

Local Pensions Board

Thursday, 16 March 2023 at 10:30

County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

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|---|--|---------|
| 1 | Minutes of the last meeting held on 29 September 2022 | 3 - 8 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Nottinghamshire Pension Board Training Proposal | 9 - 12 |
| 5 | Nottinghamshire Local Pension Board LGPS Update | 13 - 18 |
| 6 | LGPS Governance Conference 19-20 January 2023 | 19 - 26 |
| 7 | Pension Board - Risk Register | 27 - 48 |
| 8 | Pension Board Work Programme | 49 - 52 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.

- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Noel McMenamin (Tel. 0115 993 2670) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

minutes

Meeting NOTTINGHAMSHIRE LOCAL PENSION BOARD

Date Thursday 29 September 2022 at 10:30 am

membership

Employers

Councillor Reg Adair	Nottinghamshire County Council
Councillor Dr. Nayab Patel	Nottingham City Council
Becky Smeathers	Nottinghamshire Fire and Rescue

Members

Mark Heppenstall	Pension Scheme member
Thulani Molife (Chair)	Pension Scheme member

Also in Attendance

None

Officers in Attendance

Sara Allmond	Advanced Democratic Services Officer
Jon Clewes	Team Manager, Pensions
Ciaran Guilfoyle	Investments Officer
Keith Palframan	Team Manager, Financial Services
Sarah Stevenson	Group Manager, Business Service Centre

UPDATE ON BANK OF ENGLAND GILT MARKET BAIL OUT

Keith Palframan advised the Board that the recently reported purchasing of gilt bonds by the Bank of England to shore up pensions funds, was not of significant impact to the Local Government Pension Scheme as it only had limited number of investments within the gilt bond market. This was mainly an issue for closed pension funds.

1. MINUTES

The minutes of the last meeting held on 23 June 2022 were agreed and signed by the Chairman.

2. APOLOGIES FOR ABSENCE

An apology was received from John Raisin, Financial Services Ltd, Advisor to the Board

3. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

None.

4. APPOINTMENTS

RESOLVED 2022/009

To note the appointment of Councillor Dr Nayab Patel as the representative of Nottingham City Council on the Board, and the appointment of Becky Smeathers from Nottinghamshire Fire and Rescue as an employer representative on the Board.

5. NOTTINGHAMSHIRE LOCAL PENSION BOARD LGPS UPDATE (SEPTEMBER 2022)

John Clewes, Team Manager, Pensions introduced the report on behalf of the Advisor to the Board, which provided a general update since the last meeting on:

- (a) Developments relating to the Department of Levelling Up, Housing and Communities and issues on which a consultation had been expected in Autumn 2022
- (b) Investment pooling
- (c) Climate reporting
- (d) Good governance in the Local Government Pensions Scheme
- (e) Age discrimination in the Local Government Pension Scheme (McCloud)

In relation to (e) above, the Board were informed that the Pension Fund were undertaking considerable work to collate data around this issue. A Project Manager and Data Officer were carrying out the work and had contacted large employers to gather the required information and would be contacting smaller employers to gather the same information, to build a full picture across the Fund. It was a difficult, time and resource intensive piece of work. A further update would be brought back once the remedy was known.

RESOLVED 2022/010

That the report of the Advisor to the Pensions Board providing a Local Government Pension Scheme update be noted.

6. LGPS PENSIONS ADMINISTRATION PERFORMANCE REPORT

Jon Clewes presented his report, which gave an overview of the work of the Pension Administration Team for the period 1 April 2021 to 31 March 2022. The issues that were highlighted included:

- The Pension Administration Team faced another challenging year. Changes in legislation and new transfer processes, plus the continuing impact of Covid with more fund members considering their pension future and the possibility of taking their pension earlier.
- 2021-22 was a valuation year for the Fund, and data was provided to the scheme actuary.

- Data quality continuing to be high on the agenda and it was improving. The work undertaken and updates on data should all help to improve data quality, with the work linked to the data improvement workstream.
- The current membership in the fund had increased, mainly due to transfers from academy trusts which had created quite a bit of work.
- The number of employers in the scheme was down but a number of individual schools have been consolidated under single trusts.

In response to a question regarding the Prudential AVC (Additional Voluntary Contributions scheme) and data ownership, Members were advised that the Pensions Fund was now seen as a Trustee by Prudential and the Fund now essentially administered the AVC scheme. This was a change to previous AVC providers. There had been missing records on the Prudential system which had been rectified so fund members could now see all information on their records. When a fund member requested their figures, the AVC figures were included as they needed to be taken into account in the calculations. Once confirmed Prudential were notified to make the payment and they sent a cheque. It could create turmoil if not applied properly.

In relation to recruitment, Members were advised that there were 10 posts to be filled. Four had been recruited to in the Pensions Admin Team and one into the Compliance Scheme. Recruitment was being undertaken through the Indeed Job Board. The new staff would be trained and then a further round of recruitment would be carried out. Most new recruits were at entry level, and consideration was being given to bring more people in at that level and train them up to progress into more senior roles due to shortages of experienced staff within the labour market nationally. Work was being undertaken nationally to look at the possibility of introducing an apprenticeship scheme to help develop the work force.

Members asked why there were a number of employers leaving the fund and were advised that some perceived the fund as too expensive and could not afford the fees, one had ceased trading in the area and some were where academies changed provision such as for cleaning and catering. However, a number of employers had also joined and therefore the number of employers in the fund was up overall.

RESOLVED 2022/011

- 1) 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 noted.

7. LOCAL GOVERNMENT PENSION SCHEME – INITIAL REPORT ON THE PROPOSED PENSION DASHBOARD PROGRAMME

Jon Clewes, introduced the report which provided an overview of a National Pensions Dashboard, emanating from a government led project requiring the pension industry to design and own the dashboard. The report set out the outline of proposed phases and explained the activities the Pension Fund would potentially need to undertake in the implementation of the dashboard.

Members highlighted the importance of the system being user friendly as pensions was a complex area and asked to see a demo of the system when available.

Members raised concerns that the system did not seem to be very automated and manual inputting of information from individual Fund Administrators was required and that the system was limited as it did not allow members to alter the parameters to check different options and would instead just show the current position. The Pension Fund was still looking at developing a local version which would enable fund members to run their own estimates. Accurate data was key to enable this, and this was still being collated meaning this was some way off being developed but it was a long term plan. With finite resource in the teams, national projects were impacting on ability to undertake local projects.

Whilst data collection was improving there was still the ongoing issue of year end returns from employers still being incorrect, which was a long standing problem, and continued to have an impact on the teams administering the fund. Work would continue to support employers to provide the correct information first time. Where information was being consistently not updated or inaccurate consistently provided, the Fund were now issuing fines.

In terms of security on the dashboard, assurances had been provided to the Fund that data security was being given first priority and the search parameters for the data were being considered now. The access would work similar to that of the Government Gateway.

RESOLVED 2022/012

- 1) That the implications of the Pension Dashboard Programme be noted, and that further update reports be presented to the Board as the project becomes clearer as the National Programme progresses.
- 2) That an update report on the resource requirements of the Pension Fund to enable the implementation of the Pension Dashboard Programme be brought to a future meeting of the Board.

8. PENSION BOARD TRAINING PROGRAMME

Jon Clewes, introduced the report which set out a training programme recommended by the Advisor to the Board.

A concern was raised regarding the amount of training undertaken by Pension Fund Committee Members. Members were advised that in the Good Governance Recommendation there was going to be a requirement for training.

RESOLVED 2022/013

That the training programme proposed by the Independent Advisor to the Board as set out in Appendix A of the report, be approved.

9. PENSION FUND – RISK REGISTER

Jon Clewes, introduced the report which provided the current Nottinghamshire Pension Fund Risk Register.

RESOLVED 2022/014

That the report be noted.

10. WORK PROGRAMME

Members were given an update on possible items for future meetings of the Board.

RESOLVED 2022/015

That the work programme be approved.

The meeting concluded at 12:08pm.

CHAIRMAN

JOHN RAISIN FINANCIAL SERVICES LIMITED

The Nottinghamshire Local Pension Board

Pension Board Training Proposal **Pensions Legislation and Pensions Governance**

A paper by the Advisor to the Pension Board **February 2023**

Purpose

This paper makes proposals in respect of the provision of training by the Advisor to the Board in respect of Pensions Legislation and Pensions Governance. This will provide introductory and overview training in respect of the first two of the eight “core” areas of Knowledge and Skills for Pension Board Members as identified in the CIPFA Knowledge and Skills Framework for Local Pension Boards (2015). This training is essential for those Board Members who have not attended the training on Pensions Legislation and Pensions Governance previously provided by the Advisor to the Board.

