market.

The Strategic Finance Manager provided an administration update which covered the following points

- The new website is up and running and has received positive feed back

- Six new academies have joined the scheme and ongoing exit agreements have been established with several bodies which have exited the Scheme

With regard to the risk Register it was noted that staffing resources are being monitored. The Board members stressed that any current recruitment restrictions at Warwickshire County Council should not necessarily apply to the Pension Fund.

It was reported that the Fund had continued to meet the requirements of MIFID2. regarding the professional status of the personnel supporting the Pension Fund

The Board considered the Forward Plan and the Business Plan for 2019/20. The top-level objectives of the Business Plan being to ensure that funds are available to pay all pension benefits as the fall due for payment and that the beneficiaries are paid punctually and accurately.

The Border to Coast Pensions Partnership's Responsible Investment Policy was received by the Board

The Board will meet again on 8 July 2019

Keith Bray

Independent Chairman

July 2019