

DRAFT MINUTES

Meeting ID	198
Committee	Warwickshire Local Pension Board
Date	14/11/2019
Attendees	<p>Committee Members</p> <p>Keith Francis - Employer Representative Keith Bray - Independent Chair Alan Kidner - Scheme Member Representative Councillor Parminder Singh Birdi - Scheme Employer Representative Councillor Dave Parsons - Scheme Member Representative</p> <p>Officers</p> <p>Helen Barnsley, Democratic Services Officer Neil Buxton, Pension Services Manager Liz Firmstone, Service Manager (Transformation) Michael Nicalaou, Treasury and Pension Fund Manager Chris Norton, Strategy and Commissioning Manager (Treasury, Pension, Audit & Risk) Jane Pollard, Legal Service Manager (Corporate) Richard Ennis, Assistant Director - Finance Rob Powel, Strategic Director for Resources Sukhdev Singh, Principal Accountant Aneeta Dhoot, Senior Finance Officer</p> <p>Others Present</p> <p>Robert Bilton – Actuary - Hymans Robertson Ian Coleman – Independent Consultant</p>

Item ID	806
Item Title	Introductions and General Business
Summary	Due to bad weather and heavy traffic, the Chair was delayed and was not present for the start of the meeting. It was agreed that Jane Pollard, Legal Services Manager, would be acting Chair until Keith Bray arrived

Item ID	807
Item Title	Apologies
Summary	David Buckland - Scheme Employer Representative

Item ID	808
Item Title	Board Members' Disclosures of Interests
Summary	The Chair stated that he was a member of the Local Authority Pension Fund Forum. In addition, he works for a firm of American lawyers which has Pension Fund clients, but these did not include Warwickshire. Alan Kidner stated that his sister-in-law works for J.P. Morgan. It was acknowledged that these were unlikely to present any issues but still merited recording.

Item ID	809
Item Title	Minutes of the meeting held on 8 July 2019
Summary	<p>A series of amendments to the draft minutes were requested. It was agreed that these should be made and that the revised version of the minutes be circulated to Board members and officers for their approval prior to signing by the Chair and subsequent publication.</p> <p>There were no matters arising</p>

Item ID	810
Item Title	Minutes of the Special Meeting held on 19 September 2019
Summary	Alan Kidner presented a series of proposed amendments to the minutes of the special meeting held on 19 September 2019. It was agreed that the board be given time to review the proposals before agreeing to the amendments and that the item be deferred until the next meeting of the Local Pension Board in March 2020.

Item ID	811
Item Title	Governance Review
Summary	<p>Rob Powell, Strategic Director – Resources, introduced the report which had been commissioned through CIPFA to assess the pension administration function and inform an action plan to improve the service. Ian Coleman, independent consultant carried out a complete review of the pension fund administration against The Pension Regulator's 46 requirements and 3 developing areas, based on documented evidence and interviews with key staff and representatives of the Board. Ian Coleman confirmed to the board that the RAG ratings in the report were based on his judgement against the Pension Regulator's standards.</p> <p>The board reviewed the action plan, concentrating on red and amber ratings. During the discussion the following points were highlighted;</p> <ul style="list-style-type: none"> i) There is a need for the board to undertake ongoing training as well as a training needs analysis for each member. ii) The board agreed to move to quarterly meetings.

	<ul style="list-style-type: none"> iii) A summary of audit reports will be presented to the Board after they have been to the Audit & Standards Committee. iv) The current figure for annual benefit statements distributed by the deadline is now 93%. There has been no response yet from the pension fund regulator in response to the breach regarding annual benefit statements. v) Rob Powell confirmed that the action plan requirements in relation to the interface with Warwickshire County Council’s payroll are being implemented. <p>In response to a question from Keith Francis, it was confirmed that the document provides a summary and there is more evidence “behind the scenes” to support the work involved.</p>
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Item ID	812
Item Title	Pensions Fund </A16
Summary	<p>Rob Powell, Strategic Director – Resources, introduced the report confirming that this was an extensive report and that it would be a standing item for all pension fund meetings moving forward. This signalled an intention to improve governance and transparency in line with Ian Coleman’s review, and Rob requested feedback on the usefulness of the report to the Board.</p> <p>Liz Firmstone, Service Manager, Transformation stated that the report reviews all governance matters and provides details on all current activities and progress made.</p> <p>The following updates were presented to the Board;</p> <ul style="list-style-type: none"> i) With reference to payroll reports, the programme for the payroll reports has now been shared and consolidated into fewer reports. This has improved efficiency. The pension administration officers had input into the design of the reports. ii) Following a question from Alan Kidner, assurances were given in relation to the costs involved in the manual checks. It was confirmed that these manual checks were basic control checks which represent business as usual and so carry no additional cost. Rob Powell reminded the Board that the new payroll system has halved the associated costs to the pension fund. iii) The Starters and Changers backlog has now been cleared. 100% of changes for September have also been cleared. iv) With reference to the fund administration costs, it was agreed that they will need to be examined and this will form part of

