



Minutes

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| Name of meeting | ISLE OF WIGHT PENSION BOARD |
| Date and time | TUESDAY 19 NOVEMBER 2019, COMMENCING AT 2.00PM |
| Venue | CONFERENCE ROOM 4, COUNTY HALL, ISLE OF WIGHT |
| Board Members Present | Tracy Bull (Chair), Cllr Reg Barry, Barbara Milton, Trevor Ould Matthew Collier, Jo Thistlewood, Megan Tuckwell, Geoff Wild |

26. Minutes

RESOLVED:

THAT the [Minutes of the meeting held on 17 September](#) 2019 be confirmed.

Discussion took place regarding the operation of the board. The Monitoring Officer advised that he was undertaking an extensive review of the Isle of Wight Council's Constitution, which would include a review of the Pension Board. Members were concerned that the function of the board was restricted by being run as a committee of the council and wished to be more proactive than the Democratic Services framework allowed. The Monitoring Officer noted the members' concerns and agreed to feedback through the Technical Finance Manager for reporting to the board before final inclusion in the constitutional review.

27. [Declarations of Interest](#)

No declarations were received at this stage.

28. [Minutes of the Isle of Wight Pension Fund Committee](#)

Consideration was given to the minutes of the meeting of the committee held on 6 September 2019. It was noted that the committee requested the board to undertake a detailed analysis of the automatic re-enrolment process, to determine the reasons for opting out, and to report the findings back to the committee. The committee also requested that the board undertake future monitoring of employer compliance with the administration strategy and to report the findings back to the committee. Discussion took place regarding the communication between the board and committee, and it was noted that a separate report on board activities could be generated if the board were to have an independent chair.

RESOLVED:

THAT the minutes of the meeting of the Isle of Wight Pension Fund Committee held on 6 September 2019 be noted.

29. Pension Board Annual Report 2018-19

The chair presented the report which included the amendments which had been discussed previously. No further changes were suggested, and the board approved the annual report for publication on the fund's website and presentation to the next committee.

RESOLVED:

THAT the Pension Board Annual Report 2018-19 be published on the fund's website and be approved for presentation to the Isle of Wight Pension Fund Committee on 19 December 2019.

30. The Pensions Regulator's Scheme Return 2019

The Technical Finance Manager noted the requirement to submit scheme returns annually and confirmed that the deadline had been complied with. Questions were raised regarding benchmarking, insurance, the GMP project closure, a possible tracing service for deferred members, and the ongoing data improvement plans. The board noted the significant improvements made, particularly with regards to the data quality scores, which demonstrated that the data improvement work had been successful.

RESOLVED:

THAT the completion of the Scheme Return 2019 be noted.

31. Risk Management

The Technical Finance Manager presented the fund's Risk Management Policy which had been developed subsequent to the workshop in September 2019 with contributions from both board members and officers. Minor amendments were suggested. The Technical Finance Manager agreed to make the suggested changes and would recirculate to the board. Any comments should be received by the beginning of December 2019 for inclusion and subsequent submission to the committee. Discussion took place regarding the full risk register, created by the governance consultants. An informal meeting of the board was suggested to look at this in detail.

RESOLVED:

THAT any changes to the Pension Fund's Risk Management Policy be sent to the Technical Finance Manager by the beginning of December 2019 for inclusion, and subsequent submission and recommendation for adoption by the Isle of Wight Pension Fund Committee on 19 December 2019.

32. Governance Action Plan

The board noted the presentation from recent CIPFA/Barnett Waddingham pension board officers' meeting which set out actions for pension funds arising from the Pension Regulator's 'deep dive' visits to 10 LGPS funds. The Technical Finance Manager proposed a potential briefing session on the governance framework and a list of areas which needed to be considered when changing and improving

governance and administration had been consolidated. A five-year plan was discussed which would enable to fund to be proactive in terms of plans, policies, and sufficient resources, to better prepare for change. Discussion took place regarding committee engagement in particular noting the lack of engagement with administration and governance in comparison to investment.

RESOLVED:

THAT the update be noted.

33. Valuation Update

The Technical Finance Manager noted the presentation delivered by Hymans Robertson at the committee on 15 November 2019, which outlined progress to date and the assumptions that have been set. The draft indicative funding level for the whole fund is 95%, compared to 92% at the last valuation. Each employer had its own results and would hold its own discussions regarding contribution rates. The final results would be presented at the committee in February 2020 to be signed off before the deadline of March 2020. It was agreed after the valuation the board would hold an informal meeting to discuss lessons learned and ensure the board are engaged in the process.

RESOLVED:

THAT the valuation update be noted.

34. Review of Reporting Breaches of the Law Policy

The Technical Finance Manager presented the fund's current policy and the Hymans Robertson 60 second summary to the board for determination on whether it complies with the Pension Regulator's Code of Practice 14. It was agreed that the best approach for the board to consider how the requirements can be appropriately communicated, and to agree the process for making changes to the policy for future recommendation to the committee for adoption, would be to hold an informal meeting to go focus on this in depth. Members of the committee could be invited to this to promote engagement and the Chair agreed to liaise with the Chair of the Pension Fund Committee in the first instance.

RESOLVED:

THAT the board meet informally to review the Reporting Breaches of the Law Policy.

35. Standing Items

a) KPIs

Discussion took place regarding the administration statistics for the year 2019-20 to date in terms of monitoring, performance indicators, and CIPFA benchmarking. An internal audit report on the pensions administration service (overall result : reasonable assurance) would be presented at the Audit Committee on 2 December 2019.

RESOLVED:

THAT the administration statistics for the year 2019-20 to date be noted.

b) Breaches Log and Complaints

The board noted that there had been no complaints or breaches reported since the last meeting. Discussion took place regarding the definition of a breach, and how this differs from a query and it was agreed that this needed to be clearly defined. An ongoing concern regarding the process by which electronic communications were notified to scheme members was raised and it was agreed that a follow up would be provided at next meeting.

RESOLVED:

THAT the update on breaches and complaints be noted.

c) Employer Compliance with Administration Strategy

The board received information on employer compliance with end of month reporting and payment deadlines and did not raise any concerns. It was noted that Wootton Bridge Parish Council had repeated non-compliance due to submitting using via cheques which cleared after the deadline.

RESOLVED:

THAT the update on employer compliance be noted.

d) Pension Board Work Plan and Agendas

The board noted the proposed future workplan including the five-year plan. It was advised that the corporate calendar of meetings for 2020-2021 was not yet finalised, but the intention was to move the day of the committees from Friday to Wednesday to encourage attendance from members. The investment strategy workshop planned for 15 November 2019 had been deferred to 14 February 2020 and the committee scheduled for 13 December 2019 been deferred to 19 December 2019.

RESOLVED:

THAT the workplan, and revised dates, be noted.

36. Items Circulated for Members Attention

The committee noted the items circulated for information since the last meeting on 9 September 2019. The Technical Finance Manager noted that The Pension Regulators Governance and Administration Survey was circulated on 18 November 2019 and requested that contributions from board members be provided by 27 November 2019 ahead of the submission date on by 29 November 2019.

37. Members' Question Time

Members were pleased to note that the fund had won the small fund (under £2.5bn) Award at the LAPF Investment Awards on 19 September 2019.

CHAIRMAN