

## Pension Fund Committee: Minutes – Public

Date: 19 December 2024

Time: 10.00am – 12.50pm

Venue: New Shire Hall, Alconbury Weald

Present: County Councillors M Black (Vice Chair), A Sharp (from 10.57am), A Whelan (Chair), P McDonald [to 12.04pm], A Sharp and A Wood; Councillor C Boden, Fenland District Council; Councillor L Davenport-Ray, Huntingdonshire District Councillor; L Brennan [to 12.04pm] and H Nelson

Advisors: S Scott - Hymans

### 231. Change to Committee Membership

Councillor A Wood was appointed to the Pension Fund Committee on 4 October 2024, succeeding Councillor H Batchelor. Councillor Batchelor was appointed a substitute member of the committee on the same date.

### 232. Apologies for absence and declarations of Interest

Apologies for absence were received from Councillor A Costello and M Pink.

There were no declarations of interest.

### 233. Minutes – 2<sup>nd</sup> October 2024 (public) and Minutes Action Log

The public minutes of the Pension Fund Committee meeting on 2<sup>nd</sup> October 2024 were approved as an accurate record and signed by the Chair.

The minutes action log was reviewed.

### 234. Petitions and Public Questions

One public question was received from Councillor Elliott Tong, Cambridge City Council. A copy of the question and the written response provided after the meeting is available to view on the [meeting webpage](#).

No petitions were received.

## 235. Administration Performance Report

The Committee reviewed the Administration Performance Report. The Chair confirmed that no members wished to discuss the exempt appendix to the report.

The Committee was advised that four of the 14 key performance indicators (KPIs) had not been met. Of these, two were RAG rated red and two rated amber. The provision of estimates was being prioritised for pension fund members nearing retirement age and the online self-service tool remained available. KPIs would be aligned with Chartered Institute of Public Finance and Accountancy (CIPFA) requirements, and the aim was to bring a new suite of KPIs to the March meeting. It was reported in October 2024 that 7 active annual benefits statements had not been issued on time. These cases had subsequently been reviewed and no annual benefits statements were required.

A member noted that it had been expected that some RAG ratings would be rectified by filling vacancies. The Head of Pensions advised that the roles approved in the business plan had been filled, but new staff members were still being trained and coming up to speed. It was hoped to see an improvement in the January figures.

The Administration Performance Report was noted.

## 236. Governance and Compliance Report

The Governance and Regulations Manager advised that work was now focused on 2024/25 statements. No guidance had been received so far on whether any groups of members could be excluded from the exercise so for now all members were being included. Around 22,000 scheme members had been contacted about their public sector pension history in relation to the McCloud remedy as it was known that some members would fall within its scope. Statutory returns to the Pensions Regulator had been submitted in advance of the deadline. The number of policy and strategy updates requiring Committee approval had created a significant volume of business during 2025/24, and work was beginning now to look at the 2025/26 business plan to try to streamline agenda planning.

A member asked for clarification of the reference to a change to the cash management strategy reported at section 4.2 of the report which stated that 'the risk regarding a dependency on treasury has been removed as this reliance has been removed.' Officers offered a response outside of the meeting to confirm the details of the change and where the responsibility now rested for assurance. – **action required.**

The Chair highlighted that some people were unable to use the Gov.UK one login for statutory services and asked how that would be handled for Pension Dashboard purposes. Officers advised this was a national issue and offered a response outside of the meeting – **action required.**

The Governance and Compliance Report was noted.

## 237. Pension Fund Annual Business Plan Update 2024/25

The Committee reviewed the Pension Fund Annual Business Plan Update 2024/25. The Chair confirmed that no members wished to discuss the exempt appendix to the report.

The Head of Pensions advised that a number of activities had been impacted by the LGPS consultation around asset pools and investment. This included pausing soft market testing in relation to the investment strategy. The importance of Additional Voluntary Contributions (AVC) providers sending information for the dashboard system was highlighted and this would be reviewed once more was known. The RAG rating for undecided leavers remained amber, but the position was improving. Some ACCESS activities had been paused as a result of the LGPS consultation. A few navigation issues had been identified in relation to the continued website development and these were being addressed by the software supplier. Work remained on course for a January launch.

A member noted that some actions relating to the climate action plan were not marked as completed. The Head of Pensions advised that the code had been re-submitted, but the Investment Sub-Committee meeting in November had been inquorate so it had not been possible to review the analysis. Some of this would need reprofiling, and this would be reflected in the next report.

The Pension Fund Annual Business Plan Update 2024/25 was noted.

## 238. Employer Admissions and Cessations Report October 2024

The Committee reviewed the Employer Admissions and Cessation Report for October 2024.

The Committee noted:

- a) the admission of the following transferee admission body to the Cambridgeshire Pension Fund and approves the sealing of the admission agreement:
  - Stir Food Limited
- b) the entry of the following resolution body to the Cambridgeshire Pension Fund:
  - Wilburton Parish Council
- c) the cessation of admission agreements in relation to the following employers:
  - Aspens-Services Limited
  - Mountain Healthcare Limited
  - Rapid Commercial Cleaning Services Limited
  - Wisbech and Fenland Museum

- d) the update on the previously reported cessation of Clarion Housing Group and Wimblington Parish Council.

## 239. General Code of Practice Compliance

The Governance and Regulations Manager advised that the Fund was largely compliant with the Pension Fund Regulator's General Code of Practice. Section 3.4 of the report set out the actions planned to address five partial compliances and one non-compliance. The first related to demonstrating member skills and experience and to identifying any skills gaps. This would be considered as part of the training strategy review. Part of the solution around documenting internal controls would be part of the new training officer role. Hymans had conducted a desktop review and a report on 2026 best practice expectations would be submitted to the March meeting.

A member asked for clarification of the one red RAG assessment: 'Where the governing body believe they will not meet the legislative deadlines, they should make an application to the Pension Regulator (TPR) before the deadline.' In particular they were interested to know how a cancellation was triggered. They also asked for an indication of the number of requests cancelled in a quarter to give a sense of scale of the issue to provide assurance that this was a rare event and that good controls were in place, and to show whether this was being triggered by the Pension Service or by a Fund member. The Governance and Regulations Manager advised that this responsibility sat with the Operations team, but their understanding was that this applied where a member potentially changed their mind, or if there were circumstances that would not allow a transfer to go ahead. They would confirm this outside of the meeting – **action required.**

The Pensions Regulator's expectation compliance check against the General Code of Practice was noted.

## 240. Pensions Dashboard Update

The Head of Pensions advised that a test connection to the dashboard eco-system would take place in January 2025. The proposed matching criteria would also be tested and recommendations brought to the next meeting. Final connection would take place closer to the October deadline, but the system could not go live until Government approval was received. Additional Voluntary Contribution (AVC) providers would send their data to the Pension Service so that it would be in control of that data and the Fund's software supplier would need to design a solution to hold that data. The implementation budget remained unchanged from previous reports, but the business as usual budget had not yet established.

Individual members raised the following issues:

- asked officers how confident they were that the Fund would meet the October connection deadline, and if penalties would apply if this deadline was missed. The Head of Pensions advised that there were likely to be penalties for missing the October deadline unless

numerous Funds were in this position. One of the four providers actively involved in the national Dashboard testing programme had been selected. The main areas of concern were around AVCs, which was the same for all suppliers, and the unknown number of partial matches.

- asked if the Committee would be updated on the success rates for the proposed matching criteria following testing. The Head of Pensions advised that central guidance had been issued on the range of matching criteria that could be used and officers expected to submit a report to the March meeting. The planned in-house testing was designed to test that matches were being made safely with genuine individuals. It was not a high volume test.

The Pensions Dashboard Update was noted.

## 241. Effectiveness Review

The Governance and Regulations Manager advised that the overall position was positive with 76% of respondents agreeing or strongly agreeing to all statements contained within the Effectiveness Review survey. Section 3.9 of the report set out those statements where any disagreements or areas for improvement had been suggested, together with officer responses for the Committee to review. One of these suggested that the working relationship between the Committee and the Local Pension Board could be stronger, and ways of increasing that interaction were being explored. This might include at least one in-person training and networking event, but any other suggestions from Committee members would be welcome. The Equality, Diversity and Inclusion (EDI) action plan had only recently been agreed when the Effectiveness Review was carried out, so it was expected that this area would be strengthened as the action plan was implemented. Feedback had been provided that training from advisors was not always pitched at the right level. This would be discussed with advisors, but the varying levels of knowledge and experience of committee members could make this difficult.

It was resolved unanimously to:

- a) note the feedback provided for the Cambridgeshire Pension Committee.
- b) approve the proposed course of actions to improve the effectiveness of the Committee in the areas identified (3.10).

## 242. Anti-Fraud and Corruption Policy

The Governance and Regulations Manager advised that section 3.1 of the report set out some proposed changes to the Anti-Fraud and Corruption Policy. This included formalising the approach to particular prompts and triggers around potential fraud. The most contentious area related to requests to act on a scheme members' behalf. Valid legal documents were required to allow this to take place, but it was understood that people could find this requirement frustrating. Including this explicitly in the policy would provide greater transparency around this requirement. Work was continuing to see if arrangements for mortality and address screening overseas could be further enhanced. The risk in this area was high, but the volume of these

cases was quite low. An end of life notice had been received for the current pensions administration and payroll software for 31 January 2026. The inclusion of additional security features like two factor sign-in options and automated emails would be explored as part of the upgrade work.

The Chair acknowledged that the processes in place to avoid and detect fraud and corruption could cause issues for people around providing acceptable documentation and proofs, but emphasised the importance of these measures to protect scheme members' money.

It was resolved unanimously to approve the changes to the Anti -Fraud and Corruption Policy.

#### 243. Admissions Bodies, Scheme Employers and Bulk Transfers Policy

The Employer Service and Contributions Manager presented the outcome of a review of the Admissions and Bulk Transfers Policy. The majority of the policy detail remained unchanged, but the format had been revised to reflect current preferences. Areas of overlap with other policies had been minimised where possible, with signposting included to other policy documents. The main change was to make pass through admissions the default approach to manage the participation and risk of those employers.

It was resolved unanimously to approve the draft Admissions and Bulk Transfers Policy.

#### 244. Agenda Plan

It was noted that the next meeting on 20 March 2025 would be quite close to the pre-election period. The Head of Pensions advised that a business as usual approach would be taken.

The agenda plan was noted.

#### 245. 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 contained 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).

#### 246. Minutes – 2 October 2024 (Confidential)

The confidential minutes of the meeting on 2 October 2024 were approved as an accurate record and signed by the Chair.

## 247. Valuation Update

Hymans' representatives provided an overview of the approach to the 2025 valuation.

It was resolved unanimously to:

- a) note the contents of the report.
- b) approve the recommended approach for setting the contribution rates of the large public sector bodies and academies.

## 248. Cyber Strategy

The Committee received a report from the Governance and Regulations Manager on the Pension Fund Cyber Strategy.

It was resolved unanimously to approve the cyber strategy.

[The meeting was adjourned from 12.04 to 12.10pm]

[Councillor McDonald and Liz Brennan left the meeting at 12.04pm]

## 249. Risk Monitoring

The Committee considered a report on the Cambridgeshire Pension Fund Risk Register. The report was noted.

## 250. ACCESS Update

The Committee considered an ACCESS update report.

It was resolved unanimously to:

- a) note the report.
- b) request the Head of Pensions, in consultation with the Chair and the S151 Officer, to prepare and submit a response to the LGPS Fit for the Future Consultation.

[Chair]