Background

The September 2022 Pension Board meeting received a paper from the Advisor to the Board entitled “Pension Board Training Programme.” This present paper proposes that one of the main sources of proposed training – coverage of the eight “core” areas of Knowledge and Skills be commenced prior to the next scheduled meeting of the Board in June 2023.

There is a legislative requirement for Pension Board Members to have “*knowledge and understanding*” of pensions law and be “*conversant*” with Scheme Regulations and Fund documents as required by the Pensions Act 2004 as amended by the Public Service Pensions Act 2013. However for Pension Board Members to fulfil their role effectively they require knowledge and understanding across a broad range of issues. Consequently guidance relating to Pension Board Members knowledge and understanding has been issued by the Pensions Regulator (Code of Practice No14, 2015) and CIPFA (CIPFA Code of Practice on LGPS knowledge and skills, June 2021, and the CIPFA Local Pension Boards A Technical Knowledge and Skills Framework of July 2015).

The CIPFA Local Pension Boards A Technical Knowledge and Skills Framework of July 2015 is particularly important as it sets out eight “core” areas of Knowledge and Skills for Board Members. It is fundamental that training across

all eight of the core areas in the CIPFA Knowledge and Skills Framework are made available to all Pension Board members. These eight core areas are:

- Pensions Legislation
- Pensions Governance
- Pensions Administration
- Pensions accounting & auditing standards
- Financial markets and products knowledge (including understanding of the importance of the investment strategy)
- Procurement and relationship management
- Investment performance & risk management
- Actuarial methods, standards, and practices

Proposed Training

There have been a number of departures from and more recently appointments to the Nottinghamshire Pension Board since September 2021 when the Advisor to the Board last provided training to meet the CIPFA Knowledge and Skills requirements. Therefore it is proposed that the Advisor to the Board recommence the provision of training to cover the eight “core” areas within the CIPFA framework for Pension Board Members prior to the next scheduled Pension Board meeting scheduled to be held in June 2023.

An understanding of both Pensions Legislation and Pensions Governance is absolutely crucial to a proper and rounded knowledge and understanding of the LGPS as a whole and the role of the Pension Board in particular. Proper understanding of Pensions Administration, Pensions Investment, Actuarial and Accounting, in the context of the LGPS, rely on a clear knowledge of the complex, detailed and specific Legislation and Governance relating to both pensions in general and, especially, the LGPS in particular.

Consequently, it is proposed that a session covering both Pensions Legislation and Pensions Governance be held remotely at a time which is mutually agreeable to both the Advisor to the Board and Board Members who have not attended a previous version of this training. The session will cover two of the eight “core” areas of knowledge and understanding and delivery time is estimated at two hours although a meeting time of two and a half hours is proposed.

This training is essential for those Board Members who have not previously attended the training on Pensions Legislation and Pensions Governance provided by the Advisor to the Board. Board Members who have attended this training previously are welcome to attend as the training will take specific account of recent (2022 and 2023) developments in the LGPS.

John Raisin

10 February 2023

John Raisin Financial Services Limited
Company Number 7049666 registered in England and Wales.

JOHN RAISIN FINANCIAL SERVICES LIMITED

The Nottinghamshire Local Pension Board

LGPS Update

A paper by the Advisor to the Pension Board **March 2023**

Introduction

This paper informs and updates the Pension Board in respect of a number of important issues relating to the LGPS at a national level. The issues covered in this paper are:

1. Developments relating to the DLUHC
2. Climate Reporting.
3. Investment Pooling.
4. Pension Fund Accounts.
5. Consultation on changes to the Scheme Advisory Board (SAB) Cost Management process.
6. Reclassification of the Further Education sector.
7. LGPS Pensions Increase 2023.

It is hoped that this paper will be informative to all Members of the Pension Board and in particular to those who have joined the Board more recently.

1. Developments relating to the DLUHC

As reported in the previous (September 2022) LGPS Update Paul Scully MP who had been appointed the Minister whose responsibilities included the LGPS in July 2022 was retained in that role by Rt Hon Elizabeth Truss MP following her appointment as Prime Minister in September 2022. However following the resignation of Rt Hon Elizabeth Truss MP and her replacement as Prime Minister by Rt Hon Rishi Sunak MP, in October 2022, Paul Scully MP was removed from his role as a Minister in the DLUHC. Subsequently it was announced, in early November 2022, that Lee Rowley MP had been appointed as the Minister whose responsibilities were to include the LGPS.

2. Climate Reporting

The Consultation on Governance and reporting of Climate Change risk which was issued on 1 September 2022 closed on 24 November 2022. It is understood that the DLUHC received approximately 120 responses to the Consultation.

The volume of responses means that there has been a delay in the DLUHC responding to the Consultation and issuing the final Regulations and any associated Guidance. It is still expected however that, as proposed in the Consultation, LGPS Funds will be required to produce their first Climate Risk Report under the new Regulations by December 2024. It is anticipated that the relevant new Regulations will apply from 1 April 2023 but that they will likely be issued after 1 April and applied retrospectively.

The nature of the (likely) required reporting by individual LGPS Funds, including Nottinghamshire, to comply with the Climate Risk reporting requirements (when published) is likely to require significant additional work. Each LGPS Fund will need to determine the extent to which it will rely on its Officers, Investment Pool, and other Advisors to undertake this work.

3. Investment Pooling

The Consultation on the future development of Investment (Asset) Pooling expected since 2019 has still not yet been issued. The Chancellor of the Exchequer Rt Hon Jeremy Hunt MP did however include reference to this in a Statement on “Financial Services” he made on 9 December 2022 which included that the Government *“Will, in early 2023, consult on new guidance to the Local Government Pension Scheme (LGPS) in England and Wales on asset pooling.”*

It is understood that the future of Investment Pooling has been subject to active consideration within the DLUHC and therefore a Consultation may reasonably be expected to be issued during 2023, although the actual timing is not clear.

4. Pension Fund Accounts

Regulation 53(1) of the LGPS Regulations 2013 (as Amended) requires Administering Authorities (including Nottinghamshire County Council) to *“maintain a pension fund...”* However at present in England the Pension Fund Account forms part of the overall Accounts of the Administering Authority. Due to delays in the preparation and publication of Administering Authority main accounts delays are consequently occurring in the publication of the Pension Fund Annual Report that each LGPS Administering Authority has a statutory responsibility to publish by 1 December each year.

Therefore in August 2023 the Chair of the Scheme Advisory Board (SAB) wrote to the (then) Minister Responsible for the LGPS Paul Scully MP. The SAB letter urged the Government to support the separation of the Pension Fund Annual Accounts in England from those of their Administering Authority as has already happened in both Wales and Scotland. The SAB letter included the following:

“The issues behind delays in the external audit of local authority accounts are much wider and not related to the preparation of pension fund annual accounts. The Board is firmly of the view that, so long as pension fund accounts remain part of the main local authority accounts, problems unrelated to pension fund accounts will continue to impact on the timely publication of the pension fund accounts and the pension fund annual report...”

“When it last met on June 6th , the Board agreed to recommend the separation of the pension fund annual accounts in England from the administering authorities’ own accounts, as is already the case for the LGPS in Scotland and Wales... Indeed, it is notable that in Scotland and Wales 80% of pension funds managed to publish audited pension fund accounts on or before 1st December 2021, whilst in England only 17% of audited pension fund annual reports were published by the same date”

“...It would also assist with reform of audit in local government more widely by removing a complex, and specialist area from the main administering authority accounts. This would be helpful as part of the wider goal in ensuring the timely and robust audit of local authority accounts, benefiting the health of the LGPS and local government finance in general.”

On 15 February 2023 the Minister now responsible for the LGPS, Lee Rowley MP sent a response to the SAB which indicated that the DLUHC is actively considering the SAB recommendation to completely separate the Pension Fund Annual Accounts of English LGPS Funds.

“I recognise the scope and complexity of issues affecting external local audit, and the impact that this is having on reporting by local authorities and LGPS funds. The Pension Fund Annual Reports and the Scheme Annual Report are vital in maintaining transparency and accountability of the LGPS to members, employers, and taxpayers...”

