

**MEETING**

**LOCAL PENSION BOARD**

**DATE AND TIME**

**MONDAY 6TH DECEMBER, 2021**

**AT 6.00 PM**

**VENUE**

**[TO ACCESS THE MEETING PLEASE VISIT THIS PAGE](#)**

**TO: MEMBERS OF LOCAL PENSION BOARD (Quorum 3)**

Chairman: Geoffrey Alderman

Vice Chairman: Hem Savla

Stephen Ross

David Woodcock

Councillor Thomas Smith

Deepani De Silva,

Salar Rida

Substitute Members

Councillor Helene Richman

Alice Leach

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions or comments must be submitted on 01 December 2021 by 10AM. Requests must be submitted to Paul Frost.

**You are requested to attend the above meeting for which an agenda is attached.**

**Andrew Charlwood – Head of Governance**

Governance Service contact: Paul Frost - 0208 359 2205 – [paul.frost@barnet.gov.uk](mailto:paul.frost@barnet.gov.uk)

Media Relations Contact: Tristan Garrick 020 8359 2454

**ASSURANCE GROUP**

## ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of last meeting	5 - 8
2.	Disclosable Pecuniary interests and Non Pecuniary interests	
3.	Absence of Members	
4.	Public Question and Comments (if any)	
5.	Report of the Monitoring Officer (if any)	
6.	Members' Items (if any)	
7.	Administration Performance Report	9 - 50
8.	Communication Policy	51 - 62
9.	Pensions Administration Risk Register	63 - 94
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12.	Board Work programme	109 - 114
13.	Any other item(s) the Chairman decides are urgent	

### FACILITIES FOR PEOPLE WITH DISABILITIES

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Do not re-enter the building until told to do so.

## Decisions of the Local Pension Board

12 October 2021

Members Present:-

AGENDA ITEM 1

Geoffrey Alderman (Chairman)

Hem Savla (Vice-Chairman)

Stephen Ross  
David Woodcock

Councillor Thomas Smith  
Salar Rida

### 1. MINUTES OF LAST MEETING

**Resolved:** That the minutes of the meeting that took place on 24 June 2021, be approved

### 2. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None received.

The chairman noted that if required members consider updating their declarations of interest form via the Council's Governance Service.

### 3. ABSENCE OF MEMBERS

An apology for absence was received from substitute member Alice Leach.

### 4. PUBLIC QUESTION AND COMMENTS (IF ANY)

None.

### 5. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

### 6. ADMINISTRATION PERFORMANCE REPORT

Mr Mark Fox, Pensions Manager introduced the report. He gave an overview on West Yorkshire Pension Fund pensions administration performance report for August 2021, along with an update on the data improvement plan, production of the 2021 Annual Benefit Statements, administration issues and a Finance update.

The Chairman welcomed and introduced Lisa Darvill and Yunus Gajra from West Yorkshire Pension Fund. They provided a verbal update on the work that had been completed to date.

Members of the Board had the opportunity to ask questions.

Mr Woodcock said in relation to 1.9 of the report that the backlog of cases may come from documents not being received or lost by the previous administrator. It was noted that online submissions are now being used which the Board noted should resolve the matter. Mr Woodcock noted that it was unachievable for all the data issues to be resolved in the year. Mr Gajra verbally made a correction to the report and therefore said that he hoped the majority would be resolved. Mr Woodcock requested that this be minuted.

Having considered the report, the Local Pension Board:

**Resolved:**

The Local Pension Board noted the West Yorkshire Pension Fund's performance levels, along with the actions being taken to correct the Fund's data issues and historical leavers, along with the update on the 2021 Annual Benefit Statements and subsequent reporting to The Pensions Regulator.

The Chairman thanked Lisa Darvill and Yunus Gajra for their work and their contribution to the meeting.

**7. ADMINISTRATION PERFORMANCE REPORT**

Mr Mark Fox, Pensions Manager introduced the report. He gave an overview on West Yorkshire Pension Fund pensions administration performance report for August 2021, along with an update on the data improvement plan, production of the 2021 Annual Benefit Statements, administration issues and a Finance update.

The Chairman welcomed and introduced Lisa Darvil and Yunus Gajra from West Yorkshire Pension Fund. They provided a verbal update on the work that had been completed to date.

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Having considered the report, the Local Pension Board:

**Resolved:**

The Local Pension Board noted the West Yorkshire Pension Fund's performance levels, along with the actions being taken to correct the Funds data issues and historical leavers, along with the update on the 2021 Annual Benefit Statements and subsequent reporting to The Pensions Regulator.

The Chairman thanked Lisa Darvil and Yunus Gajra for their work and their contribution to the meeting.

## **8. PENSIONS ADMINISTRATION RISK REGISTER**

Mr Mark Fox, Pensions Manager introduced the report. He highlighted the contents and requested Board Members give consideration to the report.

Having considered the report, the Local Pension Board:

### **Resolved:**

That the Local Pension Board noted the report.

Having considered the report, the Local Pension Board:

### **Resolved:**

That the Local Pension Board noted the report.

## **9. ANNUAL PERFORMANCE REPORT**

The Head of Finance for Pensions, Mr George Bruce introduced the report. Mr Bruce offered during his presentation if Members of the Board would like to invite Hymans Roberts to a future meeting.

Having considered the report, the Local Pension Board:

### **Resolved:**

- That the Local Pension Board noted the report.
- That the Board declined to invite Hymans Roberts a meeting as it was unclear what the benefit of this might be considering the role of the Local Pensions Board.

## **10. CONSULTATION ON CONTRIBUTION POLICIES 28 SEPTEMBER 2021**

The Head of Finance for Pensions, Mr Bruce introduced the report. Mr Bruce noted the items that had been received by the Pension Fund Committee and the decisions that had been made.

Having considered the report, the Local Pension Board:

### **Resolved:**

That the Local Pension Board noted the report.

## **11. LPB COMMITTEE DECISIONS**

The Head of Finance for Pensions, Mr Bruce introduced the report. Mr Bruce noted the items that had been received by the Pension Fund Committee and the decisions that had been made.

Having considered the report, the Local Pension Board:

**Resolved:**

That the Local Pension Board noted the report.

**12. COMMITTEE WORK PROGRAMME**

**Resolved:**

That the Local Pension Board noted the work programme.

**13. ANY OTHER ITEM(S) THE CHAIRMAN DECIDES ARE URGENT**

None.

The meeting finished at 19:50



## Local Pension Board

### 6 December 2021

<b>Title</b>	<b>Administration Performance Report</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – West Yorkshire Pension Fund (WYPF) Monthly Report (for October 2021) Appendix B - Percentage of My Portal registrations per employer
<b>Officer Contact Details</b>	Mark Fox, Pensions Manager – 0208 359 3341
<b>Summary</b>	
This paper provides the Local Pension Board with the West Yorkshire Pension Fund pensions administration performance report for October 2021, along with an update on the data improvement plan, production of the 2021 Annual Benefit Statements, administration issues and a Finance update.	

### Officers Recommendations

The Local Pension Board are requested to note West Yorkshire Pension Fund's performance levels, along with the continuing actions being taken to correct the Funds data issues and historical leavers, along with the update on the 2021 Annual Benefit Statements.

## 1. WHY THIS REPORT IS NEEDED

- 1.1 The efficient delivery of benefits is reliant upon effective administrative procedures being in place. It is important that this information is reviewed by the Board.
- 1.2 The report in Appendix A provides an overview of performance of the operational pensions administration service delivered by West Yorkshire Pension Fund (WYPF) up to October 2021.

### WYPF Performance

- 1.3 The August monthly report shows that WYPF processed **1,275** cases in October 2021 with **c93.5 %** of cases being completed within the agreed Service Level Agreement (SLA). The number of cases processed this month has reduced from previous months due to both staff absence and the complexity of the work undertaken. Officers will continue to monitor the number of cases completed and processed within their SLA to ensure these remain at acceptable levels.
- 1.4 Work levels at WYPF have started to reduce back to more “normal” levels, as the number of enquires received following the Annual Benefit Statement exercise reduces. As at 12 November the number of outstanding “business as usual” cases was **854**.
- 1.5 Different work types have different target completion periods and different SLAs, usually depending on the nature/priority of the item of work. These are shown in Section 1 in appendix A.
- 1.6 For most work types, the SLAs have been met. Four processes failed to meet the SLA in October. For “Death Grant Nomination Form Received”, this is a result of members receiving their ABSs and deciding to complete or update their Nomination Form. WYPF received a larger number of forms than usual. Officers have recently asked employers to encourage their members to complete this form or update their details, if appropriate. This may mean that the number of forms sent to WYPF continues to be high over the next 2-3 months.
- 1.7 The other work types that have not met their SLA’s all relate to Interfund transfers. These relate to transfers both to and from other LGPS funds. There has been an increase in the number of these cases following the ABS production and can be complex and rely on other funds providing information. Officers will monitor these cases over the next few months to check that there is an improvement in the completion rate of these cases.



- 1.8 The number of complaints and Internal Dispute Resolution Procedure (IDRP) cases received by WYPF remains very low. There are currently two stage 1 IDRP cases and one stage 2 case in progress
- 1.9 WYPF have also been working on the **2,230** backlog cases inherited from the previous administrator, with the current total still to be processed being **1,307**.
- 1.10 The majority of the outstanding “backlog” cases relate to inherited historical leavers where a leaver form has not been received from employers. Further details are provided below.

**Automated/Manual Calculations**

- 1.11 Most of calculations undertaken by WYPF are fully automated on their pensions administration system, UPM. However, an occasional case will require a manual calculation. This is usually because a member has an unusual benefit or a data issue that only affects a very small number of members. In such cases, WYPF have processes and controls in place to ensure that any manual calculations are reviewed and checked before figures are sent to members
- 1.12 Officers are monitoring the number of automated/manual calculations undertaken by WYPF and a summary is shown below:

	<b>March – May 21</b>	<b>June 21</b>	<b>July 21</b>	<b>August 21</b>	<b>Sept 21</b>	<b>Oct 21</b>
Percentage of automated calculations	98.82%	100%	100%	100%	98.6%	100%

**WYPF member portal**

- 1.13 The number of members who have registered for the WYPF “Member Portal” is increasing. As at 11 November, the number of registered members was as follows:  
  
Active members – **2,172** (up 320 since the last report)  
Deferred members – **1,461** (up 119 since the last report)  
Pensioners – **561** – (up 76 from the last report) and 6.6% of pensioners
- 1.14 These figures equate to **25.2%** of all active members, **15.3%** of all deferred members and **6.6%** of all pensioners
- 1.15 Members can opt out of electronic communication, if they choose to do so and as at 12 November, **202** members have chosen to do so.

- 1.16 Officers have previously contacted all employers asking them to encourage their members to register on the member portal and reminded employers again at an employer meeting held on 11 November. An email was sent to all Council members asking them to do the same. Officers will continue to encourage members to register on the member portal and hope that the number of registrations continue to increase over next few months.
- 1.17 Appendix B sets out the number of registrations for active members per employer as at 1 November 2021.
- 1.18 WYPF will be providing a facility on the portal that will allow members to run their own retirement estimates. They are working with the software provider to correct a small number of problems following testing. Once these issues have been resolved and fully tested, this facility will be released onto the member portal.

### **Regulatory Breaches**

- 1.19 **September 2020 breach** – This breach has been previously reported to the Board and relates to an overpayment of a pension and lump sum to four members, who have been in receipt of a pension since 2014. The total overpayment was c£45,000.
- 1.20 Officers have received the agreed settlement figure from the previous administrator and will shortly be writing to the four members concerned.

### **Prudential**

- 1.21 WYPF reported a breach to The Pensions Regulator (TPR), relating to delays in obtaining information and/or disinvestments from Prudential regarding members Additional Voluntary Contributions (AVC) funds. There has been no further update from TPR since the last update to the Board.
- 1.22 Currently, there are **310** members who have an AVC policy with Prudential.
- 1.23 Members are still experiencing issues with Prudential. WYPF are working with Prudential to improve their service.
- 1.24 Officers will shortly commence a review of AVC providers to the Fund.

### **Data Improvement Plan/ Historical Leavers**

- 1.25 Officers continue to monitor and work with WYPF on the Data Improvement Plan to correct the issues inherited from the previous administrator.
- 1.26 WYPF provide monthly Data Quality Update Reports, which gives the number of data items within the data improvement plan that need updating.

