

**MINUTES OF A MEETING OF THE POWYS PENSIONS BOARD HELD AT ON
THURSDAY, 26 MARCH 2020**

PRESENT

G. Moore (Chair)

Nigel Brinn (Employers Representative)

John Byrne (Member Representative)

Mick Hutchison (Member Representative)

Chris Hurst (Pension Fund Manager, Secretary to the Board)

1.	APOLOGIES
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None received.

2.	DECLARATIONS OF INTEREST
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The Chair advised he was an Associate in The Chartered Institute of Public Finance and Accountancy [CIPFA] and declared an interest if reference was made to CIPFA when discussing the Board's training. The Board accepted that this did not represent a conflict as the Board Secretary managed the training arrangements.

3.	MINUTES OF THE BOARD
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The minutes of the last meeting held on 26th November, 2019 were agreed as a correct record.

4.	MATTERS ARISING
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The Board was advised that the Scheme Advisory Board [SAB] survey had still not been circulated.

The Chair advised that the Council was still considering the request to increase the Board Membership to three employer and three scheme representatives.

5.	CHAIR'S ANNOUNCEMENTS
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The Chair confirmed that, due to the need to hold this meeting remotely, the discussion of the Pensions Regulator's Review of the LGPS Cohort had been deferred.

The Chair reported that because of the Coronavirus outbreak the PLSA Pensions conference had been cancelled. There would a separate meeting of the Scheme Advisory Board in due course.

6. MINUTES OF PENSIONS AND INVESTMENT COMMITTEE
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The Board received the Pensions and Investment Committee's minutes for the meeting held on 12th December, 2019.

The Pension Fund Manager was asked to check whether the non-voting scheme member observer vacancy on the Pensions and Investment Committee could be filled by a member of the Pensions Board.

The Board noted that its recommendation that MiFID II be added to the Risk Register had been accepted by the Committee.

The Pension Fund Manager reported that the budget cuts passed by Council did not apply to the administration of the Pensions Funds. The Board welcomed this decision.

It was noted that there was a Forward Looking Business Plan in place that the Board would review at a future meeting.

7. REVIEW OF COMPLIANCE WITH TPR CODE 14

The Board reviewed the following sections and made the following comments [numbers refer to the Compliance indicator]:

Governing your Scheme [38-60]

42 & 46 The Pension Fund Manager would draw together the list of documents related to the Board on a webpage which would move the risk from amber to green.

56 Amend the current position column to note that members of the Board have had a formal introductory training session with the Chair.

Conflicts of interest and representation [62-91]

70 The Pension Fund Manager would circulate the Nolan Principles of public life to the Board.

81 The Pension Fund Manager advised that he had started work on a Register of Interests for the Board and the Pensions and Investment Committee.

Managing risks [104-120]

114 & 115 The Pension Fund Manager agreed to let the Board know the timetable for completion of the actions.

116 Having considered the Audit report in the confidential part of the meeting, the following updated comment was agreed for inclusion: The Pensions Board reviewed the Audit report in March and made

observations. The full report will be presented to the Pensions and Investment Committee in June.

Administration [124-146]

140 The Board was advised that the feedback from the Actuary was that the data provided was good. The Scheme Advisory Board had agreed a set of data standards.

Providing information to Members [188-210]

208 The Pension Fund Manager advised that the Pensions team had been working with the Council's Income and Awards team on tracing a number of "Gone Away" members. It was agreed to keep this risk amber.

8.	BREACHES REGISTER
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The Board was advised that a number of frozen refunds had been paid after tracing by Income and Awards.

The Board agreed that the two breaches were correctly deemed as recordable only.

9.	REVIEW OF RISK REGISTER AND CONSIDERATION OF ANY NEW RISKS [STANDING ITEMS]
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The Board agreed to recommend to the Pensions and Investment Committee that pandemic should be added to the Risk Register.

The Board raised the following comments [the numbers shown are the Risk Reference numbers]:

PEN009 **It was agreed to recommend to the Pensions and Investment Committee that "other scheme employers" be added to the potential consequences column.**

PEN011 **It was agreed to recommend to the Pensions and Investment Committee that reputational risk be added to the potential consequences column.**

PEN029 **It was agreed to recommend to the Pensions and Investment Committee that the wording be amended to be consistent.**

PEN30 It was noted that the current controls do not refer to Pool Operator controls.

