

Purpose of the Report

In addition to the formal, more detailed minutes of the Board, elsewhere on this agenda, this report provides an executive summary of the meeting of the Powys Pension Board on 22 May 2020 to enable the Pensions and Investments Committee (the Committee) to learn of and consider any recommendations, 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 22 May 2020.

Outcomes from Powys Pension Board Meeting on 22 May 2020

1. Recommendations

- 1.1 In considering how Powys Pensions Fund is placed regarding the recommendations contained in the Pensions Regulator's Cohort Review of 10 LGPS Funds, the Board makes the following recommendations:-
 - 1.1.1: that the Pensions Manager consider whether the current procedures for managing and processing the Internal Disputes Resolution Procedure (IDRP) remain appropriate
 - 1.1.2: with the contract with the administration software provider due for renewal in 2023, with an option of an extension available, the Pension Manager identify a timescale for the exercise to be completed in a timely manner, with the inclusion of the process on the risk register until its completion.
- 1.2 With the successful conclusion of the Document Imaging and Workflow project, that the Committee give consideration to removing this temporary risk from the Risk Register.
- 1.3 Regarding other elements of the Risk Register, that consideration is given to six further comments, as set out in more detail in the official minutes of the Board, but with a specific recommendation that for Risk PEN 003, the residual risk column should be amber rather than green as the control action was not yet complete. These will be reviewed when the Risk Register next returns to the Committee.

1.4 that a more detailed analysis of refunds and transfers be shown in future Administration reports.

2. Assurances Gained by the Board

2.1 Further to the recommendations made in paragraph 1.1 resulting from the review of the Cohort Review by the Pensions Regulator of 10 LGPS Funds, a number of assurances were gained, as follows:

- regarding internal controls and processes, additional documentation is either in hand or being developed to evidence and explain the background and objectives on existing, revised and new procedures and decisions, as a means of mitigating key person risk

- regarding cyber security, the software provider has assured the Pension Fund that it undertakes regular penetration testing

- that an Action Log will be maintained and progress reported to the Board to ensure that all the Pension Regulator's recommendations are being implemented as appropriate, including a custodian review and an internal data security review

2.2 There had been no new breaches of the law in the period since the last meeting.

2.3 There were no current or new IDRPs to report, and the last stage two case to be reviewed had not generated any further response.

2.4 The pensions team continues to deliver the service during the pandemic in accordance with the priorities set out by the Pensions Regulator, meaning that some less time-critical procedures are behind their planned timescales.

2.5 The Fund continues to make progress on securing compliance with the Pensions Regulator's Code of Practice 14. In the area of providing information to scheme members, two areas remain amber: one due to a national issue and another due to re-prioritisation of work due to the pandemic.

3. Update on Issues previously considered by the Board

3.1 From Board meeting 11 Sept 2019:

Recommendation "increasing the membership of the Board (currently at the minimum allowed of two scheme member representatives and two scheme employer representatives) by one from each cohort, to then consist of three scheme member representatives and three scheme employer representatives" .

I understand that this recommendation, endorsed by the Pensions and Investments Committee, was agreed at the meeting of the County Council on 24 September 2020.

4. Other Items for Information

4.1 The planned survey of Local Pension Boards by the Scheme Advisory Board (SAB) is, at the time of writing, still awaited.

4.2 A number of other areas of national consultation and review remain behind schedule due to the pandemic, including the SAB's Good Governance project, the Pensions Regulator's results of its 2019 survey and the Regulator's consultation on a single consolidated Code of Practice to incorporate then replace all existing Codes, including the current Code of Practice 14 which is specific to public services pension funds.

4.3 The Board noted that a Cyber Resilience Action Plan remains under development and the draft will be considered by the Board in due course.

4.6 Should Members of the Committee require further information on any item, more detail is provided in the formal minutes of the Board, included elsewhere on this agenda.

4.8 The next meeting of the Board will take place on 30 September 2020.

Gerard Moore

Independent Chair: Powys Pension Board