

Minutes of the Pension Fund Committee

Date: 30th September 2021

Time: 10:00am – 11.30am

Venue: New Shire Hall, Alconbury Weald

Present: County Councillors H Batchelor (substituting for E Murphy), I Gardener, C Rae (Vice-Chair), A Sharp, A Whelan (Chair); Peterborough City Councillor A Coles; Liz Brennan, Lee Phanco and John Walker

Officers: D Cave, S Heywood, J Kent, M Oakensen and M Whitby

13. Apologies for absence and declarations of Interest

Apologies were presented on behalf of County Councillors Murphy (Cllr H Batchelor substituting) and J Schumann; and Matthew Pink (Liz Brennan substituting).

John Walker in the meeting declared a personal interest (i) as a retired member of the Local Government Pension Scheme (LGPS), (ii) his son and daughter-in-law were deferred Members of the LGPS.

Cllr Coles declared an interest as he was the beneficiary of a family pension.

14. Public minutes of the Pension Fund Committee meeting held 22nd July 2021 and Action Log

The minutes of the Pension Fund Committee meeting held on 22nd July 2021 were approved as a correct record.

The Action Log was noted.

15. Administration Performance Report

The Committee considered a report which set out a number of key areas of administration performance in the period 1st February to 31st July 2021.

Members' attention was drawn to the following areas:

- The Key Performance Indicators (KPIs) detailed in Appendix 1 to the report. With regard to a number of Red areas due to an increase in volumes, the Committee was assured that this had been addressed;
- Employer/employee contributions were detailed in Appendix 2. 100% had been submitted on time for much of the period, but had dropped slightly to 99% towards the end;
- Issues in relation of breaches of law and Internal Dispute Resolution Procedure

One Member asked what impact the non material breaches had on beneficiaries of the fund, where these breaches were due to the employer. Officers advised that employers were required to submit information by 30 April; failure to do so put pressure on the Pension Team to complete the pension benefits statement and pension savings statement by the required deadlines. However, such breaches were recorded but did not impact on scheme beneficiaries.

In response to a query on outstanding actions in relation to Service Level Agreements (SLAs), officers advised that the necessary actions had been undertaken, although there was one team that was being monitored closely in terms of performance, and there was an action plan in place. The Committee was advised that there were likely to be some Red areas (failure to meet statutory targets) in the next reporting period because there had been a system outage for a few days, in a service requiring a five day turn around.

The Chair commented that it was good to hear everything was working well, and that the scheme administration was generally in a good position.

It was resolved to note the Administration Performance report.

16. Cambridgeshire Pension Fund Business Plan Update

The Committee considered an update to the Business Plan for the period 1st June to 31st July 2021.

Officers highlighted that the process for retendering the investment advisory services contract had been concluded, with Mercer being reappointed. A slight issue had arisen owing to value of the contract, as the Council's procurement process required senior directors at Mercer to sign off. An extension had been agreed with the S151 officer, and the new contract would be effective as soon as the contract had been signed.

Members noted:

- A new template was required for the Business Continuity Plan as West Northamptonshire Council was a new entity. This new template was currently being populated;

- Preparation for the McCloud age discrimination remedy was underway. For the majority of scheme employers, data had been requested to help the Pensions team rectify their records;
- Members noted a fairly modest £43K variance in administration expenses for 2021-22.

A Member asked if the imminent arrival of the end of the government's furlough arrangements would have any impact on the administration of Pension Fund. Officers advised that they had been in discussions with those employers where there may be issues as a result of the pandemic and furlough. It had only impacted on a few of the smaller Employers, and none of those had been unable to pay their pension contributions for any sustained period, so ultimately there would be no material impact on the Fund.

It was resolved unanimously to note the Business Plan Update.

17. Governance and Compliance Report

Members received a report on governance issues concerning the Local Government Pension Scheme (LGPS) on a national and local basis, and also details of forthcoming training events.

Members noted the comments regarding the results of the Pension Regulator's Governance and Administration Survey, a voluntary and anonymous survey, where public service pensions schemes were asked to respond on number of questions relating to six key processes. The report was very positive, highlighting improvements across the board, and the conclusion was that governance had generally stood up well given the unique challenges of the last year. Further details could be found at the link in the report.

The Single Code of Practice had been scheduled to come in force in November, but given the concern it had caused within the industry, and the responses the consultation had elicited, it had been delayed, and was expected to come into force in Spring 2022. The public sector had their own Code of Practice, and it was difficult to establish which parts of the Single Code of Practice were relevant to LGPS, and which were not. In response to a Member question, it was confirmed that the delay would not cause problems for the Pensions team, and may be quite helpful given other commitments.

Some Members had already undertaken the training from Aon over the summer. A link enabling Members to watch these training sessions would online be issued, and would be available until 31/12/21. If any Members were unable to access the training before that deadline, they should contact Jo or Michelle who would see if an extension could be arranged with Aon. These training sessions were key for skills and knowledge required by Members to carry out their roles as members of the Pension Committee. The Chair emphasised the importance of training, and encouraged all Members to participate.

It was resolved unanimously to note the report.

18. Cambridgeshire Pension Fund Admission Bodies, Scheme Employers and Bulk Transfer Policy

Members considered a new policy which brought together the treatment of admitted bodies and scheme employers in a range of scenarios, particularly their entry and exit from the Fund, the approach of the Administering Authority and the processes followed, and specifically the process for the bulk transfer of pension rights into and out of the Fund. The policy provided clarity for relevant Employers whilst at the same time ensuring sufficient funds was available to pay pension benefits.

It was resolved unanimously to approve the amendments to the Admission Bodies, Scheme Employers and Bulk Transfer Policy.

19. Employer Admissions and Cessations report

The Committee received a report on the admission of five admission bodies, one scheduled body and the cessation of six bodies.

It was noted that the relevant legislation provided for the participation of a number of different types of body in the Local Government Pension Scheme (LGPS), namely scheduled, designating and admission bodies. None of the admissions and cessations listed in the report were unusual, and there was no need to seek an exit deficit payment from any of the six employers that were exiting.

It was resolved unanimously to:

1. note the admission of the following admitted bodies to the Cambridgeshire Pension Fund and approves the sealing of the admission agreements:

- Compass Contract Services
- Elinor Holdings UK Ltd
- Milestone Infrastructure Limited – M Group Services
- Multi-Active Holiday Courses Limited
- VHS Cleaning Services Limited

2. note the admission of the following schedule body to the Cambridgeshire Pension Fund

- Eastern Learning Alliance

3. note the cessation of the following bodies from the Cambridgeshire Pension Fund:

- ABM Catering Limited
- CleanTec Services Ltd
- Easy Clean Limited
- Edwards & Blake Limited
- TBAP Multi-Academy Trust

- William Law C of E Primary School

20. Exclusion of Press and Public

It was resolved unanimously that the press and public be excluded from the meeting on the grounds that the following items contain exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed information relating to the financial or business affairs of any particular person (including the authority holding that information).

21. Cambridgeshire Pension Fund Draft Cyber Strategy

The Committee considered a draft Cyber Strategy for the Fund.

It was resolved unanimously to:

- 1) Approves the draft Cyber Strategy (Appendix A of the report);
- 2) Notes the associated Cyber Action Plan (Appendix B of the report).

22. Cambridgeshire Pension Fund Multiple Investment Strategies

The Committee considered an update on the implementation of multiple investment strategies.

It was resolved unanimously to agree the report recommendations.