

## minutes

Meeting NOTTINGHAMSHIRE LOCAL PENSION BOARD

Date Thursday 12 December 2019 at 1.30 pm

### **membership**

Persons absent are marked with 'A'

### **Employers**

Councillor Tony Harper	Nottinghamshire County Council
Councillor Steve Battlemuch A	Nottingham City Council
David Smith	Autism East Midlands

### **Members**

Mark Heppenstall	Pension Scheme member
Thulani Molife	Pension Scheme member

### **Also in Attendance**

John Raisin	John Raisin Financial Services Ltd, Advisor to the Board
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### **Officers in Attendance**

Jon Clewes	Team Manager, Pensions
Martin Gately	Democratic Services Officer
Sarah Stevenson	Group Manager, Business Services Centre

### **MINUTES**

The minutes of the last meeting held on 11 September 2019 were agreed subject to the addition of the following text from the Advisor to the Board. "Mr Raisin stated however that the 3<sup>rd</sup> January 2019 consultation had been "informal" and therefore there had not been an official consultation. The MHCLG had now indicated that they hoped to issue a formal consultation on new statutory guidance on investment pooling sometime late in 2019."

### **APOLOGIES FOR ABSENCE**

None.

### **DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS**

None.

#### **4. NOTTINGHAMSHIRE LOCAL PENSION BOARD – PUBLIC SERVICE GOVERNANCE AND ADMINISTRATION SURVEY 2019**

Jon Clewes, Pension Manager, introduced the report, the purpose of which was to provide the Pensions Board with a copy of the draft response to the Public Service Governance and Administration Survey 2019 issued by the Pension Regulator (TPR).

Mr. Clewes explained that each year the fund was required to complete an information return. The main areas are: governance (e.g. documented policies on conflicts of interest), resources, knowledge/understanding, and numbers of Board Members.

Responding to questions from Board Members regarding resourcing, Mr Clewes said that there were a number of vacancies within the department, and some posts were proving difficult to recruit to (e.g. a recently advertised senior practitioner post). The issue will need to be addressed via training people internally and apprenticeships.

In relation to data quality, Mr Clewes indicated that an extensive data audit and forensic analysis was currently taking place. There can be some difficulty in getting employers to address any problems with data, this may be mitigated by the move to monthly returns.

In response to questions from Board Members regarding compliments, Mr Clewes stated that although there is no formal process for compliments, they were circulated to the team. The survey does not request details of compliments.

#### **RESOLVED 2019/007**

That:-

- 1) No changes were required to the Governance and Administration Survey prior to submission.

#### **5. NOTTINGHAMSHIRE LOCAL PENSION BOARD – PENSION FUND ADMINISTRATION PERFORMANCE REPORT**

Jon Clewes introduced the report, the purpose of which was to inform the Nottinghamshire Pension Board of the administration, activity and performance of the Administration Team.

Mr Clewes explain that the table on page 2 demonstrated the improved position, and while further work is still required, a great deal has already been done in relation to deferred benefits and leavers. Fluctuation of membership will continue, auto-enrolment is taking place now and academies sit as multi-academy trusts.

Benefit statements have been issued on time and, for the first time, information has been received from all employers.

Regarding the Fund Key Performance Indicators, Mr Clewes explained that the administration following a death could be complex and challenging. Diverse

families can also present a challenge because of the numbers of next of kin involved.

A forthcoming piece of work will be in relation to members coming up to 55 and having deferments.

Mr Clewes reported a piece of good news in relation to the GMP reconciliation. The HMRC had asked for £750k, and this was duly challenged, and the figure reduced. HMRC were reverted to on a number of occasions because the amount still seemed fairly high, but they declined to reduce it further.

The Board noted the error in the published report recommendation (which referred to the Nottinghamshire Pension Fund Committee rather than Nottinghamshire Pension Board), and this was corrected, further to being duly moved and seconded.

#### **RESOLVED 2019/008**

That the performance of the administration of the pension fund, and the continued development of systems and processes that will improve the service to members of the fund be considered.

#### **6. PENSION FUND RISK REGISTER**

Ciaran Guilfoyle, Investments Officer, went through the Risk Register. One risk (ref. Inv3) covers the possibility that the Fund's assets are insufficient to meet the Fund's long-term obligation to pay pensions. This is something that is examined by the actuaries in their triennial valuation exercise. The most recent valuation (March 2019) indicated a funding level of 93%, which is in line with other LGPS funds. The intention is for the gap to be closed over the course of 20 years and employers' contribution rates are determined accordingly. There are no resulting day to day problems.

#### **RESOLVED 2019/009**

That no actions were required in relation to the issues contained within the report.

#### **7. THE LOCAL GOVERNMENT PENSION BOARD REVIEW 1 APRIL 2018 TO 31 MARCH 2019**

Mr John Raisin, Advisor to the Board, introduced the report, the purpose of which was to review the activity of the Nottinghamshire Local Pension Board for the period 1 April 2018 to 31 March 2019. Mr Raisin explained that the purpose of the Board was to assist the scheme manager in securing compliance with legislation. The Board challenges and asks suitable questions, as well as undertaking a broad consideration of risk. Mr Raisin indicated that it was extremely important for the Board to receive Pensions administration data – this should continue to be one of the Board's main focuses.

The Board agreed that the Advisor should present the Local Government Pension Board Review to the Pension Fund Committee at the next available meeting.

#### **RESOLVED 2019/0010**

That:-

- 1) the Advisor to the Board be requested to present the Pension Board Review 1 April 2018 – 31 March 2019, at a mutually agreed date, to the Nottinghamshire Pension Fund Committee.

#### **8. LGPS UPDATE (AN ORAL UPDATE FROM THE ADVISOR TO THE BOARD)**

#### **RESOLVED 2019/0011**

At a training session prior to today's Pension Board meeting, the Advisor to the Board presented an LGPS update to Board Members in the form of a 90 minute training session. The issues covered were:

- 1) The Scheme Advisory Board – Good governance in the LGPS project
- 2) Investment Pooling – a National Update
- 3) Scheme Advisory Board draft guidance on responsible investment of November 2019

The meeting concluded at 2.30 pm.

**CHAIR**