- 1.27 Initially, there were **c28,500** data items that needed to be reviewed and updated. At the end of October, this had reduced to **c13,500**. As WYPF review the data, they sometimes find additional data items that need updating that were not originally identified.
- 1.28 Officers have met with WYPF to see if there are areas in the data improvement plan that can be updated in bulk or where there are “quick wins”, where data can be updated easily to speed up the process. Officers have also offered assistance to WYPF if required. This is ongoing and Officers are waiting for a response from WYPF.
- 1.29 WYPF also provide update on both the common and conditional data scores for the Fund that were last run in December 2020. These data scores are a method for measuring quantity of data and are reported to TPR in the Scheme Return (usually completed in November).
- 1.30 A summary of progress in terms of the TPR data scores is shown below:

Month	TPR score - common	TPR score - conditional
February 2021	95.79%	41.27%
March 2021	95.81%	43.64%
April 2021	95.75%	64.08%
May 2021	96.10%	67.95%
June 2021	96.24%	69.33%
July 2021	96.47%	74.47%
August 2021	96.45%	75.77%
September 2021	96.59%	76.55%
October 2021	96.60%	76.92%
November 2021	96.23%	76.97%

- 1.31 These figures show the presence of data held on members’ records. Common data is data is needed so that a member can be uniquely identified, such as date of birth and national insurance number. Conditional data is used to calculate the member benefits, such as pensionable salary and service information.
- 1.32 The common data score has slightly reduced due to a small increase in the number of missing addresses that have arisen when WYPF have sent communications to members. Where post is returned to WYPF, the system is updated to show “address not known”. Officers are working with WYPF to obtain up-to-date addresses.
- 1.33 Further updates will be provided to the Board at each meeting until the data remediation plan is completed.
- 1.34 As detailed above, WYPF also inherited **c1,500** “historic leavers” from the previous administrator. Following the work undertaken by WYPF in the ABS

process, this number has increased to **c1,950**. As at 12 November, this number had reduced to **1,890**.

Officers are working to get these leavers processed as soon as possible, by providing the leaver information to WYPF, where possible, on employers' behalf. Employers have not been able to provide details in the past, mainly due to changes in payroll provider. Officers are analysing data that has been provided on historic year end returns and providing this to WYPF, so they can process the leavers.

An update on progress will continue to be provided to the Board at subsequent meetings, until this exercise is completed.

- 1.35 On further investigation, it appears that a lot of these members may be due a refund of their contributions rather than be entitled to a deferred pension. This means that they will not be due an ABS. Officers are leaning towards not reporting this issue to The Pensions Regulator at present, as we are doing all that is possible to process these leavers. However, if it is found that more of these members are entitled to a deferred pension, we may have to reconsider and we will update the Board and provide a copy of TPR report, if submitted.

### **Annual Benefit Statements (ABS)**

- 1.36 Annual Benefit Statements (ABS) have been produced for the majority of both active and deferred members.
- 1.38 As at 15 November, the figures are **94.5%** and **99%** respectively. WYPF continue to work on producing the remaining ABSs. The majority of outstanding active ABSs are where a query has been raised with the employer and for deferred members, data issues that WYPF require to correct manually, before these statements can be produced. Officers are working with WYPF to get these final statements produced (c340 active members and 44 deferred members).
- 1.39 If an "historical leaver" has a deferred benefit, WYPF will also need to produce ABSs for these members.
- 1.40 Officers will also provide an update on ABSs to TPR and will provide a copy of the letter, when sent.

### **Finance Update**

- 1.41 Between April and September 2021, the fund has received **£32.7m** of contribution payments into the funds bank account.
- 1.42 The monthly contribution returns received from employers for the same period only total £31.9m, meaning that £0.8m of the contributions received relate to employers who have not submitted returns, or have sent in returns which do not reconcile to the amounts received.

1.43 Officers continue to chase these employers to obtain missing or incomplete monthly returns.

1.44 For the contributions reconciled with the monthly returns, this is split as follows:

Employer Contributions – £23.9m  
Employee Contributions - £6.4m  
Employee Additional Contributions - £0.035m  
Employer Deficit Contributions - £1.6m

## **2. REASONS FOR RECOMMENDATIONS**

2.1 Not applicable in the context of this report.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 Not applicable in the context of this report.

## **4. POST DECISION IMPLEMENTATION**

4.1 Not applicable in the context of this report.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 The Local Pension Board supports the delivery of the Council's strategic objectives and priorities as expressed through the Corporate Plan, by assisting in maintaining the integrity of the pension Fund by monitoring the administration and compliance of the Fund.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 Not applicable in the context of this report.

### **5.3 Social Value**

5.3.1 Not applicable in the context of this report.

### **5.4 Legal and Constitutional References**

5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is the London Borough of Barnet. The Local Government (Amendment) (Governance) Pension Scheme Regulations 2015 inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which requires the Council to establish a Pension Board, whose role is to assist

the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

5.4.2 Under the terms of reference for the Local Pension Board, the role of the Board is to assist with:

- compliance with LGPS Government regulations;
- compliance with the requirements imposed by the Pensions Regulator.
- such other matters as the LGPS regulations may specify ensure the effective and efficient governance and administration
- ensure the Pension Fund's strategy and policy documents are maintained in accordance with the LGPS Regulations.
- ensure the Pension Fund's internal Risk Register is reviewed at least annually.
- review the Pension Fund's performance in complying with the requirements of the LGPS Regulations

## 5.5 Risk Management

5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund.

## 5.6 Equalities and Diversity

5.6.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation, marriage and civil partnership.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public-sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

## 5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

## **5.8 Consultation and Engagement**

5.8.1 Where relevant, consultation and engagement is discussed in the paper.

## **5.9 Insight**

5.9.1 Not applicable in the context of this report.

## **6. ENVIRONMENTAL IMPACT**

6.1 None

## **7. BACKGROUND PAPERS**

7.1 None

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# Monthly Report

November 2021

LB Barnet Pension Fund



Prepared by:

**Lisa Darvill**

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# 1. Performance summary

## Work completed

KPI's for the period - 01.10.21 to 31.10.21							
WORKTYPE	TOTAL CASES SEPTEMBER	TOTAL CASES OCTOBER	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN (Days)
AVC In-house (General)	6	23	20	23	85	100	1
Change of Address	66	43	10	41	85	95.35	2.19
Change of Bank Details	6	12	10	11	85	91.67	3.25
<b>Death Grant Nomination Form Received</b>	<b>276</b>	<b>103</b>	<b>20</b>	<b>76</b>	<b>85</b>	<b>73.79</b>	<b>14.51</b>
Death Grant to Set Up	10	4	5	4	85	100	1
Death In Retirement	38	12	5	11	85	91.67	2.83
Death on Deferred	5	1	5	1	85	100	1
Deferred Benefits Into Payment Actual	57	49	5	49	90	100	5
Deferred Benefits Into Payment Quote	64	28	35	28	85	100	2.21
Deferred Benefits Set Up on Leaving	49	44	20	44	85	100	1
Divorce Quote	6	1	20	1	85	100	20
Estimates for Deferred Benefits into Payment	1	2	10	2	90	100	1
General Payroll Changes	55	31	10	31	85	100	1.16
Initial letter Death in Retirement	38	12	5	12	85	100	1
Initial letter Death on Deferred	5	1	5	1	85	100	1
Interfund Linking In Actual	N/A *	18	35	18	85	100	10.17
<b>Interfund Linking In Quote</b>	<b>N/A *</b>	<b>16</b>	<b>35</b>	<b>8</b>	<b>85</b>	<b>50</b>	<b>34.19</b>
<b>Interfund Out Actual</b>	<b>N/A *</b>	<b>24</b>	<b>35</b>	<b>7</b>	<b>85</b>	<b>29.17</b>	<b>77.75</b>
<b>Interfund Out Quote</b>	<b>N/A *</b>	<b>24</b>	<b>35</b>	<b>16</b>	<b>85</b>	<b>66.67</b>	<b>33.21</b>

Monthly Posting	104	78	10	77	95	98.72	1.36
Payment of Spouses _Child benefits	18	8	5	8	90	100	1
Pension Estimate	23	20	10	20	75	100	1.85
Phone Call Received	444	483	3	470	95	97.31	1.3
Refund Actual	7	3	10	3	95	100	1
Refund Quote	8	4	35	4	85	100	34
Retirement Actual	23	26	3	26	90	100	1
Spouse Potential	0	3	20	3	85	100	13
Transfer In Actual	4	4	35	4	85	100	1
Transfer In Quote	5	3	35	3	85	100	3.33
Transfer Out Payment	4	1	35	1	85	100	3
Transfer Out Quote	13	10	20	10	85	100	6.2
Update Member Details	221	184	20	184	100	100	1.46
Totals	1556 97.45%	1275				93.57%	

**\*These KPIs have not previously been shown separately.**

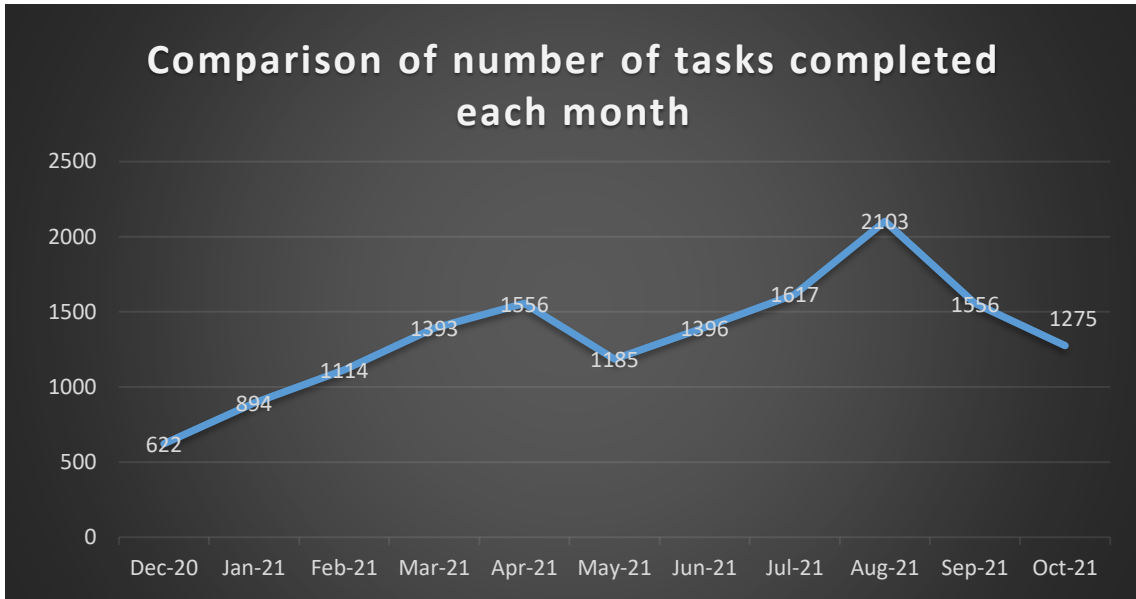
**Comment –** There were no manual calculations done in this month.

**Comment –** The KPI for Death Grant Nomination Form Received has not been met this month due to the high volume of forms received from members across all funds since the start of the ABS & DBS production.

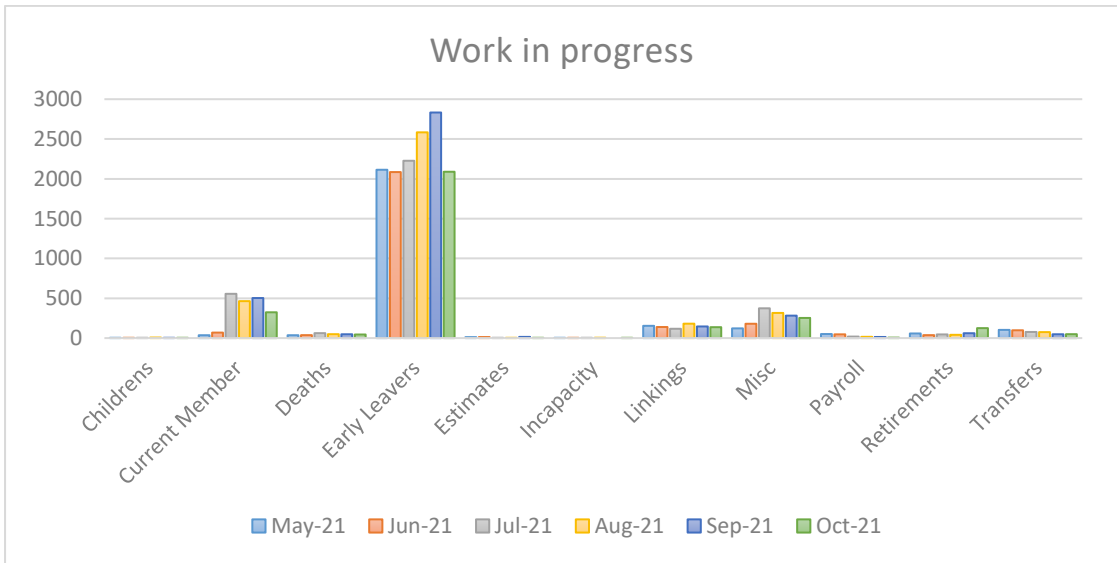
**Comment –** The KPI for Interfund Linking In Quote has not been met this month due to the number of cases across all funds.