It was agreed to recommend to the Pensions and Investment Committee that the proposed further actions/controls column be updated in light of actions taken.

PEN31 The Pension Fund Manager was asked to update the Board on controls applied by operators.

10. DOCUMENTING IMAGING AND WORKFLOW PROJECT UPDATE

The Pension Fund Manager advised that the work to transfer the Pensions Administration Workflow and Document Imaging System into the pensions administration software had been completed. Work to transfer onto the Altair system was 95% complete and would be finished by the time of the next meeting. PEN33 in the Risk Register would be updated to reflect this.

11. WALES PENSION PARTNERSHIP - INVESTMENT POOLING UPDATE [STANDING ITEM]

The Board received the Wales Pension Partnership update report.

12. ADMINISTRATION ACTIVITY REPORT [STANDING ITEM]

The Board received details of the membership and Pensions Administration for the period from 1st October to 31st December 2019.

13. CESSATION OF CONTRACTING OUT - VERBAL UPDATE [STANDING ITEM]

The Pension Fund Manager advised that the final cut off date from HMRC had been received and the data was being reconciled. The Pensions team would be contacting pensioners affected.

14. NEW LEGISLATION AND GUIDANCE (STANDING ITEM)

Re the eventual solution to the McCloud judgement, the Board asked to be alerted, at the appropriate time, to the likely impact on the workload of the Pensions team.

The Pensions Fund Manager was asked to make members aware of the Pensions Made Simple videos and to share the links with members of the Board. The Board were asked to view the videos which would count as part of their training.

15. BOARD COMMUNICATIONS LOG (STANDING ITEM)

The Communications Log was noted. The Chair advised that the next CIPFA Barnett Waddingham event for pension board would be held by webinar and that he would provide an update to the Board.

16. AUDIT REPORTS [STANDING ITEM]
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The Audit report was considered as a confidential item.

17. INTERNAL DISPUTE RESOLUTION PROCEDURE [IDRP] UPDATE [STANDING ITEM]
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The Pensions Fund Manager advised that there was nothing to report in respect of pensions administration. There was one Stage 2 appeal on ill health.

18. ADMINISTRATION STRATEGY 2020 - DRAFT

The Board considered the draft Administration Strategy Statement.

Section 2 Legislative Framework – The Pensions Fund Manager was asked to change the wording to remove the phrase “must have regard to”.

Page 69 of the agenda pack – Replace “Trustees” with “Members of the Pensions and Investment Committee”.

Page 70 – The Chair noted that 90% of data received electronically for active members monthly was very good and that not all Funds were able to receive such a high percentage. He asked for a sentence to be included that the fund aspires to for all active member data to be submitted electronically. The Pensions Fund Manager advised that the intention was to report detailed performance data quarterly but that at the moment this was too resource intensive.

Page 71 – Add a sentence about the role of the Board as a risk mitigator.

Page 72 – It was agreed to add a sentence highlighting the consequences of employers submitting late payments.

Page 73 – The Pensions Fund Manager agreed to reword the section about fines.

Annex 2 – It was agreed that the CETV would be defined.

The Chair had a number of additional points to the Pensions Fund Manager. The revised Administration Strategy would be circulated to the Board and would aim to take it to the Pensions and Investment Committee in June.

19. OVERPAYMENT POLICY DRAFT

It was agreed to exclude the public from the meeting for the following item because the information related to the financial or business affairs of a particular person or organisation.

20. CONFIDENTIAL

RESOLVED that the public be excluded for the following items of business otherwise there would be disclosure to them of information relating to the financial or business affairs of any particular person or organisation.

21. AUDIT REPORT

The Board received the Audit report. The Pension Fund Manager advised that he would take a report to the Pensions and Investment Committee setting out his responses to the Audit report. He noted that the GMP system would allow for a reconciliation to be carried out.

The Chair noted that the report made no reference to the Risk Register, nor to the role of the Pensions Regulator and Pensions Board as risk mitigators.

22. FUTURE BOARD MEETINGS

The Board noted the following meeting dates in 2020:

22 May
14 September
9 November

Gerard Moore (Chair)