

## **POWYS PENSIONS AND INVESTMENTS COMMITTEE 28 JANUARY 2019**

### **FEEDBACK FROM PENSION BOARD MEETING 30 NOVEMBER 2018**

#### **Purpose of the Report**

This report provides an executive summary of the meeting of the Powys Pension Board on 30 November 2018 to enable the Pensions and Investments Committee to learn of and consider any recommendations from, assurances gained and concerns of the Powys Local Pension Board, and any other relevant information. This is consistent with the two primary roles of Local Pension Boards, namely:

- to assist the scheme manager to secure compliance with scheme regulations, other legislation and the requirements of the Pensions Regulator (TPR), and
- to ensure the effective and efficient governance and administration of the Scheme.

#### **Recommendation**

The Pensions and Investments Committee is requested to accept the proposals from the Local Pension Board held on 30 November 2018.

### **Outcomes from Powys Pension Board Meeting on 30 November 2018**

#### **1. Recommendations**

1.1 That the Committee agree that joint training in preparation for the 2019 Triennial Valuation be arranged for both Committee and Board.

- Justification: mindful of both the different roles of the Committee and the Board, and of the changes of membership since the Triennial Valuation 2016, joint training is considered essential.

1.2 That the Committee agree that joint training be provided to Committee and Board regarding cost transparency relative to investment management costs.

- Justification: there are increasing requirements to disclose such costs, in which scheme members are expressing more interest.

#### **2. Assurances Gained by the Board**

2.1 That the Powys Pension Fund (PPF) submitted all necessary queries to HMRC in respect of the reconciliation of contracting out/ Guaranteed Minimum Pension by the due date.

- 2.2 That PPF had received a clean external audit report in respect of the Pension Fund Annual Report and Accounts 2017/2018.
- 2.3 That the PPF pensions team would imminently achieve full establishment to enable it to cope with the ever increasing demands and complexities of pensions administration.
- 2.4 That data submitted to the Pensions Regulator as part of its Scheme Annual Return 2018 had indicated high levels of accuracy for common data and scheme specific data. A data improvement plan is in place to address any shortfalls.
- 2.5 That no concerns regarding the assumptions behind the PPF's Funding Strategy Statement and triennial Valuation 2016 had been expressed by the Government Actuaries Department (GAD) in its review under Section 13 of the Public Service Pensions Act 2013.
- 2.6 That the Board agreed with an officers' recommendation that a recorded breach of the law was not of material significance to the Pensions Regulator (TPR) and therefore not reportable.
- 2.7 That the Board was assured that cyber security is being added to the Risk Register and that appropriate training would be provided for both the Board and the Committee.

### **3. Concerns Expressed by the Board**

- 3.1 Partly due to staff turnover, the Board's review of the TPR Code of Practice 14 is behind target but a phased section by section review is built into the work programme during 2019.
- 3.2 The Board is aware of a national issue which may ultimately lead to reporting a breach of the law to the Pensions Regulator should it be deemed to be of material significance to TPR. This relates to a technical issue regarding certain historic refund of contributions which have a deadline of April 2019 for completion.
- 3.3 The Chair advised that some Boards had raised concerns on a range of issues regarding how the Wales Pensions Partnership [WPP] was working, including communication, development of a business plan, decision making process and the lack of written reports to the WPP meetings, to Pension Committees and to Boards. The Powys Board supported these concerns.

#### **4. Other Items for Information**

4.1 The Board Chair would arrange a one to one training session with the newly appointed scheme employer representative (for Powys County Council) on the Board.

4.2 The Board would be seeking assurances at its next meeting on cash flow forecasts and on the pensions administration software contract.

Gerard Moore

**Independent Chair: Powys Pension Board**