“ I welcome the Board’s advice and recommendation to consider the separation of main authority accounts and the pension fund accounts, in addition to the package of support for local audit already in place. I have asked my officials to consider the scope for developing this further.”

5. Consultation on changes to the SAB Cost Management process

The Public Service Pensions Act 2013 introduced into the major public service pension schemes, including the LGPS, a cost control mechanism to seek to ensure the cost of providing pensions is kept within a cost range. The cost control mechanism is primarily concerned with calculating the cost of providing benefits to Employees of each of the seven major public service pension schemes (Civil Service, NHS, Teachers, Police, Fire, Judiciary, LGPS).

For the LGPS in England and Wales there are two cost control mechanisms:

- The employer cost cap (ECC) process as operated by HM Treasury.
- The future service cost (FSC) process as operated by the LGPS Scheme Advisory Board (SAB).

The seven major public service pension schemes are subject to the cost cap process operated by HM Treasury. However as the LGPS (alone) is a funded Scheme a second cost management process was established. The can use different assumptions around the cost of providing member benefits, for example, it can use a different discount rate to reflect that the LGPS is a funded scheme. The SAB process operates prior to the HM Treasury process, and recommendations made as a result (and accepted by government) are considered when calculating the scheme costs for the purpose of the HM Treasury process.

If either cost control process shows that the costs of providing benefits have risen or fallen outside of a target level, recommendations can or must (in certain circumstances) be made which would bring them back to target. These may include additions to or reductions to future benefits and adjustment of Employee contribution rates.

In 2021 the Government Actuary undertook a review of the cost cap process as operated by HM Treasury. This resulted in the Government making certain changes to this process including widening the corridor from 2% to 3% of divergence of pensionable pay from the target cost required to result in a breach of the cost control mechanism resulting in a reduction in the likelihood of changes to a Scheme.

On 30 January 2023 DLUHC launched a Consultation (which closes on 24 March 2023) entitled “**Local Government Pension Scheme: Changes to the Scheme Advisory Board cost management process**” The Consultation aims to update the SAB process in light of the 2021 changes to the HM Treasury cost control process and to provide the SAB with greater flexibility in how it responds to any cost variations.

6. Reclassification of Further Education sector

On 29 November 2022 the Office for National Statistics (ONS) announced that it had reclassified statutory Further Education (FE) sector bodies (FE colleges, Sixth Form Colleges and designated institutions) and their subsidiaries in England. As a result of this review these bodies have been reclassified by the ONS from Non Profit Institutions to the Central Government Sector. In effect this means that these bodies are now part of Central Government.

Schedule 2 Part 1 of the LGPS Regulations 2013 requires Further Education bodies to offer their non-teaching staff membership of the LGPS. Presently the Department for Education (DfE) does not provide a central government guarantee and therefore there is a high risk for a LGPS Fund should a Further Education body become insolvent. Furthermore the DfE Policy paper “**Further education reclassification: government response**” (published 29 November 2022) states “*The reclassification of the FE sector does not require any action for colleges with regards to the local government pension scheme.*” Therefore the Government has not committed to providing any additional covenant assurances or guarantees for Further Education employers.

Going forward were central government to provide a guarantee it would potentially provide more support in respect of Further Education liabilities. Furthermore the SAB has stated that it will be discussing the wider implications of this change in classification with the Department for Education. However even if a guarantee were provided the impact of the reclassification would need to be assessed by each LGPS Fund for each of its Further Education employers and decisions taken as to whether any changes in the funding approach to such employers be made.

7. LGPS Pensions Increase 2023

On 20 February 2023 The Treasury issued an announcement and the Chief Secretary to the Treasury made a written statement regarding the 2023 increase in public sector pensions. These confirmed that LGPS pensions will be increased by 10.1% from April 2023. Therefore the practice that LGPS pensions in payment, deferred benefits, and benefits earned by Active Members of the LGPS since 1 April 2014, be increased in April in line with the increase in CPI inflation as at the previous September has been maintained for 2023.

John Raisin

6 March 2023

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Agenda Item:6

REPORT OF SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND EMPLOYEES

LGPS GOVERNANCE CONFERENCE 19 – 20 JANUARY 2023

Purpose of the Report

1. To report on the LGPS Governance Conference 2023.

Information and Advice

2. The Annual LGPS Governance Conference took place on the 19 and 20 January 2023. The Conference was opened by Joanne Donnelly, head of Pensions at the LGA. Joanne welcomed all delegates to the conference and trailed the range of interesting speakers on a variety of important topics relevant to LGPS practitioners.
3. This year the conference was attended by Pension Board Chair, Thulani Molife, Councillor Mike Introna, Deputy Chair, Pension Committee, along with Jonathan Clewes Pension Administration Manager.
4. The following are the main highlights of the presentations given at the conference and represent the views of the presenters.

Day 1 – Keynote address – Good complaint handling Chief Operating Officer, The Pension Ombudsman.

5. Alex set out the approach that was being taken by the Pensions Ombudsman in handling complaints and, specifically, the approach to early resolution whereby customers are encouraged and supported to seek the answers to their queries and complaints.
6. It was explained that it was important to acknowledge what customers want. In most cases, simply an apology, for things to be put right, and to help ensure that others are not affected by the same issue.
7. From an LGPS point of view the biggest category of complaint is in respect of ill Health decisions made by employers. The main issue is the process that leads up to the decision relating to an ill health retirement.

8. Alex provided guidance on how pension schemes can avoid the Pensions Ombudsman and highlighted the importance of clear member communication.
9. The session was wrapped up by highlighting the important work done by volunteers (specifically supporting early resolution) and encouraged pension professionals in the room to consider volunteering for the Pensions Ombudsman.

Scheme Advisory Board update – Jon Richards, Unison and SAB vice chair

10. Prior to this session, a video address was shown from Lee Rowley MP, the Local Government Minister.
11. The Minister expressed optimism about what the LGPS and Government can achieve going forward.
 - The minister set out his key priorities; chief amongst these was the need for the LGPS to manage risk and seize opportunities given significant geopolitical shocks on the horizon. Being vigilant on this will help ensure the LGPS remains sustainable and healthy going forward.
 - The minister finished his address by highlighting the work done by the SAB to improve the governance and administration of the LGPS and commented on the Great value he places on the support of SAB in carrying out his role.
12. An update was provided on the work done by SAB to support the LGPS, specifically, the ability of the SAB to create a trusted forum in which a single recommendation was presented to Government in response to the cost floor breach in 2018.
13. It was pointed out that the level of scrutiny on the LGPS will grow, but the LGPS is well placed to step up to the challenges. A particular challenge will be addressing low take up across younger potential members; the benefits of the scheme should be made clearer to this group. This challenge requires the input from scheme members.
14. On investment pooling, it was noted that a lot of effort has been put into this to make it a success, with some justifiable criticisms, along with some successes. The SAB is committed to make the pooling model work for the LGPS.

The Member and Employer View – Panel Session, George Georgiou, GMB; Emelda Nicholroy, UCEA; Cllr John Fuller, LGC; Jon Richards, Unison.

15. The session focused on some of the challenges of the LGPS from the member and Employer views from the University Council for Educational Administration.
16. Imelda explained some of the issues around how different treatments are applied by LGPS Funds, in this case Universities. It was stated that this leads to confusion and belief from these employers that certain funds are being more penal than others. It was stated tha consistency is difficult to achieve but funds should be aware that groups of employers like universities talk to each other and that they are open to discussing funding options.

17. Jon commented on communication standards in the LGPS with the point that it varies from fund to fund. An example was given of the lack of communications with deferred members and dispersed employers. It was acknowledged by funds that communication could be improved but is also difficult to achieve.
18. George's view, LGPS members understand the value of the benefits provided by the LGPS, and that they will receive a decent and fair pension. However, it was stated that the GMB had put a lot of effort into convincing members to Join and remain in the scheme.
19. The discussion moved to asset pooling, and that asset pooling needed to work> It was acknowledged that there is a question mark on the savings that have been delivered, and whether the scale achieved provides any particular benefit to the LGPS, but a solid foundation had been made.

How to Keep on the Right Side of the Law – Kirsty McLean, Squire Patton Boggs.