**Comment –** The KPI for Interfund Out Actual has not been met this month due to team members working on Annual Allowance calculations so they were produced by the deadline. Work on these has resumed again now the deadline date has passed for the AA calculations.

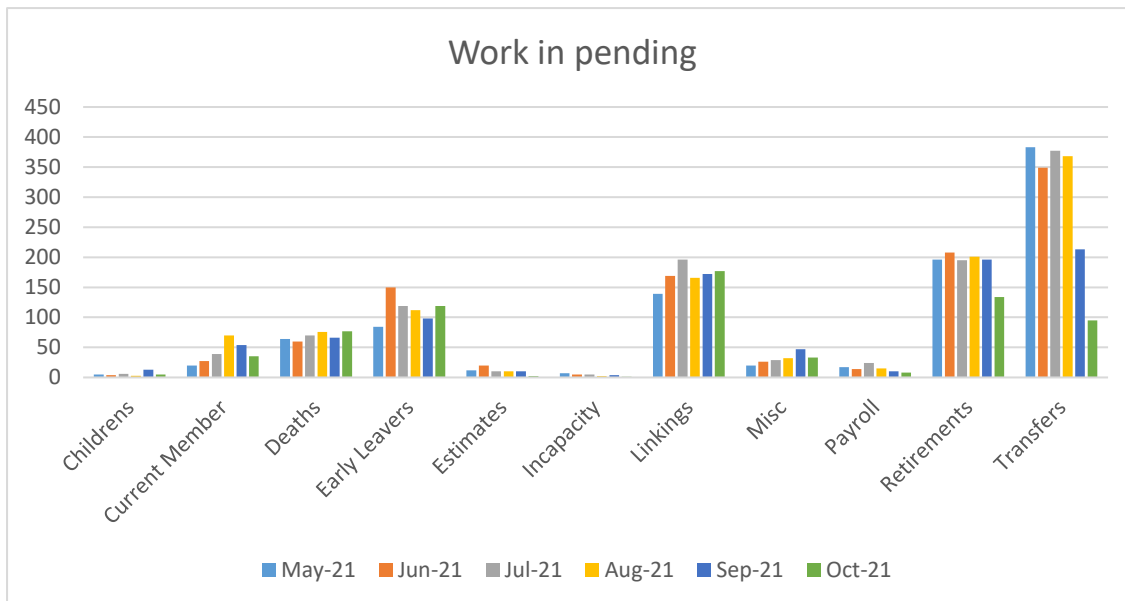
**Comment –** The KPI for Interfund Out Quote has not been met this month due to team members working on Annual Allowance calculations so they were produced by the deadline. Work on these has resumed again now the deadline date has passed for the AA calculations.



## 2. Work in progress



	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Childrens	1	2	3	7	2	4
Current Member	36	69	556	464	503	324
Deaths	36	37	62	49	48	45
Early Leavers	2114	2085	2227	2584	2833	2089
Estimates	12	13	2	1	15	2
Incapacity	1	3	4	5	0	3
Linkings	154	139	117	181	146	137
Misc	122	180	374	316	282	253
Payroll	51	47	19	16	14	6
Retirements	58	37	46	41	61	125
Transfers	103	98	77	75	48	49



	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Childrens	5	4	6	3	13	5
Current Member	20	27	39	70	54	35
Deaths	64	60	70	76	66	77
Early Leavers	84	150	119	112	98	119
Estimates	12	20	10	10	10	2
Incapacity	7	5	5	2	4	1
Linkings	139	169	196	166	172	177
Misc	20	26	29	32	47	33
Payroll	17	14	24	15	10	8
Retirements	196	208	195	201	196	134
Transfers	383	349	377	368	213	95

The tables above show processes grouped together and each group consists of a number of processes as shown below.

<b>Childrens</b>	Children's education review & children's pension age review
<b>Current Member</b>	Transfer in quote, changes to circumstances (breaks/hours etc.), annual allowance breach, AVC change, monthly postings mover, APC buying extra, divorce quote, query on record, waiting for documents, GMP notification
<b>Deaths</b>	Death in retirement, death in service, death on deferred, death grant to set up, death overpayment to recover, death notification
<b>Early Leavers</b>	Leaver notification, deferred benefit, refund quote, preserved refund
<b>Estimates</b>	Pension estimate, deferred estimate
<b>Incapacity</b>	Incapacity case
<b>Linkings</b>	Linking quote, linking actual, interfund linking quote, interfund linking actual
<b>Misc</b>	Member portal query, post received, phone log, age 75 approaching, enquiry needing a response, Finance Team referral

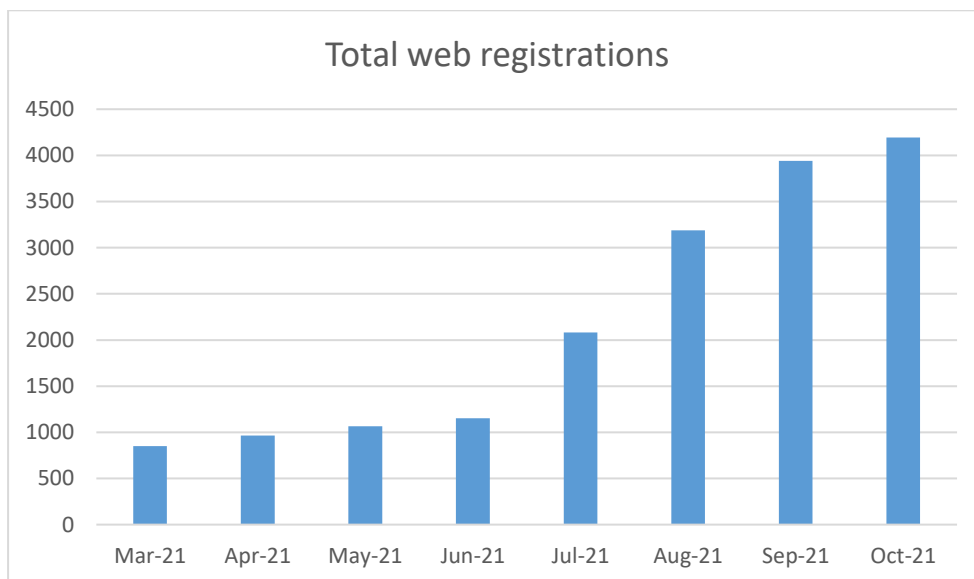


<b>Payroll</b>	Life certificate received, returned credit, BACS recall, 100 <sup>th</sup> birthday, Tracesmart, suspend Tier 3, update bank details, payroll changes, GMP notification
<b>Retirements</b>	Deferred retirement quote, retirement quote, Tier 3 ill health review
<b>Transfers</b>	Interfund out, transfer out, AVC transfer out

### 3. Member web registrations

The numbers of members signed up to member web are:

Status	Number
Active	2172
Pensioner	561
Deferred	1461
<b>Total</b>	<b>4194</b>



## 4. Administration update

### a) Internal Dispute Resolution Procedure (IDRP)

#### Stage 1

Completed 0

Ongoing 3

Date of appeal	Reason for appeal	Current position /outcome	Last action taken	Decision due	Date decision letter sent
14/09/2021	Incorrect ABS.			14/11/2021	To be worked on.
30/09/2021	Appeal against transfer out not being allowed to proceed.			30/11/2021	To be worked on.

#### Stage 2

Completed 0

Ongoing 1

Date of appeal	Reason for appeal	Current position /outcome	Last action taken	Decision due	Date decision letter sent
14/09/2021	Missing statements / calculations of benefits		Referred to Mark Fox as appointed person for Stage 2 appeals – 21/09/2021.	14/11/2021	

### b) TPAS/Pensions Ombudsman

None to report

### c) Employers ceasing participation

Completed 3  
Ongoing 7

Name	Date ceased	Current position	Last action taken	Date completed
Cambridge Education	31/08/2020	Further work to be done on running extra data due to members moved to a new employer and not appearing on cessation data extract. Hymans notified that we would need to do this extra work – 02/06/2021. Responded to data queries from Hymans – 09/07/2021 & 20/07/2021.	Mark Fox confirmed that this is resolved and no further action is required by us.	27/10/2021
Cambridge Education 2	31/08/2020	Queries on CARE pension values looked at. Revised values submitted to Hymans – 02/06/2021. Hymans data queries responded to. Responded to Hymans queries – 08/06/2021. Further e-mail to Mark Fox asking what contribution rate they were paying – 15/06/2021 – which has been responded to.	Mark Fox confirmed that this is resolved and no further action required by us.	27/10/2021
Ashlyns	31/07/2020	Data submitted to Hymans for	Referred to Service Centre	

		opening position. Leaver notifications outstanding. Query resolved re one leaver who Ashlyns were still deducting contributions for after cessation date. One other leaver to be processed by Service Centre for cessation data to be produced.	for outstanding leaver to be processed on assumed values – 28/10/2021.	
Mears Group	04/08/2020	Cessation data submitted to Hymans – 29/01/2021. Further queries responded to 01/06/2021.	Mark Fox confirmed that the cessation has been dealt with and no further action on our part is required.	27/10/2021
Fremantle Trust (2)	30/6/2019	Cessation valuation outstanding. Data to be submitted and member records to be updated to new employers.	Member records now updated to new employer – Barnet Homes (Brooksons) – 01/11/2021. Cessation data to be submitted to Hymans.	
Absolute Catering (St James Catholic School)	31/07/2019	Investigating further as there are active members on this employer with no outstanding processes. Chasing up leaver notification for last member.	Process referred to early leavers team to process an early leaver calculation for the remaining active member on this employer. Once completed we can proceed with the cessation valuation – 28/10/2021.	

Hestia	31/03/2021	Last member left. Leaver notification received for final member. Further query raised with employer with regards to earlier year's pay.	Process referred to early leavers team to process an early leaver calculation for the remaining active member on this employer. Once completed we can proceed with the cessation valuation – 28/10/2021.	
Caterlink (Totteridge)	23/03/2020	Contributions not received from employer.	E-mailed Caterlink requesting information to be sent within a week. To be referred to Mark Fox for further action if no response – 27/10/2021.	
Atlas Cleaning (St Michaels)	31/03/2021	Data to be submitted to Hymans for cessation. Members transferred to Tenon.	Contributions not received. Mark Fox chasing up employer – 27/10/2021.	
Caterlink (QE Girls School)	31/08/2021	Data to be submitted to Hymans for cessation.	Contributions not received. Mark Fox chasing up employer – 27/10/2021.	

#### d) New Admission Bodies

Completed 4  
Ongoing 11

New enquiries this month – 1

Name	Start date	Current position	Date completed
Hire-A-Pitch (Whitefield School)	tbc	Member details requested – 20/09/2021.	

## Ongoing

Name	Start date	Current position	Last action taken	Date completed
Innovate (St James Catholic School)	01/09/2019	Gathering data to enable new employer assessment to be requested. Membership data in place. Confirmation of contract length received. Data to be run for data submission. Confirmation of contract length received – 29/06/2021. Data submitted to Hymans – 19/07/2021. Hymans requested a further data submission at current date for Bond assessment – 02/08/2021.	Current membership data sent to Hymans – 13/10/2021.	
Innovate (Blessed Dominic)	01/09/2019	Records to be updated from monthly contribution return to be able to provide data submission to Hymans. Info provided to WYPF on contract –	Data submitted to Hymans – 01/11/2021.	

		19/03/2021. Phoned contact at Innovate and sent a spreadsheet to complete – 19/07/2021. Member data provided by Innovate – 20/07/2021.		
M I Home Care	14/12/2018	New employer assessment requested from Hymans. Queries received from Hymans to respond to. Queries received from Hymans – 06/07/2021. Responded to Hymans queries – 27/07/2021. Hymans requested a further data submission at current date for Bond assessment – 02/08/2021. Further data submission to Hymans – 26/08/2021.	Mark Fox confirmed that no further action on part is required.	27/10/2021
Olive Dining (St Joseph's Primary)	01/08/2019	Gathering data to enable new employer assessment to be requested. Agreed approach to completing the data. Querying contract length with the	Up to date member data submitted for Bond assessment – 25/10/2021.	

		<p>employer. Last chased up – 08/04/2021. Length of contract confirmed. Data submitted to Hymans – 27/07/2021. Hymans issued queries and requested a further data submission at current date for Bond assessment – 03/08/2021. Queries responded to on 13/10/2021.</p>		
Atlas (Claremont)	01/05/2015	Admission agreement in process of being signed/sealed.	Mark Fox confirmed that no further action is needed on our part.	27/10/2021
Atlas (St Michael's)	01/04/2015	Admission agreement in process of being signed/sealed.	Mark Fox is chasing up payment of outstanding contributions which will need to be resolved before we can take further action – 27/10/2021.	
HCL (Copthall School)	01/08/2018	Admission agreement in process of being signed/sealed.	Mark Fox confirmed admission agreement is signed and sealed.	27/10/2021
Olive Dining (Archer Academy)	01/09/2018	Admission agreement in	Mark Fox confirmed that the admission is now concluded	27/10/2021



		process of being signed/sealed.	and no further action on our part is required.	
Caterlink (Totteridge Academy)	01/08/2017	Awaiting response from Caterlink with membership data. Data requested from Chris Thomas – 04/08/2021.	E-mailed Caterlink requesting information to be sent in a week. To be referred to Mark Fox for further action if no response – 27/10/2021.	
Sancroft Community Care Ltd	01/7/2019	Requested further information on contract from Sancroft – 04/03/2021. Chasing up a response.	Data submitted to Hymans – 01/11/2021.	
Signature Education	TBC	Admissions required in respect of contracts with 5 Barnet Schools. Data spreadsheet issued – 03/06/2021. Data received. Further queries on members listed. Data to be submitted to Hymans on the basis of data provided. Data submitted to Hymans – 02/08/2021.	Agreed with Mark Fox that we will update records to active status – 27/10/2021.	
JB Riney	01/04/2021	Admission now completed. Registration forms sent – 20/08/2021.	Member records to be updated from first monthly returns,	

			when received – 27/10/2021.	
Tenon (St Michaels)	01/04/2021	Provisional employer record set up – 17/08/2021. Member data requested from employer – 20/09/2021.	Queried with Mark Fox – member involved has contributions which have not been received from their previous employer – 27/10/2021.	

#### e) New Academies/Schools

Completed 0

Ongoing 1

New enquiries this month - 0

Name	Start date	Current position	Date completed

Ongoing

Name	Start date	Current position	Last action taken	Date completed
St Pauls C of E Primary School	01/06/2021	Member records to be updated from first monthly return.		

#### f) Other employer work

Name	Description	Current position	Last action taken	Date completed
Rimon Jewish Primary School	Admitting members again from 01/07/2021.	Awaiting first monthly return from Finance to allow new member records to be generated.	Member records updated.	14/10/2021
Data cleansing for Valuation		Extracts have been run for all		

		<p>statuses as at 31 March 2020 and error reports produced. We are currently reviewing and correcting the errors on the pensioner extracts. Once this is complete we will be in a position to re-run the extracts and upload them to Hymans portal where further checks will be carried out.</p>		
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g) Compensation cases – 1 April to 30 September 2021

IDRP decision letter sent	Reason for compensation	Compensation paid
29/04/2021	Delays in dealing with the retirement.	Initial offer of £200 increased to £500 following request from The Pensions Ombudsman. Paid by WYPF – 24/05/2021.
18/05/2021	Delays dealing with retirement due to problems obtaining details of AVC fund.	Mark Fox to contact the member with a compensation offer but case to be completed before making an offer.
24/05/2021	Delays in dealing with transfer out of pension rights.	Offer of £500 compensation accepted by member – 31/05/2021. Referred to Mark Fox to make payment.
18/05/2021	Delays dealing with retirement.	£500 compensation awarded. Payment made by WYPF – 24/05/2021.
23/09/2021	Delays in concluding award of retirement benefits due to problems with obtaining AVC fund details and payment from Prudential.	£500 paid – 24/09/2021.

## h) Member issues

- Members record had been updated in error to show a different first name when a member of staff had been updating records from a list and looked at the previous case they were working on and updated the record in error. When the life certificate was sent out it was showing the incorrect name. The member phoned to query why the name shown was wrong. The record was amended and an apology given to the member for the error. A revised life certificate was issued to the member with the correct name on it.

## 5. Membership numbers

ACTIVES	DEFS	PENS	BENS	PRESERVED REFUND	LVRS OPTIONS PENDING
8609	9525	7588	963	936	2088

## 6. Management overview


### a) Staffing update

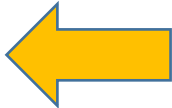
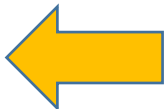
Recruitment for:

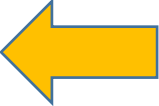
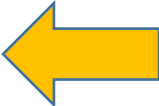
- Deputy Director (Investments)
- Head of Governance and Business Development
- Programme Manager
- Employer Pension Fund Representatives

is still ongoing.

## 7. Projects

Project	Description	Current position	Last action taken	Movement	Expected completion date
<b>McCloud</b>	To remove unlawful age discrimination identified in the McCloud ruling. It will provide eligible	Pre populated spreadsheets have been sent out to employers for those members in scope.	A meeting has been arranged for the McCloud project team on 09/11/2021.		April 2023

	<p>younger members with a protection equal to the protection provided to older members when the scheme was changed in 2014.</p>	<p>A project team has been set up and will be meeting shortly to discuss the next stage. We are awaiting Civica to design the calculations &amp; screens to hold the information. A reminder has been sent to employers to either submit revised data based on the spreadsheets previously sent or confirm they are happy the data we hold is correct – 13/10/2021.</p>			
<p><b>Phase 3 (Monthly postings)</b></p>	<p>Move all the functionality onto to the front end website to enable Employers to process the data.</p>	<p>Currently with IT and is an ongoing project.</p>			<p>End of 2021</p>
<p><b>Pensions Dashboard</b></p>	<p>Will enable individuals to access their pension information online, securely and all in one place.</p>	<p>A meeting has been arranged by Civica next week to discuss the data requirements and the proposed solution.</p>	<p>At the meeting Civica confirmed they are on the working group and it is currently being decided what developments are needed so members data can be viewed on the</p>		<p>2022/2023</p>

			Pensions Dashboard.		
<b>Key Performance Indicators (KPIs)</b>	The KPI indicators have been developed in order to provide funds with the ability to self-assess against best practice benchmarks.	To review the current KPIs.	To arrange a meeting with IT to discuss the review of the KPIs.		TBC
<b>Data Improvement Plan</b>	Data falls into 2 categories – Common & Scheme Specific (also known as Conditional)	To look at improving the current scores for both Common & Scheme Specific data.	To arrange a meeting to discuss how we can improve the data.		TBC

## 8. Regulatory update

### SAB cost management result published

On 15 October 2021, SAB published the result of its cost management process for the 2016 scheme valuation. Although the Board reached agreement on how to include McCloud costs in the process in the summer, it was not able to publish the outcome until HM Treasury (HMT) published the Cost Cap Directions 2021.

SAB agreed to spread McCloud costs over a 10 year period (rather than the four years used in the HMT process), resulting in an outcome of 19.4 per cent against a target cost of 19.5 per cent. Despite the slight shortfall in cost SAB will not recommend any scheme changes.

Going forward, SAB will revisit tier three ill health and contributions for the lowest paid members. SAB intends to make recommendations in these areas separate from the cost management process.

### New Local Government Minister

Kemi Badenoch was appointed Minister of State at the Department for Levelling Up, Housing and Communities (DLUHC) on 16 September 2021. Kemi is the Minister responsible for the LGPS, replacing Luke Hall who left the role in September 2021 following a Government reshuffle.

## **SF3 data published**

On 27 October 2021, DLUHC published Local government pension scheme statistics (SF3 statistics) for England and Wales: 2020 to 2021. Highlights include:

- total expenditure of £13.4 billion
- total income of £17.2 billion, an increase of 7.5 per cent on 2019/20
- employer contributions increased by 32.46 per cent on 2019/20 to £10.2 billion
- employee contributions of £2.4 billion
- the market value of LGPS funds in England and Wales on 31 March 2021 was £332.7 billion, an increase of 22.14 per cent
- there were 6.1 million scheme members on 31 March 2021, 2.0 million active members, 1.8 million pensioners and 2.2 million deferred members
- there were 82,567 retirements in 2020/21, a decrease of 6.4 per cent compared with 2019/20.

## **HMT publishes consultation response on the cost control mechanism**

On 4 October 2021, HM Treasury (HMT) published its response to the Public Service Pensions: cost control mechanism consultation.

The Government's response confirms it will proceed with all three proposed reforms:

- moving to a reformed scheme only design so that the mechanism only considers past and future service in the reformed schemes. Costs related to legacy schemes are excluded
- the cost corridor will be widened from two per cent to three per cent of pensionable pay
- introducing an economic check so that a breach of the mechanism will only be implemented if it still would have occurred had the long-term economic assumptions been considered.

The Government is aiming to implement all three proposals in time for the 2020 valuations. It will work with the DLUHC and LGPS stakeholders to consider:

- the most appropriate way to implement the reformed scheme only design in the LGPS (including how to treat the underpin)
- whether it is desirable for the SAB process to be adapted in line with the principles of the economic check.

## **The Public Service Pensions (Valuations and Employer Cost Cap) (Amendment) Directions 2021**

On 7 October 2021, HMT published the Public Service Pensions (Valuation and Employer Cost Cap) (Amendment) Directions 2021.

In February 2019, HMT paused the cost cap element of the 2016 valuations. This was due to the uncertainty regarding the cost following the McCloud and Sargeant litigation. There is now sufficient certainty regarding the costs and this direction allows schemes to conclude their 2016 valuations.

### **New webpage on how to avoid the Ombudsman**

In October 2021, the Pensions Ombudsman (TPO) launched a new page on its website called 'How to avoid the Ombudsman'. It contains 'top tips', links to case studies, key determinations and new frequently asked questions.

TPO also published a guidance note on communicating with pension scheme members. The note sets out simple steps that can be taken to resolve pension disputes and complaints without the need for TPO to be involved.

### **Action for employers and administering authorities**

Review the guidance and check if you need to update your complaint procedures and communications.

### **All-party parliamentary group publishes responsible investment report**

The Just Transition report, published by the all-party parliamentary group for local authorities, calls on government to make a firm and comprehensive commitment to a just transition to net zero and to set up a UK-wide Just Transition Commission.

The report is based on a nine-month inquiry by the All-Party Group, led by Clive Betts MP, into 'Responsible investment in a just transition'. The report stresses the urgent need for climate action but highlights the economic and financial risks if the shift to net zero fails to take account of the uneven impacts on workers, communities, consumers, and supply chains.

### **Autumn budget 2021**

On 27 October 2021 the Government announced its Autumn 2021 budget and spending review.

Of particular interest to the LGPS is the publication of the Government's response to the Call for Evidence on pensions tax relief administration

The Government's response announces that it will introduce a system to make top up payments directly to low-earning members using the net pay arrangements. This will broadly equalise the outcomes for all low earning pension savers.

Unfortunately, the top up payment will not be automatic, members will need to claim the top up payment directly from HMRC.

Top-up payments to members will commence in 2025/26 regarding the 2024/25 tax year. The response claims an estimated 1.2 million individuals could benefit by an



average of £53 a year.

## **Pensions Dashboards Programme**

### **Call for input on staging summary**

Earlier this year the Pensions Dashboards Programme (PDP) ran a staging call for input.

The PDP received just over 60 responses to the call for input from a variety of stakeholders. These will be used to feed into further policy development of pension dashboards. It has published a summary of the key themes drawn from the responses:

- the provision of estimated retirement income projections could impact the policy objectives and staging principles
- the need for greater clarity around data and the digital architecture's technical requirements before accurate estimates about staging times can be provided
- where staging times were estimated, around three-quarters suggested that 12 months or more (up to 24 months) would be required
- just over half of all respondents agreed with the recommendation that the largest defined benefit schemes should stage from Autumn 2023 and all defined benefit schemes with 1,000+ members should stage within the first wave (half of those that agreed were either defined benefit schemes or public service schemes)
- the majority of the concerns from public service pension schemes centred around McCloud and the associated administrative issues as a reason for not staging within the first wave
- consumer testing will be an important part of how dashboards are executed, highlighting the need for additional tools, system messaging and an education and awareness campaign to promote the benefits of dashboards
- concerns about limiting the scope of dashboards to exclude pensions in payment
- general uncertainties on the following:
  - data – specifically what view data, especially early retirement income, will have to be returned
  - data protection and liability
  - connection requirements
  - response times
  - identity verification and assurance process
  - matching protocols
  - Integrated Service Provider (ISP) market dependency
  - McCloud for public service schemes
  - competing priorities – Guaranteed Minimum Pension equalisation, simpler annual benefit statements, small pots, transformation programmes.

### **Draft regulations for pensions dashboards**

Chris Curry, Principal of the PDP, announced in October 2021 that draft regulations

on pensions dashboards are expected to be published before the end of 2021 or early in 2022. This follows on from the enactment earlier this year of the Pension Schemes Act 2021. The draft regulations will provide more information about the data standards, what data will have to be supplied and how pension providers will need to provide it.