	<p>phase two of Ian Coleman's independent review.</p> <p>v) With reference to data accuracy, the overall accuracy has increased from 98.4% to 98.5%. There is now a training log in place which will be regularly reviewed and assessed.</p> <p>Following a question from Alan Kidner in relation to the payroll costs per pensioner, Rob Powell confirmed that Ian Coleman will be carrying out a deep dive review and that the results will be fed back to the Board once completed at its meeting in March 2020. It was agreed that a clearer explanation of the costs is required, given apparently anomalous historical figures.</p>
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Item ID	813
Item Title	LGPS Development Update
Summary	<p>Neil Buxton, Pensions Manager updated the Board on recent and future LGPS developments. It was agreed that a link to the Scheme Advisory Board (SAB) would be sent out to all members of the Board.</p> <p>With reference to the McCloud case it was confirmed to the Board that work is still ongoing. At this point it would be difficult to state what the likely impact would be as well as being difficult to assess with the final cost is likely to be. The Board will be kept updated as the case progresses.</p> <p>The Hymans report is expected to be presented to the SAB on the 15 November 2019 and officers will send a link out to the members of the Board.</p> <p>Officers drew attention to appendix A of the report – extracts from the Pensions Regulator Report which contains important information in relation to the pension regulator, governance and administration.</p> <p>It was also noted that the Brexit issue is still causing some uncertainty for local government pension schemes.</p>

Item ID	814
Item Title	Review of the papers of the Pension Fund Investment Sub Committee meeting held on 9 September 2019
Summary	<p>The Board noted the papers of the Pension Fund Investment Sub Committee meeting held on 9 September 2019.</p> <p>There were no matters arising.</p>

Item ID	815
Item Title	Forward Plan
Summary	<p>The Board noted and agreed the forward plan.</p> <p>It was agreed that the dates for future meetings need to be discussed and clarified in view of the agreement to hold quarterly meetings. Consideration is to be given to the dates of the meetings for the Pension Fund Investment Sub Committee.</p>

Item ID	816
Item Title	Any Other Business
Summary	<ul style="list-style-type: none"> i) It was agreed that minutes of the meetings should be circulated as soon as possible to the Chair and Board members before they are published. ii) Any associated documents are to be shared with Board members as soon as possible. The Board is to be made aware of external publications, relevant to the Board as soon as possible. iii) Following a discussion, it was confirmed that more administration reports would be sent to the Staff and Pensions Committee. There was some confusion as to the difference between the classification of exempt documents for the Pension Fund Investment Sub Committee (PFISC) and the Local Pension Board, and risks to the ability of the Board to support that sub-committee arising from exempt reports. iv) Jane Pollard, Legal Services Manager, confirmed that the remit of each committee, including the Staff & Pensions committee, decided what was relevant and seen.

Item ID	819
Item Title	Reports Containing Confidential or Exempt Information
Summary	<p>That members of the public be excluded from the meeting for the items below on the grounds that their presence would involve the disclosure of confidential or exempt information as defined in Paragraph 3, Schedule 12A of the Local Government Act 1972 as amended</p>

Item ID	817
Item Title	2019 Valuation
Summary	<p>Robert Bilton, Actuary - Hymans Robertson presented the report.</p> <p>The Board noted and commented on the report.</p>

Item ID	818
Item Title	Pooling Update
Summary	<p>Chris Norton, Strategic Finance Manager presented the report to the Board.</p> <p>The Board noted and commented on the report.</p>