



Minutes

Name of meeting	ISLE OF WIGHT PENSION BOARD
Date and time	TUESDAY 18 JUNE 2019 COMMENCING AT 2.00 PM
Venue	CONFERENCE ROOM 4, COUNTY HALL, ISLE OF WIGHT
Board Members	Tracy Bull (Chair), Cllr Reg Barry, Barbara Milton, Trevor Ould
Present	Matthew Collier, Jo Cooke, Claire Sarr, Jo Thistlewood, Megan Tuckwell, Gerard Moore (CIPFA)

1. [Minutes](#)

RESOLVED:

THAT the Minutes of the meeting held on 24 April 2019 be confirmed.

2. [Declarations of Interest](#)

No declarations were received at this stage.

3. [Minutes of Pension Fund Committee meeting 17 May 2019](#)

The Board considered the minutes of the Committee, in particular the update on the Section 151 Officer's decision regarding cash disinvestment. It was advised that he agreed with the decision to disinvest five per cent of scheme assets from Newtons Global Equity to rebalance the fund but felt that retaining a lump sum of cash to reduce the debt to the council was not necessary at this time as the risk of significantly increased costs of borrowing was low. The Pension Fund and Treasury Management Accountant gave clarity regarding operational cashflow and the Board were reassured that all pensions would be paid on time.

RESOLVED:

THAT the minutes of Isle of Wight Pension Fund Committee meeting held on 17 May 2019, and the update on the Section 151 Officer's decision regarding cash disinvestment, be noted.

4. [Governance Compliance Statement for the year ended 31 March 2019](#)

The Technical Finance Manager advised that all comments previously received from the Board had been incorporated into the draft statement. The Board agreed that the statement was complete (subject to minor grammatical amendments) and reflected the level of compliance to 31 March 2019. It was advised that any final comments must be

provided by Monday, 24 June 2019, to enable the statement to be finalised for submission to the Committee at its meeting on 19 July 2019.

RESOLVED:

THAT the Board recommend that the Governance Compliance Statement be adopted by the Isle of Wight Pension Fund Committee at its meeting on 19 July 2019 for publication with Fund's annual report and accounts for the year ended 31 March 2019.

5. Governance Action Plan

The Technical Finance Manager advised that work was ongoing behind the scenes and areas of minor lag were due to resource and capacity. Advice was sought, and it was clarified that recommendations should be progressed in order of priority. The Board received the trial balance for the accounts to 31 March 2019 and it was agreed that in future this could include a short paragraph highlighting the key changes.

RESOLVED:

- i) THAT the progress with the governance action plan be noted.
- ii) THAT future trial balance accounts be presented to the Board including a short paragraph outlining key changes.

6. Data Improvement Plan

The Employment Services Lead Officer provided an update on the project closure report for the historic data cleansing project undertaken by ITM. The Pension Team had good relationships with external payroll providers and ten schools were now using the council's payroll service (meaning the data could be monitored by the Pension Team). The i-connect project could now recommence, no concerns were raised at this stage and employer engagement had been taking place.

Work continued for year-end processing and the submission of data for the triennial valuation. It was advised that, following the extensive data cleansing work, the data was more accurate than previous years, meaning that no assumptions should need to be made by the actuaries. There had been robust correspondence with actuaries in resolving critical errors and warnings, demonstrating good understanding by the Pensions Team in progressing the valuation.

RESOLVED:

THAT the progress with the Data Improvement Plan be noted.

7. External Audit Progress Report

The Technical Finance Manager provided an update on the progress of the external audit of the pension fund accounts. Ernst & Young confirmed that work on the accounts was complete and the review of the annual report was being finalised. The draft audit results report should be available before the Committee meeting on 19 July 2019. No concerns were raised and complements had been received regarding the quality of audit working papers and timeliness of responses from the Pension Fund and Treasury Management Accountant. Questions were raised regarding whether the auditors looked

at engagement with The Pensions Regulator and it was clarified that they were satisfied with correspondence.

RESOLVED:

THAT the update regarding the external audit of the pension fund accounts be noted.

8. [Automatic Re-Enrolment Results](#)

The Employment Services Lead Officer provided an update on the initial results of the automatic re-enrolment of eligible Council employees into the Local Government Pension Scheme as at 1 May 2019. It was advised that 268 members had been re-enrolled and to date 149 employees had subsequently opted out. There had been significant communications engagement regarding automatic re-enrolment to employees and going forward there would be a box on the opt-out form to find out why people choose to opt out of the scheme (such as lack of awareness of the benefits, the 50/50 option, or issues which could be fed back to Scheme Advisory Board).

RESOLVED:

THAT the update on the initial results of the automatic re-enrolment of eligible Council employees into the Local Government Pension Scheme be noted.

9. [Employer Compliance with Administration Strategy](#)

The Technical Finance Manager provided an update on employer compliance with end of month reporting and payment deadlines for 2019/20. It was suggested that going forward a column be added to identify which employers are repeatedly late or show a pattern of non-compliance. It was noted that the one employer where payment for April had been received after the statutory deadline should be included on the breaches log, but that the breach would not be deemed significantly material to report to the Regulator.

RESOLVED:

THAT the information on employer compliance with regards to end of month reporting and payment deadlines for 2019/20 be noted.

10. [Standing Items](#)

a) **KPIs**

The Employment Services Lead Officer advised a workflow timeline of task completion would give more information into what has been achieved. Regular reports confirm that pensioner payments are on time, dependant on when people return paperwork to the Pensions Team. Questions were raised regarding queries received and how this could be logged. It was advised that this was difficult to quantify and time consuming.

RESOLVED:

THAT the administration statistics for the year ended 31 March 2019, and the year 2019-20 to date, be noted.

b) Breaches Log and Complaints

The Technical Finance Manager advised that all deferred member annual benefit statements had been published on the self-service portal. All new breaches had been investigated and none were deemed significantly material to report to The Pensions Regulator. Discussion took place regarding a breach arising from a historic HR issue which had been recently identified. Extensive investigations had been undertaken to rebuild the pension record, and the issue had been fully rectified.

RESOLVED:

THAT the report on complaints and the breaches log be noted.

11. Follow-up from Training Session

The Board thanked Gerard Moore for the training session held before the meeting and considered the outcomes of the session. Discussion took place regarding the timetable for the completion of the Pension Board annual report and the Board agreed there was not sufficient time to finalise the report in time for inclusion with the Pension Fund annual report and accounts. It was therefore agreed that the report would be published separately on the website and publicised once available.

The Board felt it necessary that an additional meeting be scheduled before November 2019, to cover the annual report, review the annual report and accounts checklist, review the terms of reference, and consider the possibility of an independent chair.

RESOLVED:

- i) THAT the Pension Board annual report be published on the pension fund website, separate to the Pension Fund annual report and accounts.
- ii) THAT an additional meeting be scheduled before the next meeting in November 2019.

12. Items Circulated for Members Attention

The Board noted the items which had been circulated since the last meeting, and it was advised that the Technical Finance Manager had submitted an entry into the LAPF investment awards for LGPS Small Fund of the Year.

RESOLVED:

THAT the update and items circulated since the last meeting (24 April 2019) be noted.

CHAIRMAN