20. The benefits of the Pension Dashboard were highlighted and the need for the LGPS Funds to be engaging with the development and implementation of the Dashboard, not least due to the fines in the event of non-compliance.
21. Pensions transfers was also highlighted and the inconsistencies between the guidance from the Pension Regulator on paying non statutory transfers, and the fact that the LGPS cannot pay non-statutory transfer. The implications of this may lead to member benefits having to be reinstated.
22. The presentation ended with a warning in respect of the Retained European Law Bill and the fact that over four thousand items of EU-derived subordinate legislation could disappear from the statute book on 31 December 2023 unless preserved in UK law by a Minister or Developed Authority prior to then.

Responsible Investment – Steve Lee, Ninety-One; Edwin Whitehead, Redington; George Graham, SYPA.

23. It was acknowledged that there was a huge task facing Elected Members in looking at the climate impact of investments, in trying to understand the carbon footprint of their funds and setting target date to become net Zero. It was also acknowledged that this is an overly complex area.
24. There was the South Yorkshire Pension Authority approach to responsible investment, explaining how the Authority starts from the Position that Responsible investment should do no harm when the fund invests. Specifically, a good company is one which treats workforce and communities well.
25. It was acknowledged that there is no single one correct approach to responsible investment but encourage funds to approach this by the purpose of their investments. to pay pensions through the prudent management of risk whilst mitigating the impact of this on the real world.

Day 2 – Welcome from the Chair.

26. Welcomed delegates and reflected on the previous day

Keynote address Nick Gannon, The Pension Regulator

27. The regulator opened by listing an extensive list of regulatory challenges coming forward, including the new single code of practice, the pensions dashboard and managing cyber risk, the LGPS is a large and important scheme and a target for Cyber criminals.
28. On the single code of practice, the regulator is confident that the LGPS will respond well to this. The single code of practice brings together 10 existing codes and well-run pension schemes should not be concerned.
29. In terms of the new code the pension fund will need to review itself against the code once it is finalised and issued. The code covers the governance of the Pension Fund.
30. The advice from the regulator was for Elected Members to focus on Governance and Administration. It was acknowledged that Pension Processes vary with individual Funds but should be slick and do what they are designed to do. The regulator also focused on the administration of funds and committees and Boards should ensure resources are in place to meet the future challenges.

Fund Valuation 2022 – Panel Session with:

Michelle Doman, Mercer; Jonathan Teasdale, Aon; Steven Scott, Hymans Robertson; Melanie Durrant, Barnett Waddingham.

31. Mercer provided an overview of the key drivers leading to improved balance sheets at the 2022 valuation, specifically, strong investment returns and highlighted how the main driver of costs is now the cost of benefits (i.e., the Primary Rate), which has increased at the 2022 valuation. AON followed up on this by explaining how post valuation experience has influenced the contribution rate setting process, noting that inflation uncertainties remain, asset values have come down and emerging pessimism around the strength of the economy may lead to concerns around employer covenant.
32. Barnett Waddingham explained how the number of LGPS employers had increased and the challenges this brings to Funds. An overview of the employer flexibilities now available in the LGPS was also provided and it was noted that recent market changes have led to many Deferred Debt arrangements being concluded earlier than expected.
33. Hymans set out the key post valuation actions for LGPS Funds, these being.
 - Continue to evolve funding strategies so these remain fit for purpose in the changing economic environment.
 - Put robust monitoring processes in place
 - Continue engaging with participating employers.

The administration challenge - panel session with:

Kevin Gerard, Dyfed Pension Fund; Lorraine Bennett, LGA; Ian Colvin, Hymans Robertson; Catherine Pearce, Aon.

34. The LGA highlighted some of the future policy challenges, the main one being the McCloud remedy, with the expectation that legislation will be provided by the Government in October 2023, along with supporting guidance and a further consultation on the detail (including tax treatment of rectification payments). It was explained that there will be a need for all pension fund leavers to have their calculations reviewed as part of the McCloud rectification, and further highlighted how the manual nature of these checks will cause issues for funds, not least from a resourcing perspective.
35. Other challenges that were raised is the Pension Dashboard, and the Pension Regulator single code of practice which when released the fund will need to measure itself against). There is also the imminent consultation by DLUHC on the implementation on the moving of the moving of the date that CARE benefits are revalued to match the revaluation date for Annual Allowance purposes.
36. Dyfed Pension Fund explained to the conference how they had restructured its admin teams to deal with the current pressures and explained the benefits of having separate teams looking at various aspects of the administration service. There was also a discussion on the issues facing the Pension Team following the emergence of agile working from home. The market for experienced LGPS administration staff is now UK wide and geographical location is no longer a barrier for staff looking for new opportunities. With some funds offering premiums to recruit experienced staff.
37. It was also highlighted by the panel the significant role Committees and Boards have in advancing improvements in administration matters. It was acknowledged that there is quite a bit of focus on investment matters, but it was pointed out to the conference there is a necessity of the Fund to pay correct pensions to members, and so there should be appropriate focus on administration matters at meetings. There was a discussion from the floor on pay and gradings for Pension Funds and the difficulties of recruitment and retention.
38. Hymans Robertson explained to the conference the key findings of their 2022 National Knowledge Assessment. 16 Funds took part in the survey and there were 200 participants made up of Pension Board and Committee members. The results of the survey help participating Funds understand where to focus training and, at a national level, the results provide an encouraging baseline of knowledge across LGPS Committees and Boards.

The Good Governance Project – Ian Colvin Hymans Robertson; Jeremy Hughes LGA

39. The presentation started with the background to the SAB's Good Governance Review. It was explained that the intention behind the review was to identify enhancement to the LGPS governance, along with maintaining strong links to local democratic accountability.
40. The Project was a collaborative one, involving the views from a wide range of LGPS stakeholders as possible. There have been 3 Good Governance reports in total which are available on the SAB website. These reports have provided recommendations to government on several key areas on the governance of the LGPS. These areas include the managing of conflicts of interest, knowledge and understanding of trustees and senior officers, structure of pension funds, representation, service delivery, and compliance and improvement.
41. Conference was updated on where DLUHC are in terms of taking forward the Good Governance Recommendations, in that discussions with department officials are progressing,

and there is a will on behalf of Government to take forward the recommendations. It was reported that Ministers are keen to be reassured that the LGPS is in safe hands, so documenting best practice across funds, centralised KPI's and training and skills are a priority.

42. One of the recommendations is for Funds to Have a workforce strategy, which needs to focus on resource needs, and plans to recruit and retain staff.

Investment Outlook – Investment Advisors Ninety-One

43. There was an explanation to conference for the recent poor asset performance.
44. There was an explanation of the impact of the war in Ukraine on inflation in the west, and how the policy response to this has led to a deterioration in economic growth in western economies.
45. The future is uncertain, and interest rates may continue to rise in 2023, depending on the path of inflation and recession is just around the corner. Significant geopolitical risks remain and the relationship between US and China has deteriorated which may drive high inflation due to reduced reliance on globalisation.
46. In terms of finding investment opportunities in this environment, noted caution around US/UK/EU equities and expressed positive sentiments around Asia(china) and emerging markets equities. It was pointed out that it is important to be selective.

Closing remarks from the chair

47. The chair summarised the morning's messages, thanked the organisers for their work and looked forward to next year's event.

Statutory and Policy Implications

48. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability, and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

The report is for noting.

Marjorie Toward
Service Director – Customers, Governance and Employees

For any enquiries about this report please contact:

Jonathan Clewes, Pensions Manager on 01159773434 or jon.clewes@nottsc.gov.uk

Constitutional Comments (KK28/02/2023)

49. The proposal in this report is within the remit of the Nottinghamshire Local Pension Board.

Financial Comments (KP28/02/2023)

50. There are no financial implications arising from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

16 March 2023**Agenda Item:7****REPORT OF SERVICE DIRECTOR – CUSTOMER, GOVERNANCE AND
EMPLOYEES.****PENSION FUND - RISK REGISTER****Purpose of the Report**

1. To present the current Nottinghamshire Pension Fund Risk Register to the Pensions Board.

Introduction

2. This is the Risk Management Strategy for the Nottinghamshire County Council Pension Fund. Risk Management is a key element in the Fund's overall framework of internal control and its approach to sound governance. However, it is not an end in itself, but a means of minimising the costs and disruption to the Fund caused by undesirable or unexpected events. The aim is to eliminate or reduce the frequency of risk events occurring (where possible and practicable) and minimise the severity of the consequences if they do occur.
3. Risk can be defined as any event or action which could adversely affect the Fund's ability to achieve its purpose and objectives. Risk management is the process by which:
 - risks are systematically identified
 - the potential consequences are evaluated
 - the element of risk is reduced where reasonably practicable
 - actions are taken to control the likelihood of the risk arising and reducing the impact if it does

Purpose and Objectives of the Fund

4. The purpose of the Fund is to:
 - Pay pensions, lump sums and other benefits provided under the LGPS Regulations
 - Meet the costs associated in administering the Fund
 - Receive contributions, transfer values and investment income
 - Invest any Fund money not needed immediately to make payments.
5. The funding objectives are to:
 - Set levels of employer contribution that will build up a fund of assets that will be sufficient to meet all future benefit payments from the Fund
 - Build up the required assets in such a way that employer contribution rates are kept as low and stable as possible.

6. The following principles underpin the Fund's investment activity:
- The Fund will aim to maintain sufficient assets to meet all its obligations on a continuing basis.
 - The Fund will be invested in a diversified range of assets.
 - Proper advice on the suitability of types of investment will be obtained and considered at reasonable intervals.
 - The Fund will aim to conduct its business and to use its influence in a long-term responsible way.

Key Parties of Fund

7. The key parties involved in the Fund and their responsibilities are as follows

The Administering Authority

8. The Administering Authority for the Pension Fund is Nottinghamshire County Council. Under the terms of the Council's constitution, the functions of the Council as administering authority are delegated to the Nottinghamshire Pension Fund Committee. The full governance arrangements of the Fund are detailed in the Fund's Governance Compliance Statement. The main responsibilities of the Administering Authority are to:
- Collect employee and employer contributions
 - Invest the Fund's assets
 - Pay the benefits due to scheme members
 - Manage the actuarial valuation process in conjunction with the Fund Actuary
 - Prepare and maintain the Funding Strategy Statement (FSS) and Investment Strategy Statement (ISS) after consultation with other interested parties as appropriate
 - Monitor all aspects of the Fund's performance.

Committee members

9. The members of the Committee are not trustees (as the LGPS is a statutory scheme) but do have fiduciary duties towards the scheme members and employers. The main responsibilities of the Committee are to:
- Determine the overall investment strategy, and what restrictions, if any, are to be placed on particular types and market locations of investments
 - Determine the type of investment management to be used and appoint and dismiss fund managers
 - Receive quarterly reports on performance from the main fund managers and question them regularly on their performance
 - Receive independent reports on the performance of fund managers on a regular basis
 - Be encouraged to receive suitable training to help them discharge their responsibilities and attend such training courses, conferences and meetings that deliver value for money to the Fund.

Scheme Employers

10. In addition to the Administering Authority, a number of other Scheme Employers, including Admission Bodies, participate in the Fund. The responsibilities of each Scheme Employer that participates in the Fund, including the Administering Authority, are to:

- Collect employee contributions and pay these together with their own employer contributions as certified by the Fund Actuary to the Administering Authority within the statutory timescales
- Notify the Administering Authority of any new Scheme members and any other membership changes promptly
- Exercise any discretions permitted under the Regulations
- Meet the costs of any augmentations or other additional costs in accordance with agreed policies and procedures
- Notify the Administering Authority of significant changes in the employer's structure or membership.

Fund Actuary

11. The Fund Actuary for the Pension Fund is Barnett Waddingham LLP. The main responsibilities of the Fund Actuary are to:

- Advise interested parties on funding strategy and completion of actuarial valuations in accordance with the FSS and the Regulations
- Advise on other actuarial matters affecting the financial position of the Fund.

Chief Finance Officer

12. Under the Council's constitution, the Service Director Finance, Infrastructure & Improvement is designated the Council's Chief Finance Officer (also known as the Section 151 Officer). The Group Manager (Financial Management) is the deputy Section 151 Officer. Financial Regulations specify that the Section 151 Officer is responsible for arranging the investment of the Pension Fund. Operational matters falling under this responsibility are exercised by the Senior Accountant (Pensions & Treasury Management).

13. Representatives of the Service Director Finance, Infrastructure & Improvement provide advice to the Committee on investment matters and attend meetings of the Nottinghamshire Pension Fund Committee as required.

Service Director Customers, Governance and Employees

14. The Service Director Customers, Governance and Employees is responsible for the Pensions Administration function, operated by the Pensions Office within the Business Services Centre. This function covers:

- Pensions administration and employer's support
- Pensions administration systems
- Communications
- Technical/performance support

15. The Group Manager, Business Services Centre and the Pension Manager, who are representatives of the Service Director Customers, Governance and Employees provide advice to the Committee on pension administration matters and attend meetings of the Nottinghamshire Pension Fund Committee as required.

Independent Adviser

16. The Fund has an Independent Adviser who attends meetings of the Nottinghamshire Pension Fund Committee and Pensions Working Party as required.

17. The Independent Adviser is engaged to provide advice on:

- the objectives and policies of the fund
- investment strategy and asset allocation
- the fund's approach to responsible investment
- choice of benchmarks
- investment management methods and structures
- choice of managers and external specialists
- activity and performance of investment managers and the fund
- the risks involved with existing or proposed investments
- the fund's current property portfolio and any proposals for purchases, sales, improvement or development
- new developments and opportunities in investment theory and practice

Risk Management Strategy

18. The risk tolerance of the Fund is agreed with the Nottinghamshire Pension Fund Committee, the investment team and independent adviser through the setting of the investment beliefs, funding, and investment objectives. The Fund will only take sufficient risk in order to achieve its long-term funding objectives described in paragraph 4.

19. The Pension Fund's Risk Management Strategy is to:

- a) identify key risks to the achievement of the Fund's aims
- b) assess the risks for likelihood and impact
- c) identify mitigating controls
- d) allocate responsibility for the mitigating controls
- e) maintain a risk register detailing the risk features in a)-d) above
- f) review and update the risk register on an annual basis
- g) report the outcome of the review to the Nottinghamshire Pension Fund Committee.

20. The Risk Register is a key part of the Risk Management Strategy as it identifies the main risks to the operation of the Fund, prioritising the risks identified and detailing the actions required to further reduce the risks involved.

21. All staff involved in the Pension Fund and Members of the Nottinghamshire Pension Fund Committee need to have an appropriate level of understanding of risk and how risks affect the performance of the Fund. To consolidate the risk management process, the Nottinghamshire Pension Fund Committee have been asked to:-

- agree the Risk Management Strategy
- approve the Risk Register and agreed actions
- receive and approve the Annual Governance Statement, which will comment upon the Fund's risk management process.

22. By adopting this approach, the Pension Fund will be able to demonstrate a clear commitment, at a strategic level, to the effective management of Pension Fund risks. The Risk Management Strategy and Risk Register will be kept under review and will be revised following any material changes in policy.

23. The risk register is attached as Appendix A.

Statutory and Policy Implications

24. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

25. That The Nottinghamshire Local Pension Board members consider whether there are any actions they require in relation to the issues contained within the Risk Strategy report.

Marjorie Toward
Service Director – Customers, Governance, and Employers

For any enquiries about this report please contact:

Jonathan Clewes, Pension Administration Manager, Pension Administration
on 01159773434 or jonclewes@nottscc.gov.uk

Constitutional Comments (KK 01/03/2023)

26. This is an updating information report and Pension Board is the correct body for considering that information and any further action which members may wish to take in light of that information.

Financial Comments (KP01/03/2023)

27. There are no direct financial implications arising from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'

Objectives

1. The objectives of the Risk Register are to:
 - identify key risks to the achievement of the Fund's objectives
 - assess the significance of the risks
 - consider existing controls to mitigate the risks identified
 - Identify additional action required.

Risk Assessment

2. Identified risks are assessed separately and for each the following is determined:
 - the likelihood of the risk materialising
 - the severity of the impact/potential consequences if it does occur.
3. Each factor is evaluated on a sliding scale of 1 to 5 with 5 being the highest value i.e. highest likelihood/most severe impact/consequences. The risk evaluation tables below have been used in order to assess specific risks and to introduce a measure of consistency into the risk assessment process. The overall rating for each risk is calculated by multiplying the likelihood value against the impact value.

LIKELIHOOD:		
1	Rare	0 to 5% chance
2	Unlikely	6 to 20% chance
3	Possible	21 to 50% chance
4	Likely	51 to 80% chance
5	Almost certain	81%+ chance

IMPACT:		
1	Insignificant	0 to 5% effect
2	Minor	6 to 20% effect
3	Moderate	21 to 50% effect
4	Significant	51 to 80% effect
5	Catastrophic	81%+ effect

4. Having scored each risk for likelihood and impact, the risk ratings can be plotted onto the following matrix to enable risks to be categorised into Low, Medium, High and Very High Risk.

