

## **Pension Board**

Meeting of held on Thursday, 7 July 2022 at 2.00 pm in Room 1.01, Bernard Weatherill House, 8 Mint Walk, Croydon CR0 1EA

### **MINUTES**

**Present:** Michael Ellsmore (Chair);

**Co-optee Members**

Richard Elliott (Employer Representative), Teresa Fritz (Employee Representative) and David Whickman (Employee Representative)

Councillor Margaret Bird (online)

**Apologies:** Ava Payne

### **PART A**

**15/20 Minutes of the Previous Meeting**

The minutes of the meeting held on 13 January 2022 were agreed as an accurate record of the proceedings.

**16/20 Disclosure of Interests**

There were none.

**17/20 Urgent Business (if any)**

Before the meeting it was brought to the Chair's attention that the Breaches Log should have been included in the agenda. Copies of the Breaches Log and accompanying report were circulated to members and Matthew Hallett, Acting Head of Pensions and Treasury, summarised the contents, drawing particular attention to the four unresolved entries on the log. Matthew Hallett explained that there was a plan in place to deal with the first unresolved entry which involved 356 historic cases of benefits not having been paid to members. The Board asked that this entry be removed as the Pension Team had taken all reasonable steps to resolve this issue.

Officers confirmed that with regards to outstanding minutes the Board was up to date but that there were three sets left for the Pension Committee to approve, which would be done at the next Committee meeting and would bring the Committee up to date.

Officers explained that the draft 2019-20 and 2020-21 statements of accounts had been published but that they could not be signed off until the Council accounts had been signed off. Board members queried whether this was a breach that should be reported by them to the Pensions Regulator, and officers agreed to look at the Regulator's guidance and report back their conclusion about this to the Board.

**RESOLVED** to note the contents of the Pension Fund Breaches Log, Appendix A, and to comment as appropriate.

## **18/20 Review of Recommendations and Update on Progress of Governance Review**

The Chair expressed that he and the Board were very impressed and pleased with the progress made on the recommendations of the Governance Review. The next steps were to consolidate all the findings of the review into an action plan. The Chair recommended that the Acting Head of Pensions and Treasury and the Section 151 Officer worked together to support the Pensions Administration Team to achieve this.

The Board then commented on a number of aspects of the report, including:

- Creation of a Head of Pension Fund position. The new Section 151 Officer would review the structure over the coming months and decide on the most appropriate structure;
- Their desire to appoint a voting non-councillor employer representative and voting member representative to the Pension Committee, on which officers agreed to take a report to the Committee;
- The Board requested a report on Procurement and Recruitment to the Fund in twelve months' time;
- That the Board confirmed that it was happy with the position of the Pension Board minutes;
- The Board noted that the Council's main financial accounts would not be expected to be signed off until at least October;
- The Board requested a standalone Governance Review Action Log;
- The Chair decided that the South Yorkshire Pension Fund model was not a fair comparator to Croydon for reasons laid out by Alison Murray, adviser from Aon, and that the Pension Team should put resources into developing its own action plan;
- The Board requested that the Pension Team performed an options appraisal for payments of benefits and the Pension Administration Team.

It was noted that the Pensions Dashboard and dealing with cases identified under the McCloud ruling would need careful resourcing and the Board requested a report on resourcing twice a year. It was also noted that induction training had been completed by Pension Committee members and the Chair encouraged Board members to do the same.

The Board asked that the Pension Team report back with details about the committee member who had been appointed to the London Collective Investment Vehicle (LCIV) Shareholder Committee. The Board also asked that the comments of the Board also be sought on the recommendation regarding the Breaches of Law Policy, and that the first recommendation involving the creation of a Head of Pension Fund position included resourcing.

**RESOLVED** to:

- 1.1 Note and comment on the recommendations of the Governance Review as agreed at the 13 April 2022 Pension Committee meeting and on the revised suggested list of recommendations which was formulated as a result of discussions between the Chairs of the Pension Board and Committee, The Head of Pensions and Treasury, The Pensions Manager and the Fund governance advisers Aon on 3 February 2022.
- 1.2 Note the progress made in addressing the findings of the Governance Review.

**19/20 Croydon Pensions Administration Team Key Performance Indicators for the Period 1 February 2022 to 30 April 2022**

Gillian Phillip, Pensions Manager, gave a summary of the report highlighting that:

- Auto-enrolment to the scheme had begun in January;
- There had been some successful recruitment to the team;
- The team was focussing on the end of year valuation process and the was on target to update the Fund's actuaries on time.

Officers were expecting Hymans to complete clearing the cases identified in the backlog project by the Autumn. It was noted that the Annual Benefit Statement was also expected to meet its target date for reporting to employers.

**RESOLVED** to note the Key Performance Indicators and the performance against these indicators set out in Appendix A to the report.

**20/20 Knowledge and Skills Policy**

Matthew Hallett, Acting Head of Pensions and Treasury, introduced the report and stated to members that the Hymans online portal and LGA courses scheduled in October covered the expectations of skills and knowledge training required by the Pension Committee and Board.

It was suggested that the Pension Team could inform both the Committee and Board of a 'hot topic' training session relevant to current issues within Local Government Pension Scheme in sessions preceding meetings.

**RESOLVED** to note the attached Knowledge and Skills Policy, (Appendix E) and the CIPFA Knowledge and Skills Framework, (Appendices A, B and C).

**21/20 Pension Board Forward Plan 2022-23**

The Board requested a report on the progress of Governance arrangements, a specific item to update on the work around the McCloud judgement and a training session before the October meeting on the same, and Cyber Security Arrangements to be added to the Work Plan.

**RESOLVED** to agree the Forward Plan for the remainder of financial year 2022/23.

The meeting ended at 3.37 pm

**Signed:**

**Date:**

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