### **October 2021 progress report**

On 26 October 2021, PDP published its latest progress report. The report strongly emphasises the need for schemes to act now before legislation compels schemes to do so.

### **Action for administering authorities**

You should start preparing for dashboard onboarding by considering whether you wish to use an ISP to connect to the dashboard ecosystem, cleansing your data and ensuring you have adequate resources to prepare for the dashboard connection.

### **Testing for potential dashboard providers**

The PDP is inviting organisations that intend to provide a pensions dashboard to help test the development of the pensions dashboards ecosystem. This will enable potential dashboard providers to influence the design of pensions dashboards and help identify any challenges with connecting to the central technical architecture.

### **PLSA ‘Landscape and Future Challenges survey’**

On 14 October 2021, Gareth Brown emailed administering authorities with a short survey on behalf of the Pensions and Lifetime Savings Association (PLSA). The PLSA is seeking views on the major administration issues and challenges facing the LGPS. The results will be published in a report towards the end of 2021.

### **September 2021 CPI rate announced**

On 20 October 2021, the Office for National Statistics announced the Consumer Prices Index (CPI) rate of inflation for September 2021 as 3.1%.

Government policy in recent years has been to base increases under the Pensions (Increase) Act 1971 and revaluation of pension accounts under section 9 of the Public Service Pensions Act 2013 on the rate of CPI in September of the previous year. We await confirmation from Government that the revaluation and pensions increase that will apply to LGPS active pension accounts, deferred pensions and pensions in payment in April 2022 will be 3.1 per cent.

## 9. Scheme calendar for year commencing 1 April

January	February	March	April
Life Certificates HMRC Event Reporting Payment of Unauthorised Lump Sum and Scheme Sanction Charge to HMRC	Life Certificates	Life Certificates	Apply Pensions Increase Apply Care Revaluation Issue P60's (with April Payslip) Life Certificates Annual employer meeting
May	June	July	August
Active Annual Benefits Statements Life Certificates Deferred Annual Benefits Statements	Active Annual Benefits Statements Active Newsletter Life Certificates	Active Annual Benefits Statements Life Certificates	Active Annual Benefits Statements Life Certificates
September	October	November	December
Life Certificates Pension Savings Statement	Life Certificates Participate in NFI Active Newsletter tPR Scheme Returns Annual employer meeting	tPR Annual Survey Life Certificates Pensioner Newsletter Deferred Newsletter	Life Certificates

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## Appendix B – Percentage of My Portal registrations per employer

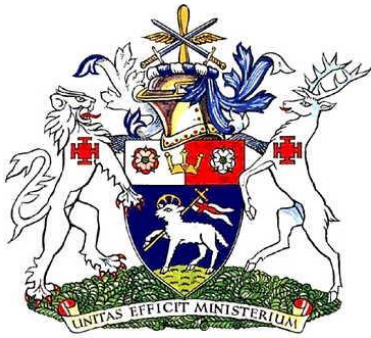
<b>EMPLOYER</b>	<b>Total active members</b>	<b>Registrations</b>	<b>Percentage of members registered</b>
Alma Primary School	9	4	44.44%
Archer Academy	49	9	18.37%
Ark Pioneer Academy	15	5	33.33%
Ashmole Academy	127	19	14.96%
Barnet And Southgate College	263	71	27%
Barnet Education and Learning Service Ltd (BELS)	60	34	56.67%
Barnet Homes	203	74	36.45%
Barnfield Primary School	27	10	37.04%
Bishop Douglass R.C. School	37	11	29.73%
Broadfields Academy	100	8	8%
Brookland Infant and Nursery School	27	7	25.93%
Brookland Junior School	22	6	27.27%
Capita CSG	98	44	44.9%
Capita RE	104	41	39.42%
Caterlink (The Compton School)	6	4	66.67%
Childs Hill Primary Academy	47	7	14.89%
Christ Church C E Primary School	26	9	34.62%
Christs College	32	8	25%
Churchill Catering (Queenswell School)	1	1	100%

Claremont Primary	37	10	27.03%
Colindale Primary School	53	7	13.21%
Copthall Academy	64	13	20.31%
Danegrove School	118	15	12.71%
Deansbrook Jun School	45	3	6.67%
Dollis Primary School	60	8	13.33%
ETZ Chaim Jewish Primary	12	3	25%
East Barnet School	119	25	21.01%
Edgware Primary School	48	12	25%
Finchley Catholic High School	53	19	35.85%
Friern Barnet School	46	26	56.52%
Grasvenor Avenue Infant School	15	3	20%
Greenwich Leisure Limited	7	4	57.14%
Hasmonean Schools MAT	60	14	23.33%
Hendon School	92	17	18.48%
Henrietta Barnet School	20	8	40%
Hyde School	29	3	10.34%
ISS	98	10	10.2%
JCoSS	96	25	26.04%
Kisharon Academy	38	5	13.16%
London Academy	68	8	11.76%
London Borough of Barnet	1967	483	24.56%

London Borough of Barnet (Schools)	1603	295	18.4%
Mapledown School	79	8	10.13%
Martin Primary School	71	9	12.68%
Mathilda Marks Kennedy Trust	20	7	35%
Menorah Foundation School	20	4	20%
Menorah High School for Girls	15	3	20%
Middlesex University	898	225	25.06%
Mill Hill County High	68	27	39.71%
Monkfrith Primary School	40	12	30%
NSL Ltd	13	5	38.46%
OCS Group Uk Ltd Barnet	3	1	33.33%
Oak Hill Academy	15	5	33.33%
Oak Lodge School	73	16	21.92%
Oakleigh School and Acorn Assessment Centre	80	20	25%
Osidge G.M. Primary School	41	5	12.2%
Parkfield School	35	14	40%
Pavilion Study Centre	14	2	14.29%
Queen Elizabeth Girls School	36	18	50%
Queen Elizabeth Boys School	28	12	42.86%
Queenswell Federation	32	20	62.5%
Rimon Jewish Primary School	11	1	9.09%

Rosh Pinah Primary School	27	9	33.33%
Sacks Morasha Jewish Primary School	6	1	16.67%
Saracens Academy	55	7	12.73%
St Andrew The Apostle School	32	4	12.5%
St Andrew's C of E Voluntary Aided Primary School	21	5	23.81%
St James' Catholic High School	51	6	11.76%
St Johns N20 School	19	7	36.84%
St Mary & St John Primary School	98	17	17.35%
St Michael's Catholic Grammar School	45	13	28.89%
Summerside Primary Academy	38	3	7.89%
Sunnyfields Primary School	30	6	20%
The Compton School (Middlesex Learning Trust)	70	27	38.57%
The Totteridge Academy	34	10	29.41%
Underhill Infant School	70	22	31.43%
Wessex Gardens Primary School	26	5	19.23%
Whitefield Trust School	27	2	7.41%
Woodcroft School	47	5	10.64%
Woodhouse College	59	15	25.42%
Wren Academy	96	23	23.96%
Your Choice Barnet	107	23	21.5%





## Local Pension Board

### 6 December 2021

<b>Title</b>	<b>Communications Policy</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – Communications Policy
<b>Officer Contact Details</b>	Mark Fox, Pensions Manager – 0208 359 3341

### Summary

This paper provides the Local Pension Board with an update on the Communications Policy for the Scheme for 2022.

### Officers Recommendations

The Local Pension Board is asked to note and consider if it would like to provide comments to the Pension Fund Committee on review the updated draft Communications Policy for 2022 and the plans for developing and improving the communication for both employers and scheme members.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 An effective communications policy is important as it helps maintain the efficient and effective running of the Scheme and better stakeholder and customer outcomes.
- 1.2 The draft updated Communications Policy is attached as Appendix A. This policy is based on the West Yorkshire Pension Fund (WYPF) Communications Policy which can be found at <https://www.wyvf.org.uk/publications/policy-home/wyvf-index/communications-policy/>
- 1.3 The policy sets out main areas that Officers will aim to deliver (most in conjunction with WYPF). These are:
  - 1.3.1 Continue to encourage members to register for the WYPF member portal – *MyPension*, where increasingly WYPF will post documents for members including Annual Benefit Statements.
  - 1.3.2 Ensure that a newsletter for all three member statuses is published at least twice during the year.
  - 1.3.3 Work with WYPF to ensure that the results of the Customer Satisfaction Surveys sent to members continue to be at a satisfactory level and develop and improve communications, based on feedback from members and employers.
  - 1.3.4 Work with WYPF to develop a Barnet Pensions website (on the WYPF platform) to provide improved information to both members and employers.
  - 1.3.5 Hold employer forums on at least two occasions during 2022 to update employers on actuarial, administrative and current pensions issues and policy changes. Currently, these forums are held remotely due to the Covid-19 pandemic. If conditions allow, Officers will consider holding at least one of these forums at a face-to-face meeting.
  - 1.3.6 Offer to visit employers to discuss the Barnet Fund (and LGPS in general) with members and hold “pension surgeries” with members to discuss individual pensions issues, if required.
- 1.4 The draft policy will be considered by the Pension Fund Committee at its meeting on 14 December 2021 and the Board may wish to provide comments to be passed to the Committee.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Not applicable in the context of this report.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 Not applicable in the context of this report.

### **4. POST DECISION IMPLEMENTATION**

4.1 Not applicable in the context of this report.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

5.1.1 The Local Pension Board supports the delivery of the Council's strategic objectives and priorities as expressed through the Corporate Plan, by assisting in maintaining the integrity of the pension Fund by monitoring the administration and compliance of the Fund.

#### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 Not applicable in the context of this report.

#### **5.3 Social Value**

5.3.1 Not applicable in the context of this report.

#### **5.4 Legal and Constitutional References**

5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is the London Borough of Barnet. The Local Government (Amendment) (Governance) Pension Scheme Regulations 2015 inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

5.4.2 Under the terms of reference for the Local Pension Board, the role of the Board is to assist with:

- compliance with LGPS Government regulations;
- compliance with the requirements imposed by the Pensions Regulator.
- such other matters as the LGPS regulations may specify ensure the effective and efficient governance and administration
- ensure the Pension Fund's strategy and policy documents are maintained in accordance with the LGPS Regulations.
- ensure the Pension Fund's internal Risk Register is reviewed at least annually.
- review the Pension Fund's performance in complying with the requirements of

## the LGPS Regulations

5.4.3 Regulation 61 of the Local Government Pension Scheme Regulations 2013 requires an administering authority to prepare, maintain and publish a written statement setting out its policy concerning communications with:

- (a) members;
- (b) representatives of members;
- (c) prospective members; and
- (d) Scheme employers.

In particular the statement must set out its policy on—

- (a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;
- (b) the format, frequency and method of distributing such information or publicity;
- (c) the promotion of the Scheme to prospective members and their employers

The statement must be revised and published when there is any material change in the policy.

## 5.5 Risk Management

5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund.

## 5.6 Equalities and Diversity

5.6.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation, marriage and civil partnership.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public-sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

## 5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

## 5.8 **Consultation and Engagement**

5.8.1 Where relevant, consultation and engagement is discussed in the paper.

## 5.9 **Insight**

5.9.1 Not applicable in the context of this report.

## 6. **ENVIRONMENTAL IMPACT**

6.1 None

## 7. **BACKGROUND PAPERS**

7.1 None

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# London Borough of Barnet Pension Fund

## Communication Policy

### Background

This document sets out the communication policy for the London Borough of Barnet Pension Fund (“the Fund”) and is subject to review and annual approval by the Pension Fund Committee.

This communication policy is designed to ensure that all key stakeholders are kept informed of developments within the Pension Fund and in the appropriate medium.

The aim being to ensure an effective communication process is in place to help maintain the efficient and effective running of the Scheme and better stakeholder and customer outcomes.

This Policy has been updated following the transfer of administration to West Yorkshire Pension Fund (WYPF).

This strategy is presented to the December 2021 Pension Fund Committee for approval.

### Regulatory Framework

This policy is published as a requirement under regulation 61 of the Local Government Pension Scheme Regulations 2013.

This policy has been prepared to meet the objectives about how the Fund communicates with key stakeholders:

- Scheme members (active, deferred, retired and dependant)
- representatives of scheme members
- prospective scheme members
- scheme employers
- third-party employer service providers

### Key objectives

- Communicate the scheme regulations and procedures in a clear and easy to understand style
- Use plain English for all communications with stakeholders
- Identify and use the most appropriate communication method to take account of stakeholders’ different needs
- Use technologies to provide convenient, up to date and timely information to stakeholders
- Engage with our stakeholders face-to-face when possible and appropriate

### Evaluation and continuous development

To ensure the Fund is meeting the expectations of stakeholders and to evaluate the effectiveness of communications, the Fund (in conjunction with WYPF) will use the following methods:

## London Borough of Barnet Pension Fund

### Communication Policy

- feedback questionnaires
- monitoring compliments and complaints
- customer surveys.

To ensure continuous development WYPF plan to:

- further develop member self service with Civica's MyPension platform
- broaden the use of digital platforms to engage stakeholders
- increase the information given to employing authorities when they join the scheme or change main contacts.

#### Communications events

Below is a summary of the communication events provided to stakeholders by the Fund, in conjunction with WYPF:

Communication	Format	Frequency	Method of distribution
LGPS active members (including representatives of active members & prospective members)	Newsletter	1-2 per year	MyPension
	Annual benefit statement	1 per year	MyPension/Mail
	<a href="http://www.wypf.org.uk">www.wypf.org.uk</a>	Constant	Web
	Member fact card	On request/constant	Print/web
	Member fact sheets	On request/constant	Print/web
	Introduction to WYPF	On employer request	Presentation
	Your pension explained	On employer request	Presentation



**London Borough of Barnet Pension Fund**  
**Communication Policy**

	Pre-retirement	On employer request	Presentation
	Pension surgeries	On employer request	Face to face
	WYPF contact centre	8.45 to 4.30 Monday to Friday	Phone/email
	New member pack	On joining	Mail
LGPS deferred members (including representatives of deferred members)	Newsletter	1-2 per year	MyPension
	Annual benefit statement	1 per year	MyPension/Mail
	<a href="http://www.wypf.org.uk">www.wypf.org.uk</a>	Constant	Web
	WYPF Contact Centre	8.45 to 4.30 Monday to Friday	Phone, e-mail
LGPS pensioner members (including representatives of retired members)	Newsletter	1-2 per year	MyPension
	<a href="http://www.wypf.org.uk">www.wypf.org.uk</a>	Constant	Web
	WYPF contact centre	8.45 to 4.30 Monday to Friday	Phone, e-mail
	Pension pay slip	As and when net pension varies by 25p or more	Mail
	P60	1 per year	Mail

## London Borough of Barnet Pension Fund

### Communication Policy

#### Website

In addition, the Council have a pensions website (<https://www.barnet.gov.uk/your-council/finance-funding-and-pensions/local-government-pension-scheme>).

This website will be reviewed in 2022 and may be discontinued with any relevant information added to the WYPF website ([wypf.org.uk](http://wypf.org.uk)) under a section for Barnet Fund members.

The website will include a summary of the Pension Fund Report and Accounts for each year, following approval by the Pensions Fund Committee.

#### Scheme Employers

Employers will be kept informed on developments and consulted on changes to the Fund as necessary.

Potential scheme employers will also have access to information about the Pension Fund to ensure that they are fully informed in their relationship with the Fund and requirements.

- **Employer Forums** – At least two employer forums will be held in 2022 to update employers of relevant current issues, administration and actuarial updates, and policy changes.

Individual meetings with employers can be held as required. Employers will also be notified in writing of any changes which affect them or the way that the scheme is administered.

- **Pensions Administration Strategy**– The administration strategy sets out the roles and responsibilities of the Administering Authority, the third-party administrator (WYPF) and employers in the Pension Scheme. It sets out the service level agreement and targets which all are expected to meet. This document will be posted on the website.
- **Technical Updates** – WYPF send employers monthly a “*Pensions Matters*” email, which highlights the latest monthly round up of news including technical updates from the Local Government Association.
- **Employer Training** – WYPF also send round periodic emails offering pension webcasts which provide training to employers and payroll providers on the LGPS.
- **Other** – The Fund meets quarterly with Trade Union representatives discuss issues raised by individual members.

**London Borough of Barnet Pension Fund**  
**Communication Policy**

**Member Contacts**

Further information or general administrative queries should be addressed to either:

WYPF  
PO Box 67  
Bradford  
BD1 1UP

**Telephone:** (01274) 434999

**Email:** [pensions@wypf.org.uk](mailto:pensions@wypf.org.uk)

**Employer Contacts**

The WYPF employer representatives are:

Ammie McHugh - [ammie.mchugh@wypf.org.uk](mailto:ammie.mchugh@wypf.org.uk)  
David Parrington - [david.parrington@wypf.org.uk](mailto:david.parrington@wypf.org.uk)

Team phone number: 01274 434900

**London Borough of Barnet Contact**

Mark Fox  
Pensions Manager  
London Borough of Barnet  
2 Bristol Avenue, Colindale  
London NW9 4EW

**Telephone:** 0208 359 3341

**Email:** [pensions@barnet.gov.uk](mailto:pensions@barnet.gov.uk)

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## Local Pension Board

### 6 December 2021

<b>Title</b>	<b>Pensions Administration Risk Register</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – Pensions Administration Risk Register: December 2021
<b>Officer Contact Details</b>	Mark Fox, Pensions Manager – 0208 359 3341

### Summary

The Pensions Administration Risk Register is a standing agenda item for the Local Pension Board.

### Recommendations

That the Local Pension Board are requested to note the most recent risk register.

## 1. WHY THIS REPORT IS NEEDED

- 1.1 It is important that the Council maintain the Pensions Administration Risk Register to help protect members of the LGPS.
- 1.2 The most recent Pensions Administration Risk Register can be found in Appendix A.
- 1.3 The Pensions Regulator’s guidance on managing risk states that “...*the identified risks in a risk register should be reviewed regularly (at least once a quarter)*”.

### Risk Velocity

- 1.4 Risk Velocity is defined as the time to impact (i.e. an estimate of the timeframe within which a risk may occur).
- 1.5 Officers use a traffic light system to classify how risk velocity measured:
  - Red – very rapid impact within a couple of days
  - Amber – risk may occur within a few days up to a couple of months
  - Green – a slow impact that may occur over several months or more
- 1.6 Officers have reviewed each of the risks on the risk register and have determined the risk velocity as follows:

Risk ID	Short Risk Title	Risk Velocity
PB001	Operational - disaster (Fire / flood etc)	Red
PB002	Member data incomplete or inaccurate	Yellow
PB003	Admin process failure or maladministration	Yellow
PB004	Excessive charges by suppliers	Green
PB005	Employer failure to pay contributions to the fund	Green
PB006	Failure of non-public sector employers	Green
PB007	Failure to interpret rules or legislation correctly	Green
PB008	Appropriate personnel in place to perform in designated roles	Yellow
PB009	Conflicts of interest	Green
PB010	Admission agreements / securities (i.e. bonds) not arranged	Yellow
PB011	Commercial viability of strategic suppliers	Green
PB012	Non-compliance with GDPR	Red
PB013	Negative media exposure and member experience	Red
PB015	Impact of COVID-19 on pensions administration	Yellow
PB016	Cyber security	Red
PB017	Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements	Yellow

1.7 Officers have reviewed the Risk Velocity for each of the risks above and determined there are no changes at this time.

1.8 Updates on other risks are as follows:

1.8.1 **PB002** – To progress the “historic” leavers mainly inherited by the previous administrator, Officers have decided on a plan of action to reduce the number of unprocessed leavers. This involves Officers submitting the leaver data to WYPF rather than employers based on data that has previously been provided. Employers have in the past had difficulty submitting historic data due to payroll provider changes.

The risk score remains at 10 but should reduce as the Data Improvement Plan nears completion.

1.8.2 **PB007** – Officers have previously sent all members of Board, along with members of the Pension Fund Committee, a training questionnaire to identify training requirements for 2022. These are being reviewed and training will be arranged for 2022 as appropriate. Details will be provided in due course.

The risk score remains at 2.

1.8.3 **PB011** – Administration has a low number of suppliers – WYPF, Hymans Robertson and, indirectly, Civica (who provide the pensions administration system UPM to WYPF).

As WYPF are part of a local authority, they will not go out of business. If they do decide to withdraw from the third-party administration market, this is likely to be a phased withdrawal. This would enable Officers time to consider alternative arrangements for the Fund administration, which would be done by using the National LGPS Framework an efficiently procure a high-quality, value for money administration service.

As such, the risk score has reduced to 4 (from 5).

1.8.4 **PB017** – The Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021 were laid before Parliament on 8 November 2021. These regulations intend to protect departing members from pension scams and will require trustees and other pension providers to urgently review their transfer processes and policies. The Regulations come into force on 30 November 2021.

Officers will ensure that WYPF processes have been updated in line with the regulations. Officers have also requested periodic details of transfers made from the Scheme, to check the receiving scheme appears a “genuine” pension arrangement. Where this does not appear obvious, Officers will request copies of correspondence from WYPF to ensure that the transfer has been made in line with the new regulations.

The Risk Score remains at 8.

## **2. REASONS FOR RECOMMENDATIONS**

2.1 Management of risk is critical to avoiding unfavourable outcomes.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 Not applicable in the context of this report.

## **4. POST DECISION IMPLEMENTATION**

4.1 Not applicable in the context of this report.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 The Local Pension Board supports delivery of Council's strategic objectives and priorities as expressed through the Corporate Plan (Barnet 2024) by assisting in maintaining the integrity of the Pension Fund by monitoring the administration and compliance of the Fund.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 Risks that are not mitigated or managed can have a financial penalty to the Scheme.

### **5.3 Social Value**

5.3.1 Not applicable in the context of this report.

### **5.4 Legal and Constitutional References**

5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is LB Barnet. The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.



5.4.2 The Risk Register is a tool that assists the Board in ensuring that the Scheme has a mechanism in place to identify and review at least annually, the pension scheme administration risks

5.4.3 Under the terms of reference for the Local Pension Board, the role of the Board is to assist with:

- compliance with LGPS Government regulations;
- compliance with the requirements imposed by the Pensions Regulator.
- such other matters as the LGPS regulations may specify ensure the effective and efficient governance and administration
- ensure the Pension Fund's strategy and policy documents are maintained in accordance with the LGPS Regulations.
- ensure the Pension Fund's internal Risk Register is reviewed at least annually.
- review the Pension Fund's performance in complying with the requirements of the LGPS Regulations

## 5.5 Risk Management

5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund.

## 5.6 Equalities and Diversity

5.6.1 Pursuant to the Equalities Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation, marriage and civil partnership.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

## 5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

## 5.8 **Consultation and Engagement**

5.8.1 Not applicable.

## 5.9 **Insight**

5.9.1 Not applicable

## 6. **ENVIROMENTAL IMPACT**

None

## 7. **BACKGROUND PAPERS**

7.1 None

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB001	<b>Operational - disaster (Fire / flood etc)</b>	An event occurs that would impact the ability to deliver all / parts of the pension service.	Business Continuity	The administrator has Business Continuity Procedures and Disaster Recover Plans in place. Officers have been updated with the latest version of the WYPF BCP (last review - January 2020).  WYPF Business Continuity and Disaster Recovery Plans may be audited by either the internal audit team of Bradford Metropolitan District Council	5	1	5	5	1	Tolerate	Officers waiting for the last audit report on the WYPF BCP and date of next review.	Q4, 2021	Aug-17

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				or external auditors appointed by the Council.									

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB002	<b>Member data incomplete or inaccurate</b>	<p>To fulfil legal obligations, the pension service is dependent on receiving accurate information and data from scheme employers, and for the administrator to maintain member records.</p> <p>Incomplete and/or inaccurate information/ data could lead to incorrect benefit calculations. The Pension Regulator requires all pension schemes to maintain accurate data.</p> <p>Many unprocessed new</p>	Information Governance	<p>Employer Forums' to be held biannually to support scheme employers with returning the information / data required to ensure member records are accurate</p> <p>Common data analysis is now provided by WYPF monthly and is showing improvements in data presence.</p> <p>Officers have received assurance from Bradford City Council's</p>	5	2	10	3	2	Treat	<p>Employer Forum held in November 2021 (remotely). Employers were asked to provide member data promptly and accurately, including providing leaver data to WYPF as soon as possible after a member leaves the Fund.</p> <p>Common and conditional data analysis now provided monthly by WYPF demonstrate progress with the Data Improvement Plan.</p>	<p>Q4 2021</p> <p>Ongoing</p>	Aug-17

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
		<p>joiners and leavers were identified in the 2019 valuation process, along with incorrect pensionable salary and CARE for members who have two job roles.</p>		<p>Internal Audit team on controls in place on UPM for automated calculations and how WYPF processes for non-automated calculations are reviewed.</p>							<p>WYPF to advise the Council when employers are not providing the relevant information - the Council to escalate.</p> <p>WYPF to confirm system processes on UPM for any system updates and authority levels.</p> <p>Officers are working on a plan to reduce the number of unprocessed leavers, so member benefits can be calculated and records be updated.</p>	<p>Ongoing</p> <p>Q4, 2021</p> <p>Ongoing</p>	

**Last Updated: 15/11/2021**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
											WYPF have tested data quality by running data through the Hymans Robertson data portal. Officers are meeting with Hymans and WYPF to discuss results and put a corrective plan in place.	Q4, 2021	

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB003	<b>Admin process failure or mal-administration</b>	<p>Administration of the pension scheme should be in line with the Local Government Pension Scheme (LGPS) rules.</p> <p>Issues with the Annual Benefit Statement process and Pensions Savings Statements from previous tax years not issued in line with statutory deadlines.</p>	Statutory Duty	<p>Ongoing dialogue between Barnet and WYPF through fortnightly meetings</p> <p>Formal agreement in place with WYPF, including agreed SLA's.</p> <p>Authority level clearly agreed and kept up to date, including clear definition of delegated authorities and individual approval authorities. Scheme Event Calendar in place to ensure</p>	5	2	10	2	1	Treat	<p>Officers to review WYPF authority levels embedded within the UPM system which are based on staff levels within WYPF. This determines who can authorise and sanction large payments - these controls are tested annually in the ISO accreditations.</p> <p>Scheme Event Calendar in place and reviewed annually.</p>	<p>Ongoing</p> <p>Annual</p>	Aug-17

Last Updated: 15/11/2021



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				legislative / regulatory deadlines are achieved (i.e. ABS / Scheme Return etc.)  Staff training plans in place to ensure processing in accordance with LGPS requirements  Monthly reports by WYPF to scheme managers.									