		Risk Rating Matrix					
Relative Impact	Catastrophic	(5)	M	H	VH	VH	VH
	Significant	(4)	M	H	VH	VH	VH
	Moderate	(3)	M	M	H	H	H
	Minor	(2)	L	L	M	M	M
	Insignificant	(1)	L	L	L	L	L
		(1)	(2)	(3)	(4)	(5)	
		Rare	Unlikely	Possible	Likely	Almost Certain	
		Relative Likelihood					

5. This initial assessment gives the inherent risk level. Existing controls are then identified and each risk is re-assessed to determine if the controls are effective at reducing the risk rating. This gives the current (or residual) risk level. The current risk rating scores and categories are then used to prioritise the risks shown in the register in order to determine where additional action is required in accordance with the following order of priority:

Red = Very High Priority

Take urgent action to mitigate the risk.

Orange = High Priority

Take action to mitigate the risk.

Yellow = Medium Priority

Check current controls and consider if others are required.

Green = Low Priority

No immediate action other than to set a review date to re-consider your assessment.

NOTTINGHAMSHIRE PENSION FUND RISK REGISTER - SUMMARY

Key to risk rating change since previous version of Risk Register:

↑ Increase

↓ Decrease

↔ No Change

★ New

Risk Description	Inherent Risk			Current Risk		
		Rating	Change		Rating	Change
Risk Gov4 Inadequate resources are available to manage the pension fund.	20	VERY HIGH	↔	12	HIGH	↔
Risk Adm1 Standing data & permanent records are not accurate.	16	VERY HIGH	↔	9	HIGH	↔
Risk Inv3 Fund assets are assessed as insufficient to meet long term liabilities.	16	VERY HIGH	↔	9	HIGH	↔
Risk Inv6 LGPS Central incurs net costs or decreases investment returns	12	HIGH	↓	9	HIGH	↓
Risk Adm2 Inadequate controls to safeguard pension fund records	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Adm4 Scheme employers may fail to administer the scheme efficiently, leading to disruption to the discharge of administering authority functions (employer Risk) Potential data quality issues.	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Adm5 Serious breach of law regarding the management of data/information, including an unauthorised release requiring notification to ICO, leading to disruption to the discharge of administering authority functions (Administrative Risk).	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Inv4 Significant variations from assumptions used in the actuarial valuation	12	HIGH	↔	9	HIGH	↔
Risk Inv7 Financial risk of climate change	12	HIGH	↔	8	MEDIUM	↔
Risk Inv1 Inappropriate investment strategy is adopted.	12	VERY HIGH	↔	6	MEDIUM	↔
Risk Inv5b Custody arrangements	12	VERY HIGH	↔	6	MEDIUM	↔
Risk Gov5 Failure to adhere to relevant legislation and guidance.	12	HIGH	↔	6	MEDIUM	↔
Risk Gov3 An effective performance management framework is not in place.	9	HIGH	↔	6	MEDIUM	↔
Risk Gov1 Pension Fund governance arrangements are not effective	9	HIGH	↔	6	MEDIUM	↔

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Risk Gov2 Pension Fund objectives are not defined and agreed.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv2 Fund cash is insufficient to meet its current obligations.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5a Fund manager mandates	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5d Financial Administration	9	HIGH	↔	6	MEDIUM	↔
Risk Adm3 Failure to communicate adequately with all relevant stakeholders.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5c Accounting arrangements	6	MEDIUM	↔	4	LOW	↔
Risk Inv5e Stewardship	6	MEDIUM	↔	4	LOW	↔

Governance				
Risk description: Gov1 - Pension Fund governance arrangements are not effective				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ⇄
Current Risk:	2	3	6	MEDIUM ⇄
Current Controls:	<ul style="list-style-type: none"> • The Council's constitution clearly delegates the functions of administering authority of the pension fund to the Nottinghamshire Pension Fund Committee. 			
	<ul style="list-style-type: none"> • Under the LGPS Regulations the Administering Authority has established a Pension Board 			
	<ul style="list-style-type: none"> • The terms of reference of the Nottinghamshire Pension Fund Committee are agreed. • The terms of reference of the Nottinghamshire Pension Board are agreed. 			
	<ul style="list-style-type: none"> • The Fund publishes a Governance Compliance Statement which details the governance arrangements of the Fund and assesses compliance with best practice. This is kept regularly under review. 			
	<ul style="list-style-type: none"> • A training policy is in place which requires Members to receive continuing training and encourages all new Members to attend the Local Government Pension Scheme Fundamentals training course. • Nottinghamshire Pension Board Members are also required to undertake training 			
	<ul style="list-style-type: none"> • Officers of the Council attend meetings of the Nottinghamshire Pension Fund Committee and the Nottinghamshire Pension Board. 			
	<ul style="list-style-type: none"> • The Fund has a formal contract for an independent adviser to give advice on investment matters. They are contracted to attend each Nottinghamshire Pension Fund Committee meeting. 			
	<ul style="list-style-type: none"> • The Administering Authority has a formal contract for an independent adviser to give advice on LGPS regulations to the Nottinghamshire Pension Board 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Confirmation of Pension Board meetings • Pension Board Vacancies to be filled 			
Responsibility:	Group Manager (Financial Services) Group Manager (BSC) Group Manager (Legal Services) Pension Manager Senior Accountant - Pensions & TM		Timescale:	On-going

Governance				
Risk description: Gov2 - Pension Fund objectives are not defined and agreed				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> Purpose and objectives are outlined in the Funding Strategy Statement (FSS) and Investment Strategy Statement (ISS). Both documents are approved by the Nottinghamshire Pension Fund Committee and reviewed on a regular basis. 			
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 			
Responsibility:	Nottinghamshire Pension Fund Committee; Group Manager (Financial Services)		Timescale:	On-going

Governance				
Risk description: Gov3 - An effective performance management framework is not in place.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> Investment performance is reported quarterly to the Nottinghamshire Pension Fund Committee. The Fund's main investment managers attend each quarter and officers receive regular updates from the Fund's other investment managers. 			
	<ul style="list-style-type: none"> Poor investment performance is considered by the Nottinghamshire Pension Fund Committee. The Nottinghamshire Pension Fund Committee's actions are monitored by the Nottinghamshire Pension Board 			
	<ul style="list-style-type: none"> A Fund strategic benchmark has been implemented to improve monitoring of decisions regarding asset allocation and investment management arrangements. This was reviewed at a Working Party in August 2021. 			
	<ul style="list-style-type: none"> Performance of the administration function is managed through an Administration Strategy 			
	<ul style="list-style-type: none"> Performance of the Administration function is managed through a set of performance indicators and reported to Pension Committee and Pension Board 			
Action Required:	<ul style="list-style-type: none"> Continue to review the performance monitoring framework for Fund Administration. 			
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Group Manager (BSC) Pension Admin Manager Senior Accountant - Pensions & TM		Timescale:	On-going

Governance				
Risk description: Gov4 - Inadequate resources are available to manage the pension fund.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	5	4	20	VERY HIGH ⇄
Current Risk:	4	3	12	HIGH ⇄
Current Controls:	<ul style="list-style-type: none"> • The pension fund investments are managed by the Pensions & Treasury Management team. 			
	<ul style="list-style-type: none"> • Pension administration is managed by the Pension Team Manager within the BSC 			
	<ul style="list-style-type: none"> • Operating costs are recharged to the pension fund in accordance with regulations. 			
	<ul style="list-style-type: none"> • Staffing levels and structures are kept under regular review. • Additional resources have been requested to meet new requirements across the LGPS • Additional Resources have been agreed in relation to The McCloud Project • Pension Costs and resources monitored against the CIPFA Benchmarking club 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor resource requirements via existing processes. 			
Responsibility:	Group Manager (Financial Services); Group Manager (BSC) PensionTeam Manager Senior Accountant - Pensions & TM		Timescale:	On-going

Governance				
Risk description: Gov5 - Failure to adhere to relevant legislation and guidance.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	3	12	HIGH ⇄
Current Risk:	3	2	6	MEDIUM ⇄
Current Controls:	<ul style="list-style-type: none"> • An established process exists to inform members and officers of statutory requirements and any changes to these. 			
	<ul style="list-style-type: none"> • An Administration Strategy was introduced in 2017 to monitor the Administration of the Fund, along with monitoring Employer compliance. 			
	<ul style="list-style-type: none"> • Sufficient resources are required to implement LGPS changes while continuing to administer the scheme. 			
	<ul style="list-style-type: none"> • Membership of relevant professional groups ensures changes in statutory and other requirements are registered before the implementation dates. 			
	<ul style="list-style-type: none"> • Any breaches in statutory regulations must be reported to the Pension Regulator. 			

