



Committee and Date

Pensions Board

17 November 2017

PENSIONS BOARD

**Minutes of the meeting held on 7 July 2017 in the
Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND
10.00 - 11.45 am**

Responsible Officer: Michelle Dulson
Email: michelle.dulson@shropshire.gov.uk Tel: 01743 257719

Present

Liz Furey – Employer Rep
Pat Hockley – Pensioner Rep
Mike Morris – Pension Rep (Chairman)

1 Apologies

1.1 No apologies were received.

2 Declarations of Conflicts of Interest

2.1 No conflicts of interest were declared.

3 Minutes of the previous meeting

3.1 Paragraph 3.1 – Outline of the Institutions for Occupational Retirement Provision Directive 11 (IORP11)

It was confirmed that this item was still on the radar and progress would be reported to a future meeting.

3.2 Paragraph 3.2 – Pension Related Complaints

It was confirmed that the stage 2 appeal was still ongoing and an update would be provided at the next meeting.

3.3 Paragraph 9.2 – Overview of Ill-Health Retirements

In response to a query it was confirmed that there was a list of Independent Registered Medical Practitioners (IRMP) for employers to choose from, all qualified in Occupational Health Medicine. The three tiers of ill-health benefits were discussed and it was confirmed that Tier 3 was short term, up to three years (with a review after 18 months), whilst Tiers 1 and 2 were permanent with no enhancement to benefits.

3.4 **RESOLVED:**

That the Minutes of the meeting held on 10 February 2017 be approved and signed by the Chairman as a correct record.

4 Public Question Time

4.1 No public questions were received.

5 Pensions Committee Updates

5.1 The reports considered by the Pensions Committee at its meeting on 23 June 2017 had been received by the Board.

5.2 The Head of Treasury and Pensions updated the Board in relation to a presentation received by the Committee from Aon Hewitt which gave an overview of the Shropshire Pension Fund Investment Strategy, the current investment types and future strategies that may be followed, including equity protection strategies.

5.3 Turning to the Pensions Administration Monitoring report, and in response to a query, the Pensions Communications Officer updated the Board in relation to the year-end reconciliation. She confirmed that queries were still being raised on the year-end reconciliation but that work had just begun in preparation for the Annual Benefit Statements for Members.

5.4 In response to a query, the Pensions Communications Officer explained that the spike in the number of telephone calls received and users visiting the website in April 2017 was partly due to P60's and Payslips being sent out together with year-end queries from employers, both which tend to generate a lot of queries. Also, the team had been publicising the website to Members which was another reason for the increased website usage. The Pensions Communications Officer reported that the top three website uses were Pension Benefits, the Employment area and payslips. She agreed to report the top 10 website uses to future meetings.

5.5 In response to a query in relation to overpayments, the Pensions Communications Officer agreed to report back to the Board once the work had been completed and once further guidance had been received.

5.6 In response to a query, the Pensions Communications Officer explained that the number of procedures completed in April and June 2017 were down due to a backlog of deferred benefit statements. A review was currently being undertaken to ensure there were sufficient resources within the team.

6 LGPS Central Update

6.1 The Head of Treasury and Pensions provided the Board with an update on the progress that had been made by LGPS Central. LGPS Central was progressing well towards the deadline of 1 April 2018. Its structure had been approved by the Pensions Committee and Full Council. The Regulatory Business Plan had been approved by all Heads of Finance, the Programme Board and the Shareholder Forum. The estimated net savings to Shropshire Council were £37million.

6.2 The Head of Treasury and Pensions confirmed that a non-executive Chairman and a Chief Executive Officer had been appointed along with two non-executive

Directors. The rest of the Management Team were to be appointed by the Chairman and CEO.

- 6.3 It was reported that the application for authorisation by the Financial Conduct Authority was due to be submitted in early July. The Risk Management Framework had been agreed as had the cost sharing principles. In conclusion, the Head of Treasury and Pensions informed the Board that the LGPS Central was on target and ahead of some other pooled schemes.

7 Administration and Regulatory Updates

- 7.1 The Board received the report of the Pensions Administration Manager – copy attached to the signed Minutes - which provided Members with the latest administration and regulatory updates affecting the local Government Pension Scheme. The Pensions Communications Officer took Members through the main points of the report and answered a number of queries.
- 7.2 The Pensions Communications Officer drew attention to the new LGPS administrator website which had recently been launched, guidance for which was attached at Appendix A to the report. She updated the Board in relation to progress with the Pensions Dashboard Project and confirmed that further updates would be provided as the project developed.
- 7.3 Turning to the Data Review, the Pensions Communications Officer informed the Board that initial feedback for the pilot had just been completed and that it was hoped to present the results for the next quarter to the next meetings of the Pensions Committee and Pensions Board.
- 7.4 In relation to tracing members with no current address, the Pensions Communications Officer reported that two preferred suppliers had been identified and it was hoped that this work would begin in the next couple of weeks.
- 7.5 Finally, the Pensions Communications Officer updated the Board in relation to Data Security. It was hoped that by moving the Pension Administration System onto a larger virtual server, provided by the Council, recovery resilience would be strengthened. She informed the meeting that currently 76% of cyber threats were diverted away, with the other 24% getting through.

7.6 **RESOLVED:**

That the contents of the report be noted.

8 Breaches of LGPS Regulations

- 8.1 The Board received the report of the Pensions Communication Officer – copy attached to the signed Minutes – which informed Members of breaches of the LGPS regulations affecting the Shropshire County Pension Fund.
- 8.2 The Pensions Communications Officer explained that all potential breaches were recorded on the breaches log and reported quarterly to the Pensions Committee.

Most breaches related to employers not having a discretions policy or scheme contributions and/or data not being submitted on time. Each breach recorded was reported to the employer with most employers engaging with the fund to ensure the breach did not happen again.

8.3 RESOLVED:

That the contents of the report be noted.

9 Scheme Advisory Board Survey

9.1 The Pensions Communications Officer drew Members attention to the Scheme Advisory Board Survey which had to be completed by 28 July 2017. She agreed to pre-populate the survey with the parts that she could complete before emailing to Members for completion and either submitting on line or returning to herself.

10 Future Training Requirements

10.1 The Pensions Communications Officer drew Members' attention to an on-site LGA training programme that was being arranged. She agreed to email Members with the proposed dates in order to ensure all Members were available. Members would also be asked to list the most relevant six topics, in order of relevance.

11 Date of Next Meeting

11.1 It was agreed that the next meeting would be held on Friday 1 December 2017.

NB. The meeting scheduled for 1 December 2017 was subsequently rearranged to Friday 17 November 2017.

Signed (Chairman)

Date: