

Minutes of the Pension Fund Committee

Date: 10th June 2022

Time: 10:00am – 12:20pm

Venue: New Shire Hall, Alconbury Weald

Present: County Councillors M Atkins (substituting for Cllr Murphy), A Costello, C Rae (Vice-Chair), A Sharp, A Whelan (Chair); Peterborough City Councillor A Coles; Lee Phanco, Matthew Pink (attended virtually) and John Walker

Officers: C Blose, D Cave, S Heywood (attended virtually), M Oakensen and M Whitby

Advisors: D Green (Hymans); K McWilliam and B Lloyd-Jones (Aon, attended virtually)

50. Notification of Chair and Vice Chair

The Annual Council meeting held on 10th May agreed to appoint Councillor Whelan as the Chair and Councillor Rae as the Vice Chair for the Municipal Year 2022-23.

51. Apologies for absence and declarations of Interest

Apologies were presented on behalf of Councillors Boden and Murphy (Cllr Atkins substituting for Cllr Murphy).

John Walker 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.

Matthew Pink declared a personal interest as both he and his wife were active members of the Local Government Pension Scheme (LGPS).

52. Public minutes of the Pension Fund Committee meeting held 24th March 2022 and Action Log

The minutes of the Pension Fund Committee meeting held on 24th March 2022 were approved as a correct record.

The Action Log was noted.

53. Petitions and Public Questions

There were no petitions or public questions.

54. 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 30th April 2022.

Members' attention was drawn to the following areas:

- In April, performance had been below target (Amber) for processing transfer out payments due to performance issues within the team. Going forward there would be increased monitoring of casework within the team to ensure all actions were processed on time;
- Issues in relation of breaches of law and Internal Dispute Resolution Procedure, specifically the reasons for some delays in Stage 2 disputes, and updates were provided on some of those cases;
- A new section of the report relating to data breaches. An incident had occurred whereby a bulk print job of leaver letters was inadvertently printed double sided, so the recipient would have received their own details along with another scheme member's details. The error was quickly identified, and Cambridgeshire County Council's data breach guidelines were followed, and the ICO notified for information purposes, and their recommended actions were all carried out. All 157 scheme members had been written to apologising for the error, and additional training and communications on data security had taken place;
- In January 2022 officers were notified of a death of a pensioner that occurred in March 2021. The pensioner was a UK resident but overseas at the time of death. The Fund's mortality screening exercises do not cover deaths that occur overseas, and although proof of existence exercises were undertaken every year for pensioners who reside overseas, in this case the member's resident address was in the UK. The full overpayment was repaid on 27/05/22.

In response to a Member question, officers outlined how the overseas death was one that could not have been identified through internal controls in place due to the nature of the circumstances, in terms of risk, overseas pensioners were the greatest risk. It was confirmed that these were unusual circumstances, and the Fund was reliant on next of kin or executor in such cases. There were no systems that could be accessed to minimise this risk further.

With regard to the complaint upheld, it was confirmed that there was sometimes a financial remedy offered, and the complainant had the option to progress to Stage 2 of the process if they were not satisfied.

On the material data breaches, it was noted that 145 and 157 were mentioned as the numbers impacted. It was confirmed that this was a typo.

There was a query on the proportion of pensioners who resided overseas. Officers agreed to circulate this figures. Action required.

It was unanimously resolved to note the Administration Performance report.

55. 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.

With regard to the Draft Pensions Dashboards Regulations 2022 Consultation Dashboard, A progress report had been published covering key topics, it was likely that a response to the consultation would be issued in the summer.

It was noted that going forward, policies or strategies which required only minor changes, following review, would be included under this report.

A Member asked about training and skills, specifically how Committee Members ascertain their own level of competence, whether this was monitored by the Pensions team, and whether they needed to attend events that were emailed to them. Officers advised that currently, all Members had to undertake the core modules that were part of the induction programme. Additionally, added in the valuation and cyber security training. If Members received external training invites, they were welcome to check with the Pensions team whether they were worthwhile. The structure of ongoing training was being reviewed, with a view to bringing forward a training programme which would highlight courses throughout the year. Another Member commented that it was useful to have the training sessions recorded so that they could be accessed online when Members were unavailable to attend the original date. It was confirmed that the rolling training programme would be maintained, and this would be supplemented by conferences, one day events, etc., as appropriate

The Committee resolved unanimously to note the content of the report.

56. Employer Admissions and Cessations report

The Committee received a report on the admission of three admission bodies and the cessation of one body. They are transferee bodies so must be let into scheme.

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:

- Everyone Health Limited
- GPC Skills Limited
- Goshen Multiservices Limited

2. Note the cessation of the following body from the Cambridgeshire Pension Fund:

- Caterlink Ltd

57. Administering Authority Discretions Policy

The Committee considered an updated Administering Authority Discretions Policy. This was being brought back to the Committee for approval because of the introduction of exit credits.

It was previously agreed to delegate the responsibility for making determinations regarding exit credits jointly to the Head of Pensions and the County Council's Section 151 Officer. However, since this decision, officers have received legal advice recommending that only one person be named as responsible for making determinations, and also that the Head of Pensions should not review his own determination as an IDR Stage 1 adjudicator. The proposal was therefore that the Employer Services Manager be named as the officer responsible for making the determinations in relation to matters around exiting employers and exit credits.

Whilst reviewing policy, a number of other areas were identified where there was also a joint delegation, and these had similarly been amended.

It was resolved unanimously to:

- 1) consider and approve the updated Administering Authority Discretions Policy;
- 2) delegate future revisions of the Administering Authority Discretions Policy to the Head of Pensions in consultation with the Chair

58. Data Improvement Strategy and Plan

Members considered a revised Data Improvement Strategy and Plan.

Whilst this Strategy had been in place for some time, a completely revised Strategy and Plan has been drafted by officers, building on best practice. The Plan covered the current areas of focus for the Fund with regards to data improvement, and this would be revisited at least annually.

A Member asked if current data scores would be included so that success could be measured accurately. It was agreed that this information would be circulated to the Committee. Action required.

It was resolved unanimously to approve the Data Improvement Strategy and Plan.

59. Committee Agenda Plan

Members considered agenda plan.

It was resolved to note the Agenda Plan.

60. 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).

61. Managed exit of Friends Therapeutic Community Trust

The Committee considered a report which proposed an approach to managing the exit of Friends Therapeutic Community Trust from the Fund.

It was resolved unanimously to agree the report recommendations.

62. Valuation of the Fund

Douglas Green of Hymans Robertson, the Fund's Actuary, gave a presentation on the valuation process for the Pension Fund.

It was resolved unanimously to agree the report recommendations.

63. Cyber Strategy Update

Members considered an update on the progress made against the Cyber Strategy Action Plan, and received a presentation from representatives of Aon, analysing the outcomes from the Cyber Security survey.

It was resolved unanimously to:

- 1) Note the progress made against the Action Plan (appendix 1);

- 2) Note the cyber survey response analysis (appendix 2);
- 3) Note the presentation by Aon on the cyber survey responses

64. Cambridgeshire Pension Fund Risk Register

The Committee considered an update on the Pension Fund Risk Register. Following previous discussions with both the Pension Fund Committee and Pension Fund Board, improvements had been made to the Risk Register to improve its functionality, and officers outlined the main changes.

It was resolved unanimously to review the Cambridgeshire Pension Fund Risk Register

65. ACCESS Update

The Committee considered a report on ACCESS Asset Pooling. The report summarised the discussions that had taken place at the 7th March 2022 ACCESS Joint Committee meeting.

It was resolved to note the report.