Action Required:	<ul style="list-style-type: none"> • Review Resources against statutory requirements • Continue to monitor requirements via appropriate sources. • Continue to monitor resources to ensure adherence to legislation and guidance. • Update Breaches Policy 		
Responsibility:	Group Manager (Financial Services); Group Manager (BSC); Senior Accountant - Pensions & TM Pension Manager	Timescale:	On-going

Investments				
Risk description: Inv1 - Inappropriate investment strategy is adopted.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	4	12	VERY HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> • The investment strategy is in accordance with LGPS investment regulations and is documented, reviewed and approved by the Nottinghamshire Pension Fund Committee. 			
	<ul style="list-style-type: none"> • In setting asset allocation to deliver the Fund Return Target the Fund will seek as far as possible to invest in a diversified range of uncorrelated assets in order to reduce the level of investment risk. 			
	<ul style="list-style-type: none"> • The Strategy takes into account the expected returns assumed by the actuary at the triennial valuation. 			
	<ul style="list-style-type: none"> • Investment performance is monitored against the Fund's strategic benchmark. 			
	<ul style="list-style-type: none"> • A regular review takes place of the Fund's asset allocation strategy by the Pension Fund Working Party. 			
	<ul style="list-style-type: none"> • An Independent Adviser provides specialist guidance to the Nottinghamshire Pension Fund Committee on the investment strategy. 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 			
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going	

Investments				
Risk description: Inv2 - Fund cash is insufficient to meet its current obligations.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls	<ul style="list-style-type: none"> • Fund cash flow is monitored daily and a summary fund account is reported to the Nottinghamshire Pension Fund Committee each quarter 			

	<ul style="list-style-type: none"> • Annual accounts are produced for the pension fund and these show the movements in net cash inflow 		
	<ul style="list-style-type: none"> • Regular assessment of Fund assets and liabilities is carried out through actuarial valuations. 		
	<ul style="list-style-type: none"> • The Fund's Investment and Funding Strategies are regularly reviewed 		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 		
Responsibility:	Nottinghamshire Pension Fund Committee; Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Investments				
Risk description: Inv3 - Fund assets are assessed as insufficient to meet long term liabilities.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	4	16	VERY HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Fund assets are kept under review as part of the Fund's performance management framework. 			
	<ul style="list-style-type: none"> • Regular assessment of Fund assets and liabilities is carried out through Actuarial valuations. 			
	<ul style="list-style-type: none"> • The Fund's Investment and Funding Strategies are regularly reviewed. 			
	<ul style="list-style-type: none"> • An external adviser provides specialist guidance to the Pension Fund Committee on the investment strategy. 			
	<ul style="list-style-type: none"> • Strength of covenant of new employers carefully assessed 			
	<ul style="list-style-type: none"> • Risks relating to existing employers are reviewed periodically 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Review cash flow projections prepared by actuaries on a regular basis. 			
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going	

Investments				
Risk description: Inv4 - Significant variations from assumptions used in the actuarial valuation occur				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	3	12	HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Actuarial assumptions are reviewed by officers and discussed with the actuaries 			
	<ul style="list-style-type: none"> • Sensitivity analysis is undertaken on assumptions to measure impact 			

	• Valuation are undertaken every 3 years		
	• Monitoring of cash flow position.		
	• Contributions made by employers vary according to their member profile.		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Review cash flow projections prepared by actuaries on a regular basis. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Investments					
Risk description: Inv5 - Inadequate controls to safeguard pension fund assets.					
Inv5a - Investment managers					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	3	9	HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Complete and authorised client agreements are in place. This includes requirement for fund managers to report regularly on their performance. The main managers attend Nottinghamshire Pension Fund Committee on a regular basis.				
	• Investment objectives are set, and portfolios must be managed in accordance with these				
	• AAF 01/06 (or equivalent) reports on internal controls of service organisations are reviewed for main managers.				
	• Internal decisions have a robust framework in place which is tested by internal audit				
	• Fund Managers maintain an appropriate risk management framework to minimise the level of risk to Pension Fund assets.				
Action Required:	• Continue to monitor via existing processes.				
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM		Timescale:	On-going	
Inv5b - Custody arrangements					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	4	12	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Complete and authorised agreements are in place with the external custodian.				
	• AAF 01/06 (or equivalent) report on internal controls is reviewed for external custodian.				
	• Regular reconciliations carried out to check external custodian records.				

	<ul style="list-style-type: none"> Where assets are custodied in-house, physical stock certificates are held in a secure cabinet to which access is limited. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv5c - Accounting arrangements			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	2	6 MEDIUM ↔
Current Risk:	2	2	4 LOW ↔
Current Controls:	<ul style="list-style-type: none"> Pension Fund accounting arrangements conform to the Local Authority Accounting Code, relevant IFRS/IAS and the Pensions' SORP. The Pension Fund subscribes to the CIPFA Pensions Network and Technical Information Service and officers attend courses as appropriate. Regular reconciliations are carried out between in-house records and those maintained by the external custodian and investment managers. Internal Audits are carried out regularly. External Audit review the Pension Fund's accounts annually. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv5d - Financial Administration			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	3	9 HIGH ↔
Current Risk:	2	3	6 MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> The Pension Fund adheres to the County Council's financial regulations with appropriate separation of duties and authorisation limits for transactions. Daily cash settlements are made with the external custodian to maximise returns on cash. Investment transactions are properly authorised, executed and monitored. Contributions due to the fund are governed by Scheme rules which are overseen by Pensions Administration Contributions checked at the beginning of the year and the end of the year, and reconciled and balanced at the year-end. The Pension Fund maintains a bank account which is operated within regulatory guidelines. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Inv5e – Stewardship -			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	2	6 MEDIUM ↔
Current Risk:	2	2	4 LOW ↔
Current Controls:	<ul style="list-style-type: none"> • The Pension Fund aims to be a long term responsible investor. • Effective management of financially material social, environmental and corporate governance (ESG) risks should support the requirement to protect investment returns over the long term. ESG considerations are taken into account in the selection, non-selection, retention and realisation of investments by both the Pension Fund and underlying managers on the Fund's behalf • The Fund has a Climate Stewardship Plan which is implemented and reported on with the support of LGPS Central • The Fund is a member of Local Authority Pension Fund Forum (LAPFF) and supports their work on shareholder engagement. • The pension fund has a contract in place for a proxy voting services. Voting is reported to the Nottinghamshire Pension Fund Committee each quarter and published on the Fund website. 		
Action Required:	• Continue to monitor via existing processes.		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv6 - LGPS Central incurs net costs or decreases investment returns			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	4	3	12 HIGH ↓
Current Risk:	3	3	9 HIGH ↓
Current Controls:	<ul style="list-style-type: none"> • We are shareholders in LGPS Central and have significant influence on them through involvement in Shareholders Forum, Joint Committee and PAF • Costs and performance will be monitored 		
Action Required:	<ul style="list-style-type: none"> • Continue to attend meetings relevant meetings • Continue to monitor via existing processes. 		
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv7 – Climate change affects the financial returns of the Fund.			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	4	3	12 HIGH ↔
Current Risk:	4	2	8 MEDIUM ↔
Current Controls:	• The financial impact of climate change on the fund can be mitigated. Businesses and individuals will have to change their behaviour and		

	consumption to reduce their carbon footprint and this presents both opportunities and threats as investors.		
	<ul style="list-style-type: none"> • We engage with management of the companies we own through LGPS Central, LAPFF and Hermes EOS to influence them to consider climate change and their sustainability. 		
	<ul style="list-style-type: none"> • Climate change risks are already considered as part of the purchasing and holding decision 		
	<ul style="list-style-type: none"> • Climate risk analysis undertaken on an annual basis with the assistance of LGPS Central. 		
	<ul style="list-style-type: none"> • The Fund has a Climate Risk strategy and a Climate Stewardship plan 		
Action Required:	<ul style="list-style-type: none"> • The current impacts of climate change are affecting particular industries and regions and the Pension Fund will look to reduce exposure to these. • Continued move towards our long term asset allocation. 		
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Administration				
Risk description: Adm1 - Standing data and permanent records are not accurate.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	4	16	VERY HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Business processes are in place to identify changes to standing data. 			
	<ul style="list-style-type: none"> • Records are supported by appropriate documentation; input and output checks are undertaken; reconciliation occurs to source records once input. 			
	<ul style="list-style-type: none"> • Documentation is maintained in line with agreed policies. 			
	<ul style="list-style-type: none"> • The Administration Strategy supports the monitoring of employer compliance. 			
	<ul style="list-style-type: none"> • A change of details form is sent out to members alongside their annual statement. 			
	<ul style="list-style-type: none"> • Data matching exercises (National Fraud Initiative) help to identify discrepancies. 			
	<ul style="list-style-type: none"> • Mortality Screening is being performed 			
	<ul style="list-style-type: none"> • The Data Improvement Plan is being implemented as reported to committee. 			
	<ul style="list-style-type: none"> • The GMP Reconciliation Project including Payroll and Pensions Data matching exercise with HMRC is continuing 			

	<ul style="list-style-type: none"> • Employer annual returns are reviewed and monitored. Breaches are reported to committee. 		
	<ul style="list-style-type: none"> • McCloud Project initiated to collect and check scheme data to enable re calculation of benefits. 		
	<ul style="list-style-type: none"> • Project to implement monthly return data collection from scheme employers. 		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Improve monitoring of returns from major fund employers • Implementation of Data Improvement plan • Progress GMP rectification • Progress Mc Cloud project 		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration				
Risk description: Adm2 - Inadequate controls to safeguard pension fund records.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	5	15	VERY HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> • ICT Disaster Recovery Plan and Security Plan are agreed and in place • The Administration Authority has an Operational Security and Risk Team, a Security Architect providing strategic direction, an Information Governance Team headed by the Data Protection Officer and an Information Governance Board, chaired by the SIRO, providing oversight. The network has been certified as PSN Code of Connection compliant for the last decade and comprises internal and perimeter firewalls, anti-virus software, intrusion detection and response platforms, secure baseline operating system builds, annual penetration tests, multi-factor authenticated remote access and offline backups, aligning with National Cyber Security Centre best practice at all points. • New back up arrangements are in place • Software is regularly updated to meet LGPS requirements. • Audit trails and reconciliations are in place. • GDPR awareness training and documentation is in place • Pension Administration Documentation is maintained in line with agreed policies. • Physical records are held securely in the Pension Office. • Pensions and other related administration staff undertake data management training as required. 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 			

	<ul style="list-style-type: none"> Undertaking a review of controls and Safeguards separate report to Pension Board and Committee once review has been completed. 		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration					
Risk description: Adm3 - Failure to communicate adequately with all relevant stakeholders.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	3	9	HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	<ul style="list-style-type: none"> A communications strategy is in place and is regularly reviewed. 				
	<ul style="list-style-type: none"> The Fund website is periodically updated. 				
	<ul style="list-style-type: none"> Member information guides are reviewed. 				
	<ul style="list-style-type: none"> The Fund has an annual meeting aimed at all participating employers. 				
	<ul style="list-style-type: none"> The Nottinghamshire Pension Fund Committee has representatives of the County Council, City Council, Nottinghamshire Local Authorities, Trade Unions, Scheduled and Admitted Bodies. 				
	<ul style="list-style-type: none"> Meetings are held regularly with employers within the Fund. District and City Council employers and other adhoc employer meetings take place as required A briefing for employers takes place in February or March each year in preparation for year end 				
	<ul style="list-style-type: none"> Benefit Illustrations are sent annually to contributing and deferred Fund members. 				
	<ul style="list-style-type: none"> Annual report, prepared in accordance with statutory guidelines, is published on the website. 				
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 				
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going		

Administration					
Risk description: Adm4 Scheme employers may fail to administer the scheme efficiently, leading to disruption to the discharge of administering authority functions (employer risk)					
Potential data quality issues.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	5	15	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔

Current Controls:	• Clear communication of requirements to scheme employers.		
	• Employer data is being reviewed as part of the data improvement plan.		
	• Planned roll out of the employer portal to improve the transfer of data to the Pension Fund.		
	• Actuary makes prudent assumptions at valuation.		
Action Required:	• Continue to monitor via existing processes. • Monitor using the Breaches Policy		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration					
Risk description: Adm5 Serious breach of law regarding the management of data/information, including an unauthorised release requiring notification to ICO, leading to disruption to the discharge of administering authority functions.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	5	15	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Information Governance oversee policies and procedures				
	• Data breach procedure in place				
	• Assurance obtained from third party providers and contractors on compliance with relevant legislation.				
	• Identified Data Protection Officer				
	• Appropriate access levels in the Pension Administration system.				
Action Required:	• Continue to monitor via existing processes. • Undertaking a review of controls and Safeguards separate report to Pension Board and Committee once review has been completed.				
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:		On-going	

16 March 2023**Agenda Item:8****REPORT OF THE SERVICE DIRECTOR, CUSTOMERS, GOVERNANCE AND
EMPLOYEES****PENSION BOARD WORK PROGRAMME****Purpose of the Report**

1. To consider the Pension Board's work programme.

Information

2. The work programme, attached as an Appendix to this report, will assist the management of the Pension Board's agenda, the scheduling of the Board's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and Board meeting. Any member of the Board is able to suggest items for possible inclusion.
3. The attached work programme incorporates those items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. It is also anticipated that the Board may wish to commission periodic reports on specific issues. The Board is therefore requested to identify any additional activities on which it would like to receive reports for inclusion in the work programme.

Other Options Considered

5. None.

Reason for Recommendation

6. To assist the Pension Board in preparing its work programme.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

- 1) That the Nottinghamshire Pension Board considers whether any amendments are required to the Work Programme.

Marjorie Toward

Service Director, Customers, Governance & Employees

For any enquiries about this report please contact:

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Constitutional Comments (KK - Standing)

8. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (RK - Standing)

9. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

PENSION BOARD - WORK PROGRAMME 2023-24

REPORT TITLE	BRIEF SUMMARY OF AGENDA ITEM	LEAD OFFICER	REPORT AUTHOR
SUMMER 2023			
LGPS Update on the Progress of the Impact of the McCloud Judgement on the Administration of the LGPS	Periodic Update	Jonathan Clewes	Jonathan Clewes
Funding Strategy Statement	Funding Strategy	Keith Palframan	
LGPS Update Report	Regular Update on national LGPS issues		The Advisor to the Pension Board
The Pensions Regulator Single Modular Code	Report on new national pensions governance and administration Code of Practice (Depends on Progress by the Regulator expected March 2023)	Jonathan Clewes	Jonathan Clewes
Actuary Valuation Update	Update on the final Valuation Position, Actuary to attend the Meeting	Keith Palframan	
Risk Register	Regular Review	Jon Clewes/ Tamsin Rabbits	
GMP Update	Impact of GMP on the Fund	Jon Clewes	Jon Clewes
Pension Board Training Programme	Annual Report		The Advisor to the Pension Board
AUTUMN 2023			
LGPS Update on the Progress of the Impact of the McCloud Judgement on the Administration of the LGPS	Periodic Update	Jonathan Clewes	Jonathan Clewes
LGPS Pensions Administration Performance Report	Regular Performance Report	Jonathan Clewes	Jonathan Clewes
LGPS Transforming Pension Administration Update Report	Periodic Update	Sarah Stevenson	Sarah Stevenson
Update on LGPS Central Pool	Update on the LGPS Investment Pooling agenda in the specific context of the Nottinghamshire Fund	Keith Palframan	

REPORT TITLE	BRIEF SUMMARY OF AGENDA ITEM	LEAD OFFICER	REPORT AUTHOR
To Be Placed			
Good Governance in the LGPS project – Implications for the Nottinghamshire Pension Fund	Report on the implications of the national Scheme Advisory Board/DLUHC project on LGPS governance in the context of the Nottinghamshire Pension Fund		
Cyber Security	Report on the Cyber Security of the Pension Fund		
Pension Fund –Update on Internal Audit reviews	To update the Pension Board on work relating to the Pension Fund undertaken by Internal Audit		
Breaches Log Review and Update	Log of any recorded Breaches of Regulations		