

Minutes

Name of meeting	ISLE OF WIGHT PENSION FUND COMMITTEE
Date and time	THURSDAY 19 DECEMBER 2019, COMMENCING AT 1.00 PM
Venue	CONFERENCE ROOM 4, COUNTY HALL, ISLE OF WIGHT
Present	Cllrs Adrian Axford (Chairman), Barry Abraham, Paul Brading, Vanessa Churchman, Andrew Garratt, Clare Mosdell Steve Milford (Employee Rep), Christine Shaw (Employer Rep)
Also Present	Jo Thistlewood, Megan Tuckwell Tracy Bull, Barbara Milton, Trevor Ould (Board Members)

51. [Minutes](#)

RESOLVED:

THAT the Minutes of the meeting held on 15 November 2019 be confirmed.

52. [Declarations of Interest](#)

Steve Milford declared an interest as a member of Ventnor Town Council.

Members requested an update on the question raised previously regarding UKOG and the Technical Finance Manager advised that a response would be provided.

53. [Pension Board Annual Report 2018-19](#)

The chair of the Pension Board presented report for the year ended 31 March 2019 which was published on the pension fund's website. This was the first annual report of the board and would be produced annually going forward.

RESOLVED:

THAT the Pension Board Annual Report 2018-19 be noted.

54. Report from the Pension Board meeting held on 19 November 2019

a) [Monitoring Employer Compliance with the Administration Strategy](#)

The Technical Finance Manager advised that the report presented to the board on employer compliance with the administration strategy which showed good compliance with both the return of data and the payment of contributions by the statutory deadline. Questions were raised regarding the number of employers, academized schools and outsourcing. Cllr Abraham ensured that Wootton Bridge Parish Council would be on time with payments in the future.

b) [The Pension Regulator's Annual Scheme Returns 2019](#)

The Technical Finance Manager noted the regulatory requirement to submit annual scheme returns. The LGPS return was submitted in advance of the deadline and had demonstrated the success of the data improvement project as data quality scores had significantly improved.

Returns for the Fire Pension Schemes were submitted in advance of the deadline and had highlighted that data scoring had not been undertaken in the last two years. The Pensions Regulator had issued a notice for this to be completed by 8 April 2020 and a procurement exercise was underway to identify a supplier for this work. Questions were raised regarding the transfer to the Combined Fire Authority and members were reassured that the admin team are working to ensure that the data was accurate and was being monitored by the Isle of Wight Fire Authority Fire Fighter's Pension Board.

c) [The Pension Regulator's Governance & Administration Survey 2019](#)

The Technical Finance Manager outlined the submission of the non-mandatory survey for both the LGPS and Fire Pension schemes. Input had been sought from board members, officers, the chair and vice-chair of the committee, and admin software providers (in respect of cyber security).

d) [Future Pension Board Meeting Arrangements](#)

A review had been undertaken in conjunction with Monitoring Officer following concerns from the board that it was constituted and operated as a committee of the council rather than as board. Discussion took place regarding a proposed non-voting independent chair and members were reassured that the board were happy with the proposals, but nothing had been finalised yet. The updated terms of reference would be incorporated into the revised Constitution to be presented to Full Council in May 2020.

RESOLVED:

THAT the updates on the items discussed at the meeting of the Pension Board held on 19 November 2019 be noted.

55. [Risk Management Policy](#)

The Technical Finance Manager presented the updated Risk Management Policy for the fund to be adopted following recommendation by the Pension Board. The policy had been drafted by Hymans and reviewed by board members and officers. Discussion took place regarding the scoring matrix and subjective sensitivity, and it was advised that a risk register was being developed to be reviewed by the board at its meeting in January 2020. Further work was needed around establishing how the risk register would be reported to the board and committee.

RESOLVED:

THAT the Risk Management Policy be adopted.

56. Governance Action Plan

The committee received the presentation from the recent CIPFA/ Barnett Waddingham pension board officers meeting which linked the requirements of the Pension Regulator's Code of Practice with the outcomes from the 'deep dive' visits to 10 LGPS funds and noted the content of the Hymans Robertson/Scheme Advisory Board Good Governance Project Phase 2 report. Consideration was given to the development of a new governance action plan for the Fund, and members noted the conflicts of interest process, representation and recruitment, information that is published, record keeping, and maintaining contributions.

Discussion took place regarding Knowledge and Understanding. Concerns were raised over consistency and continuity, and it was advised that going forward a summary of the role of the Committee would be included in members' induction packs. It was agreed that members should complete the Knowledge and Skills Assessment and the Pensions Regulator's toolkits and return to the Technical Finance Manager in order to identify any gaps in knowledge and to formulate the basis for a training programme.

Members noted the need to ensure appropriate and effective controls were in place regarding cyber risk and raised questions regarding cyber security insurance. Members agreed this was a growing risk and should be prioritised. With regards to disputes and breaches, it was advised that the admin team report key performance indicators to the board and are looking at how this could be fed back to the committee particularly around complaints, and how they are reported, monitored, and learned from.

Members considered the key priorities for the governance action plan and agreed that these be; knowledge and understanding, cyber risk, and disputes and breaches. Members expressed concern over capacity, and it was confirmed that there was sufficient officer resource to support the delivery of the action plan.

RESOLVED:

THAT the development of a new governance action plan for the Fund be noted, and the key priorities be knowledge and understanding, cyber risk, and disputes and breaches.

57. Committee Meeting Arrangements

Discussion took place regarding future meetings of the Committee. Members noted the change of day (from Friday to Wednesday) to alleviate historical issues around attendance and quorum. The Technical Finance Manager presented the draft indicative workplan which had been developed to facilitate shorter, more focused meetings. Alternatively, the workplan could be revised to cater fewer meetings but with broader agendas and training on specific agenda items included as part of the meeting. Members confirmed their commitment to attend future meetings and following discussion, agreed a preference for meeting frequency over length.

RESOLVED:

THAT Members confirmed their commitment to attend future meetings and noted the change of day (from Friday to Wednesday) with effect from 27 May 2020.

58. Items Circulated for Members Attention

The committee noted the items circulated for information since papers were published for last committee meeting on 7 November 2019. It was noted that Cllr Churchman, the Employee Representative, and the Technical Finance Manager would attend the Local Authority Responsible Investment Seminar on 15 January 2020. Members were advised that the response to the consultation document from the Scheme Advisory Board on Responsible Investment guidelines was due by 10 January 2020.

RESOLVED:

THAT the items circulated for members attention be noted.

59. Exclusion of Public and Press

RESOLVED:

THAT the exclusion of public and press was not necessary as the confidential information would not be discussed.

60. ACCESS Update

The Technical Finance Manager presented an update on recent ACCESS activities and noted that the next Joint Committee would be held on Monday 9 March 2020 at Islington and would be attended by Cllr Axford. A second investor day would be held Thursday 26 March 2020.

At the Joint Committee meeting on 9 December 2019, the budget had been adopted and it was recommended that the business plan be agreed by the individual funds. It was advised that the budget had been drafted by the Section 151 Officers of the participating funds, however members were concerned that there was a lack of supporting papers to consider and did not feel that this was fully transparent.

RESOLVED:

THAT the committee requested further documentation and a breakdown of the budget contribution for 2020-21 before it could be approved.

CHAIRMAN