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB004	<b>Excessive charges by suppliers</b>	The cost of running the pension scheme should not exceed the agreed budget.	Finance	Pension scheme budget agreed annually.  Periodic review of suppliers.	2	1	2	2	1	Treat	Budget to be agreed annually.	Annually	Aug-17
PB005	<b>Employer failure to pay contributions to the fund</b>	The fund does not receive the correct amount of contributions from employers to fund employee pension liabilities, leading to a scheme deficit.	Finance	Monthly reconciliation of contribution payments received by the LBB and WYPF.  Ongoing dialogue with employers around when contributions are due.  LBB to monitor receipt of contributions (both on time and late).	2	2	4	2	1	Treat	Officers are checking that employers pay the correct contributions rates following the 2019 valuation.	Monthly	Aug-17

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				<p>Officers will enforce the collection of contributions and other costs from employers by threatening the use of fines and reporting to TPR, if applicable.</p> <p>Employers have been updated on the revised monthly reconciliation procedures that took effect from 1 November 2020.</p> <p>Revised procedures have been implemented to improve the</p>									

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				collection of strain cost invoices.									
PB006	<b>Failure of non-public sector employers</b>	Should admitted bodies default on payments, the fund is left with additional pension liabilities.	Finance	LB Barnet Pension Team monitoring of employer covenant and business strength.  There is a	2	2	4	2	2	Treat	Review all admitted bodies to ensure an appropriate bond/guarantee is in place and reporting into the Pension Fund Committee.	Ongoing	Aug-17

**Last Updated: 15/11/2021**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				backlog of admission agreements and bonds that increase the risk of an unrecovered shortfall.							Admission Agreements for a small number of “old” employers remain outstanding, along with agreements for new employers joining the Fund. Officers are working with both WYPF and Hymans Robertson to ensure the Agreements are completed and signed.	Ongoing	

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB007	<b>Failure to interpret rules or legislation correctly</b>	The Board does not have the level of pension knowledge to perform their role effectively.	Compliance	<p>Up to date training log in place, showing completion of training material.</p> <p>Technical advice and updates formally noted on training log.</p> <p>Training Policy drafted for approval by the Local Pensions Board.</p>	2	1	2	2	1	Tolerate	<p>No further actions required; risk has reached its target score and is being tolerated with the existing controls and mitigations in place.</p> <p>Officers have sent all members of Board (and Pension Fund Committee) a training questionnaire to identify training requirements for 2022. These are being reviewed and training will be arranged for 2022.</p>	<p>N/A</p> <p>Q4, 2021</p>	Aug-17

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
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PB008	<b>Appropriate personnel in place to perform in designated roles</b>	The Board does not comply with statutory obligations and is unable to evidence appropriate governance.	Compliance	Ensure that the personnel in key roles in relation to the administration of the Fund are suitably experienced and qualified to perform in their roles and have the appropriate authorities to ensure the administration is executed effectively at all times	4	2	8	2	1	Treat	Review of roles and responsibilities of relevant individuals to ensure individuals hold appropriate authorities or there is clear escalation of issues requiring decisions.  Annual appraisal reviews and setting of objectives	Ongoing  Annual	Aug-17

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB009	Conflicts of interest	Decisions made may be influenced by other factors and may be subject to challenge.	Compliance	<p>Statutory Duty Pension Board awareness of legal responsibility.</p> <p>All Pension Board members to declare any conflicts and potential conflicts.</p> <p>All pension board members have completed relevant educational material.</p> <p>All conflict of interest documentation signed by all board members and recorded in conflict of</p>	3	1	3	3	1	Tolerate	No further actions required; risk has reached its target score and is being tolerated with the existing controls and mitigations in place.	N/A	Aug-17

Last Updated: 15/11/2021



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				interest register Any changes to be included with minutes at each meeting.									

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB010	<b>Admission agreements / securities (i.e. bonds) not arranged</b>	<p>Should an employer not be admitted to the Fund in a timely manner then employees will not be able to draw their benefits or have access to death in service benefits relating to the LGPS.</p> <p>This could result in intervention from TPR possibly resulting in a financial consequence and reputational damage to the Council.</p>	Compliance	The Council is working with Hymans, WYPF, HB Law and employers to improve the process for arranging for admission agreements and bonds/bond renewals to be put in place and to address the backlog.	3	2	6	2	2	Treat	<p>Review all admitted bodies to ensure an appropriate bond/guarantee is in place and reporting into the Pension Fund Committee.</p> <p>Progress continues to be made on the processing of admission agreements and bonds.</p> <p>Admission Agreements for a small number of “old” employers remain outstanding, along with agreements for new employers</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	Jan-19

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
											joining the Fund. Officers are working with both WYPF and Hymans Robertson to ensure the Agreements are completed and signed.		
<b>PB011</b>	<b>Commercial viability of strategic suppliers</b>	If the commercial viability of a strategic supplier declines this could lead to operational failings resulting in service disruption/reduction, failure to complete statutory duties and financial costs.	Business Continuity	Administration has few suppliers - WYPF, Civica (indirect), Hymans (actuarial).  Contract management framework, with policy and procedures for commercial activity.	4	1	4	4	2	Treat	As WYPF are part of a local authority, they will not go out of business. If they cease providing third party admin services, this will likely be over a reasonable period. This will enable Officers enough time to find an alternative	Ongoing	Mar-19

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				<p>Contract monitoring takes place monthly with quarterly reporting to Financial Performance and Contracts Committee.</p> <p>Contract register kept under review with checks on financial status of strategic suppliers.</p> <p>Contract management arrangements in place, including indicators to identify financial stress.</p>							<p>provider. This can be done by using the National LGPS Framework.</p>		

Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				Business continuity plans in place.									
<b>PB012</b>	<b>Non-compliance with GDPR</b>	Failure to adhere to GDPR may lead to the breach of GDPR regulations (e.g. breach of personal information), which will result in enforcement action from TPR and the ICO, resulting in financial and reputational impact on the Council.	Statutory Duty	<p>Council Officers are required to engage with GDPR eLearning to be trained on GDPR regulations.</p> <p>WYPF staff must complete GDPR awareness training and more in-depth training if they are involved in the processing of personal data.</p>	3	2	6	2	1	Tolerate	<p>WYPF ensure that all employees responsible for handling personal data will receive appropriate training in the use and control of this data.</p> <p>Officers responsible for sensitive personal data will also receive training appropriate to their roles.</p> <p>Officers will report any potential data breaches to the Council's Data Protection Team for review and advice.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	Mar-19

**Last Updated: 15/11/2021**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB013	<b>Negative media exposure and member experience</b>	<p>Negative media attention may lead to ineffective media management impacting on the reputation of the Council and impacting on staff morale.</p> <p>Staffing and Culture Communications team to liaise with S151 Officer as and when a media enquiry arises.</p> <p>Member perception of the Fund may be negatively impacted due to both member experience and</p>	Staffing and Culture	<p>Staffing and Culture Communication team to liaise with S151 Officer as and when a media enquiry arises.</p> <p>Officers to provide regular communication on the Barnet Fund when changes or issues occur</p>	4	1	4	2	1	Tolerate	<p>Press releases to be shared with Local Pension Board members prior to publication (if possible).</p> <p>Member experience to be measured by satisfaction surveys and feedback by WYPF. Last results received for quarter ending 30 June 2021 received by Officers in August 2021.</p> <p>Officers and WYPF to discuss issues at least fortnightly (or more frequently)</p>	<p>Ongoing</p> <p>Every Quarter</p> <p>Ongoing</p>	Mar-19

**Last Updated: 15/11/2021**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
		negative reporting of the fund in the media.									should this be required).		
PB015	<b>Impact of COVID-19 on pensions administration</b>	Administration processes and levels being maintained whilst administrators working from home with no detrimental effect on the payment of members benefits and general service levels.	Business Continuity	WYPF have developed their own Business Continuity plan., This is to be shared with Council Officers. Officers will monitor service levels through regular reports and calls with WYPF.	4	2	8	2	1	Treat	Officers to monitor performance levels, complaints and resourcing levels. Any major dip in levels should be raised with Senior Management at WYPF and Commercial Team at the Council.	Ongoing	Apr-20

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**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB016	Cyber security	<p>The Fund holds large amounts of personal data which can make them a target for fraudsters and criminals. Steps need to be taken to protect members which includes protecting them against the 'cyber risk'.</p> <p>This can be defined as the risk of loss, disruption or damage to the fund or its members as a result of the failure of its information technology systems and</p>	Compliance	WYPF, as part of its Information Governance Toolkit, has adopted a Cyber Security policy which outlines how the Fund protects members' data from incidents of Cyber Crime and risk of hacking together with outlining the Fund's control mechanisms for its pension administration software system.	5	2	10	2	2	Treat	To obtain the latest report from WYPF on their cyber security risk mitigations.	Q4, 2021	Jun-20

Last Updated: 15/11/2021



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
		processes. It includes risks to information (data security) as well as assets, and both internal risks (eg from staff) and external risks (eg hacking).											

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**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB017	<b>Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements</b>	The Fund should evaluate the various forms of fraud in relation to pensions administration and then arrange for the implementation of appropriate controls that are both proportionate and pragmatic.	Compliance	<p>WYPF run an annual pensioner existence to ensure that pensioners still alive and that pensions are being paid to the correct member.</p> <p>Pension transfer documentation sent to members contains the recommended literature from The Pensions Regulator so make members aware of “pension scams” and the administration processes to</p>	4	2	8	2	1	Treat	<p>WYPF to update Officers the results of the pensioner existence exercise and where members have not responded, their pension will be suspended until with the pensioner returns their certificate. Exercise to commence in October 2021.</p> <p>Officers review transfer documentation sent with transfer quotations to members and review the processes to ensure that appropriate</p>	Ongoing  Ongoing	Aug-20


Last Updated: 15/11/2021

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – December 2021**

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
				<p>ensure proper checks on the receiving arrangement before making payment.</p> <p>Regulations were laid before Parliament on 8 November 2021 that intend to protect departing members from pension scams and will require trustees and other pension providers to urgently review their transfer processes and policies.</p>							<p>checks are being taken to prevent transfer value payments being made to “pension scam” arrangements.</p> <p>Officers to ensure that WYPF processes consider these new regulations and have requested details of all transfer payments made every six months.</p>	Q4, 2021	

Last Updated: 15/11/2021

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	<h2>Local Pension Board</h2> <h3>6 December 2021</h3>
<b>Title</b>	<b>Scheme Advisory Board – Good Governance Project</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	N/A
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix 1 – example KPI's
<b>Officer Contact Details</b>	George Bruce, Head of Treasury, <a href="mailto:george.bruce@barnet.gov.uk">george.bruce@barnet.gov.uk</a> - 0208 359 7126
<h2>Summary</h2>	
<p>The Scheme Advisory Board commissioned Hymans Robertson to undertake a review of the governance of LGPS funds. The recommendations require funds to challenge and justify their governance arrangements with some independent oversight. This report highlights the proposals and although not yet endorsed by government suggests a gradual approach to reviewing compliance.</p>	
<h2>Officers Recommendations</h2>	
<ol style="list-style-type: none"> <li>1. That the Local Pension Board note the report and provide feedback on the Scheme Advisory Board recommendations and in particular any that require priority attention.</li> </ol>	

## 1. WHY THIS REPORT IS NEEDED

- 1.1 Acting in its capacity as Administering Authority to the Barnet Pension Fund, it is the responsibility of London Borough of Barnet to ensure that the Pension Fund complies with legislation and effectively manages the Fund's affairs.
- 1.2 The Scheme Advisory Board (SAB) is a statutory body established in 2015 whose role is to (1) provide advice to the Secretary of State on the desirability of making changes to the Scheme and (2) providing advice to administering authorities and local pension boards in relation to the effective and efficient administration and management of the Scheme, both with the aim of encouraging best practice, increasing transparency and coordinating technical and standards issues. Members of the SAB are appointed by Government and comprise equal numbers of employer (mainly councillors) and employee (mainly trade union officials) representatives. The SAB is akin to a national version of the Local Pension Board. Its recommendations unless enacted into regulations or statutory guidance by Government are advisory only.
- 1.3 The good governance project originated from a perceived conflict of interest of elected members acting in the best interest of their local authority rather than scheme members. The SAB initially intended to consult on proposals to separate the pensions function from administering authorities. However, the objective of the review was modified to identify both the issues deriving from the current scheme administrative arrangements and the potential benefits of further increasing the level of separation between host authority and the scheme manager role.
- 1.4 To take forward the project the SAB appointed Hymans Robertson in January 2019 to examine the effectiveness of current LGPS governance models and to consider alternatives or enhancements to existing models which can strengthen LGPS governance going forward. Hymans issued two preliminary and one final (phase three) report following a period of consultation. SAB have made proposals to Government and are currently awaiting a response.

