

MINUTES OF A MEETING OF THE POWYS PENSIONS BOARD HELD AT BY TEAMS ON FRIDAY, 28 OCTOBER 2022

PRESENT

Gerard Moore (Chair)

John Byrne, Scheme Member representative

Grahm Evans, Wayne Thomas and Nigel Brinn Employer Representatives

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| 1. | CONFIDENTIAL |
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Due to the availability of Board members the Board agreed to alter the order of the agenda to enable the confidential items to be considered first.

RESOLVED that in accordance with Section 106 [8] Local Government Pension Scheme [LGPS] Regulations 2013 the Board goes into the confidential agenda with the public and press being excluded as some of the information may relate to financial or business affairs of a particular person or organisation.

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| 2. | WALES PENSION PARTNERSHIP - INVESTMENT POOLING UPDATE [STANDING ITEM] |
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The Board noted the report. The Pension Fund Manager highlighted the following in respect of the Wales Pension Partnership [WPP] – the appointment of a new Chair and Vice Chair of the Joint Governance Committee [JGC], the publication of a Whistleblowing Policy and a Business Continuity Plan and the approval of a sustainable active equity sub-fund which would be made available to the constituent authorities in due course.

The Board agreed to review WPP's Business Continuity Plan.

A discussion took place relating to the risks associated with being a participating Fund within the WPP. Risks were identified relating to governance, resourcing, contractual relationships and whether there needed to be an adjustment to the way these risks were recorded on the risk register.

It was noted that the WPP has its own risk register and risk sub-group to monitor and manage the risk. The Pension Fund Manager agreed to consider and review the wording within the local risk register.

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| 3. | GMP RECONCILIATION |
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The Board received the report on the GMP reconciliation. The Pension Fund Manager advised that the reconciliation process was nearing completion. The Board noted that a national approach had been agreed and that any historic overpayments in benefits would not be recovered. Scheme members who had been underpaid would be reimbursed. The Pensions Fund Manager advised that it was the intention to make adjustments to payments in the February 2023 payroll run.

The Board stressed that communication with those members whose benefits were being adjusted was important. The Pension Fund Manager advised that information would be included in the Pensions newsletter advising that anyone affected would be contacted by letter and information would be shared at the Employers' meeting in December. In addition to letters to those whose benefits would be reduced the Pension Administration Team would, as required, work through issues with scheme members especially in the current economic climate.

The Board noted the report and thanked the Pension Administration Team for its work.

4. PENSION BOARD CHAIR UPDATE

The Chair advised he would forward information on a virtual training event for Board members to be provided by CIPFA to the Pension Fund Manager for circulation to the Board members.

Nigel Brinn left to attend another meeting.

The Board moved to the public agenda.

5. APOLOGIES

Apologies had been received from David Powell, Scheme Member Representative. Nigel Brinn, Employer Representative had been in attendance for the confidential agenda but gave apologies for the rest of the meeting.

6. DECLARATIONS OF INTEREST

There were no declarations of interest.

7. MINUTES OF THE BOARD

The minutes of the meetings held on 27 June 2022 and 6 September 2022 were agreed as correct records.

8. MATTERS ARISING

The Board noted the following from in respect of the previous minutes:

- 27 June 2022 – Item 8 New Legislation and Governance update - the Annual Benefits statements had been distributed within the required timescale.
- 6 September 2022 – the Pensions and Investment Committee had at its meeting on 7 October 2022, considered and agreed the Board's recommended changes to the Administration Risk Register.

9. MINUTES OF PENSIONS AND INVESTMENT COMMITTEE

The Board noted the minutes of the Pensions and Investment Committee of 15 July 2022 subject to it being noted that the Board Chair was incorrectly shown as a Councillor.

10. REVIEW OF COMPLIANCE WITH TPR CODE 14

The Chair advised that The Pension Regulator [TPR] had not announced when the final version of the single code would be launched. After the launch training will be required and the format of reports will need to be revised.

The Board reviewed the following sections of Code of Practice 14 and noted the following [numbers refer to the Compliance indicator]:

Publishing information about Schemes [92-98]

96 – the details regarding the Board membership contained on the Council website was noted. The last column of the Compliance table would be updated to show that this information had been noted at this meeting.

Providing information to Members [188-210]

203 – noted that a Workplan had been agreed to increase the targeted communication to different age groups and that this had been achieved because of the extra staff in the Pension Fund Team.

208 – tracing exercises to locate “Gone Away” members was ongoing. **The Board agreed that as a result this, the risk should continue to have an amber status.**

Reporting breaches of the law [244-270]

The Chair commented that, other than individual scheme members, it was everyone’s responsibility to report potential breaches.

The Board considered that where only “Noted” is stated in the final column in the table [e.g. 226 & 229] the words “Statement of fact/process” should be added.

11. OPERATIONAL AND ADMINISTRATION REPORT & UPDATE

The Board received the Operational and Administration report. The Pension Fund Manager reported that recruitment to all posts within the Administration Team had been completed and training was ongoing for new staff using internal and external resource.

In response to a comment the Pensions Fund Manager agreed to add information about the number of employers in the Fund to the Pensions Administration membership statistics.

12. LEGISLATION AND GOVERNANCE UPDATE

The Board received the Legislation and Guidance update report.

The Board noted the following:

Pensions Dashboard – the impact on the Pensions Administration Team should not be underestimated.

Valuation – data had been submitted to the Actuary within the required timescale. The Actuary would report to the Pensions and Investment Committee

at its meeting on 16 December 2022 and also to the Employers' meeting that day.

13. REVIEW OF RISK REGISTER

The Board noted that its recommended changes to the Administration section of the Risk Register had been agreed by the Pensions and Investment Committee at its last meeting. The Pensions Fund Manager advised that the dates in the "Latest Risk Reviews" column were incorrect due to a system error and this was being addressed. In response to a comment, he agreed to review the "Owner" of each risk.

The Pension Fund Manager advised that no new risks had been added since the last meeting. The Board agreed that the in-depth review of the Administration had been a useful exercise and should be repeated for the other sections. Comment was made that as the Pension Fund was now part of the WPP, reference to this should be added to the Risk Register as appropriate.

The Board:

- 1. noted the Risk Register report and that no new risks had been added since the last meeting and**
- 2. agreed to undertake an in-depth review of the Governance and Investment sections of the Risk Register and**
- 3. that as the Pension Fund was now part of the WPP, reference to this should be added to the Risk Register as appropriate.**

14. COMMUNICATIONS STRATEGY STATEMENT

The Pension Fund Manager thanked the Board members for their comments on the draft Communications Strategy Statement. The Pensions and Investment Committee had approved the Statement at its last meeting.

The Board noted the policy document.

15. DATA IMPROVEMENT PLAN

The Pension Fund Manager thanked the members for their comments on the draft Data Improvement Plan. The Pensions and Investment Committee had approved the Plan at its last meeting.

The Board noted the policy document.

16. DATA QUALITY TESTING 2022

The Board noted the Data Quality Testing 2022 report.

The Pension Fund Manager advised that this is reported to TPR on an annual basis. Common and scheme specific data is tested. In respect of the common data the Fund scored 98.3% (97.7% in 2021). Of the eight categories of data

tested one was below the highest benchmark of greater than 98%. The data regarding member addresses, scored 97.16%. Although addresses are correct, the address may not be entered in the correct data fields.

In respect of the Scheme specific data, the Fund scored 91.95% (91.87% in 2021). The Board noted that Member Benefits data scored 85.32% and that work has started on investigating the reasons for this low score. The Board noted however, that there was no impact on member benefits. The Pension Fund Manager advised that the scores would be reported to TPR as part of the Annual return in November.

17. DRAFT BOARD REPORT FOR PENSION FUND ANNUAL REPORT

The Board considered the draft Board Annual report. It was noted that it would be included in the Pension Fund's Annual report, which would be considered by the Committee on 24 November 2022 to enable the Annual accounts to be published by 1 December 2022.

The Board approved the draft Board Annual report subject to the blue text being updated.

Comment was made that the Annual report was an important document which would be of use to potential new members of the Board.

18. STANDING ITEMS WITH NO UPDATES REQUIRED

The Board noted the following in respect of standing items:

- a. Breaches Register – there were no new breaches recorded. In response to questions the Pension Fund Manager advised that he would review the process for recording the payment of contributions by employers. If any made late payments on a regular basis this would need to be recorded as a breach.
- b. Audit Reports – an internal audit report was expected in early 2023.
- c. Board Communications Log – noted.
- d. Internal Dispute Resolution Procedure [IDRP] – no new or ongoing cases. The Pension Fund Manager advised that a scheme member had made a complaint to the Pensions Ombudsman challenging scheme regulations. The Ombudsman's Early Resolution Team had decided not to investigate the complaint. The Pension Fund Manager agreed to add a sub heading in the IDRP log, to record any complaints made to the Ombudsman.

19. FUTURE BOARD MEETINGS

The Board noted the meeting dates:

2022

21 November – 2pm

2023

10 February – 10am

12 June – 2pm

11 September – 2pm
20 November - 10am

Gerard Moore (Chair)