### Project Proposals

- 1.5 A listing of the project proposals from the phase three report is given below. In essence they focus on documentation and knowledge and understanding and are far removed from the earlier separation agenda. However, the authors have included a bonus for the consulting community in the form of a biennial independent governance review and have reopened the discussion on employer and employee representation. In summary the proposals are:
  - a) Named single officer at each fund responsible for the delivery of all LGPS activity. Document and publish a key roles matrix including how key decisions are reached.
  - b) Publish annual governance compliance statement [Barnet already has a governance compliance statement].
  - c) Publish conflicts of interest policy.
  - d) Publish a policy on representation of scheme members and employers & voting at Committee.

- e) Extend knowledge and Understanding requirement that currently only apply to the Local Pension Board to Committee members and officers and publish policy on training plans.
- f) Publish administration strategy [already in place].
- g) Report fund's performance across all areas against an agreed set of indicators. The Hymans report makes suggestions for governance and administration KPIs, which are attached (appendix 1).
- h) Committees and senior LGPS officer to sign off on LGPS resources and budget.
- i) Commission a biennial independent governance review and if required an improvement plan. Review findings to be assessed by SAB panel of experts.
- j) Invite to Local Government Association to consider a "peer review process for LGPS Funds".

1.6 The proposals that are of particular note:

Single Named Officer responsible for delivery of LGPS activity

1.7 The role of the LGPS senior officer is to lead and take responsibility for the delivery of the LGPS function. Guidance mentions the ability to bring issues to the attention of the senior leadership, ability to influence overall Council decisions that impact on the pension fund, capacity to undertake the function, direct supervision of those with key LGPS responsibilities. It's recommended that this individual either reports to the chief executive or is one level lower in the management hierarchy. For Barnet, the senior officer would either be the Director of Resources or Head of Pensions. In reality, the main impact would be an increased ability to challenge the resources allocated to the management of the fund.

Policy on member and employer representation and voting at Committee

1.8 While the SAB expresses an 'expectation' that employer and employee representatives will have involvement on the Pension Fund Committee, they are keen to leave this to local decision making and have limited their proposal to documenting the reasons for the approach taken and a discussion on wider engagement. The current arrangement at Barnet includes the opportunity for non-voting employer and trade union representatives attending Committee while the Local Pension Board comprises a diverse membership. When the Local Pension Board was introduced there was the option of establishing a joint Committee and Board, with voting for all. Few local authorities opted for this approach due to concerns over losing majority voting rights. Having a representative Committee and separate representative Board would appear a complicated structure.

Extend knowledge and understanding requirement to Committee and officers

1.9 The Pensions Regulators code of practice has an extensive listing of the areas of knowledge and skills requires by members of the local pension board. SAB recommend that this requirement be extended to Committee members and officers, which does not appear unreasonable. Implementation would be by increased training and use of self-assessment questionnaires. A policy on training plans need not be lengthy.

1.10 Biennial independent governance review

- 1.11 There is an absence of detail on the independence governance review other than it focuses on the governance compliance statement and that the report is assessment by a SAB panel of experts. No justification is provided for such a review or for the proposed role of the panel of experts. With the SAB having no powers their recommendations may be of interest but not much more. No details are given as to who is suitable to undertake the review. The final element of the 'challenge' process is the suggestion that the LGA consider establishing a peer review process for LGPS funds. How that differs from the SAB's panel of experts is unclear.
- 1.12 The review provides guidance as to the content of the various proposed policy documents and drafting of these may potentially bring out weaknesses in the current governance arrangements with opportunities to enhance.
- 1.13 There will be some interesting points that come out of the compliance process, but the majority of time will be spent documenting current arrangements and implementation of the recommendations is unlikely to lead to better outcomes.

### Next Steps

- 1.14 While we could wait until DLUHC either update regulations or statutory guidance, the Pension Fund Committee has agreed to gradually review each recommendation and bring either a draft policy or proposals to Committee and Local Pension Board over an extended period.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 The Local Pension Board may wish to review the proposals as part of its role in assisting the administering authority on ensuring good governance of the Pension Fund.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not necessary for this report. Options will be highlighted when implementation recommendations are brought for consideration.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Next steps are to review current practice against report recommendation and to discuss opportunities to enhance governance at future meetings.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 Good management of the Pension Fund will minimise the cost of providing benefits thus enabling funds to be directed to Council priorities.

### **5.2 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 There are no direct resources issues for the Council. The proposal will incur some additional officer time and potential the cost of an independent review.



### **5.3 Social Value**

- 5.3.1 The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.
- 5.3.2 Before they start the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.
- 5.3.3 The Act is a tool to help commissioners get more value for money out of procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.
- 5.3.4 There are no specific social value issues arising out of this report, however membership of the Pension Fund ensures the long-term financial health of contributing employees on retirement.

### **5.4 Legal and Constitutional References**

- 5.4.1 The SAB action plan references some proposed outcomes being dependent on the issue of new relevant statutory Guidance and /or updating of existing scheme regulations which are within the remit of the Department of Levelling Up , Housing and Communities.
- 5.4.2 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is LB Barnet. The Public Service Pensions Act 2013 requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice.

### **5.5 Risk Management**

- 5.5.1 Risk management is central to the LGPS; which are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met.
- 5.5.2 Good governance is essential to ensuring that risks are identified and managed.

### **5.6 Equalities and Diversity**

- 5.6.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to the public-sector equality

duty.

## 5.7 **Corporate Parenting**

5.7.1 Not applicable in the context of this report.

## 5.8 **Consultation and Engagement**

5.8.1 Not applicable.

## 5.9 **Insight**

5.9.1 Not applicable

## 6. **ENVIROMENTAL IMPACT**

6.1 None.

## 7. **BACKGROUND PAPERS**

7.1 Further details on the Good Governance Project are available from the Scheme Advisory Board web site:

<https://lgpsboard.org/index.php/projects/good-governance>

in particular the final recommendations (phase three report):

[Good Governance Final Report February 2021.pdf \(lgpsboard.org\)](#)

## Example KPI's

### Governance

1. Percentage make-up (employer/member) on committee and board and number of LPB representation
2. Average attendance level at meetings (percentage) – split between absence and vacancies
3. Hours of relevant training undertaken across panel/board in last year
4. Relevant experience across senior management team
5. Number of times risk register reviewed annually – number of times on agenda at committee/board.
6. Number of times carried out business continuity testing and/or cyber security penetration testing
7. Split of committee/board spent on administration/governance/investment

### Administration

8. Common/conditional data score, in line with TPR expectations
9. Annual Benefit Statement percentage as at 31 August
10. Number and percentage of pension set-ups (new retirements) within disclosure requirement timeframe
11. Does the Fund monitor and report its own standards?
12. Percentage of calls to customer helpline answered and resolved at first point of contact
13. Specify which online services are available to members/employers Measuring services provided by Fund
14. Percentage of members registered for the fund's online services and the percentage that have logged onto the service in the last 12 months split by status
15. Number of employer engagement events and/or briefings held in last 12 month and percentage take-up
16. Percentage of members (or employers if appropriate) satisfied with the service provided by their LGPS fund (this could be obtained via a simple questionnaire of no more than 5 questions).

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## Local Pension Board

6 December 2021

<b>Title</b>	<b>Decisions made by the Pension Fund Committee</b>
<b>Report of</b>	Director of Finance
<b>Wards</b>	n/a
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	George Bruce, Head of Treasury, <a href="mailto:george.bruce@barnet.gov.uk">george.bruce@barnet.gov.uk</a> - 0208 359 7126

### Summary

Part of the role of the Local Pension Board is to ensure the effective governance of the Pension Fund. This role is not clearly defined but is deemed to include considering whether the decision-making processes of the Pension Fund Committee are reasonable or appropriate i.e. soundly based, consider relevant information, are consistent with the objectives and policies of the Fund and are taken after considering appropriate advice. The paper considers recent decisions by the Pension Fund Committee and summarises the rationale, the processes followed and the link with policy documents and regulations.

### Officer Recommendations

That the Local Pension Board notes the procedures applied by the Pension Fund Committee when reaching decisions at recent meetings and considers any issues associated with those procedures and decisions.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Board's role is to assist the administering authority in securing compliance with scheme regulations and other legislation relating to the governance and administration of the scheme and in ensuring the effective and efficient governance and administration of the LGPS for the LBB Pension Fund.
- 1.2 Part of the Board's role is to review the decision-making processes and ensure that these are soundly based, meet regulatory requirements and consider advice received as appropriate. While it is not appropriate for the Board to seek to replace its own judgments for those of the Pension Fund Committee, it is appropriate to review whether decisions have followed an appropriate process. Should the Board wish to make any comments or recommendations, these will be brought to the attention of the Pension Fund Committee.
- 1.3 Since the last Local Pension Board meeting there has been one meetings of the Pension Fund Committee. The paper will highlight decisions made at this meeting.

### **Meeting 28 October 2021**

- 1.4 The meeting was attended by the Investment Advisor (Hymans Robertson) and officers from Governance and Finance.
- 1.5 Each of the agenda items for which a paper was presented is discussed below.

#### Investment Strategy

- 1.6 There were two substantive resolutions and a number relating to future work. The substantive issues were to invest £30 million into the Fiera Real Estate Opportunities Fund V and to sell the holdings in the Alcentra Multi Asset Credit fund. Both were supported by Hyman's recommendations. Unusually, the decision to invest in Fiera was opposed by two members who were concerned with the complex structure of the investment despite Hymans additional assurances at the meeting. The investment was approved by a 3:2 majority and it was agreed that following completion of the legal review that the two dissenting members would be provided with a further update. The decision to sell Alcentra was based on a de-rating of the product by Hymans due to significant changes in senior staff at the fund manager and was unanimously approved.
- 1.7 The other decisions related to (1) a review of the bond / credit mandates for opportunities for further pooling, for which Hymans were asked to review two LCIV funds: Multi Asset Credit and Global Bonds, with the expectation of proposals to the December meeting to switch from existing managers into these two funds, and (2) to progress the Responsible Investment agenda by bringing back an action plan to become a signatory to the UK Stewardship Code and to undertake training in early 2022 on the requirements for reporting in accordance with the Taskforce on Climate Related Disclosures.

#### Administration Report

- 1.8 The Committee noted a report from officers that provided an update on the current administrator performance compared with service standards, member satisfaction levels, work outstanding, complaints received and progress on the data remediation plan. The agenda for the Board includes an update on the issues included in this report.

### Admitted Body Status Report

- 1.9 A report on outstanding admission, cessations and bonds was discussed noting that progress on the backlog continued. An update was provided on one cessation in which further details were required of any outstanding obligations to the Council before a preliminary decision on dealing with the surplus could be made.

### Approval of Contribution Policies

- 1.10 The Committee noted the results of the consultation on the three policies and approved the Exit Credit and Review of Contribution Rates Policies as previously drafted. However, they requested that additional flexibility be included within the Deferred Debt and Debt Spreading policy and a revised version will be tabled at the December meeting.

### Good Governance Project

- 1.11 The Committee discussed the Scheme Advisory Board's report on actions required to enhance governance within the LGPS. This paper is on the Board's agenda. The Committee agreed that each recommendation should be investigated and requested that officers draft policies in accordance with the Scheme Advisory Board recommendations.

### LCIV Update

- 1.12 The Committee noted that Council had agreed to sign an amendment to the London CIV Articles of Association and Shareholders Agreement to change the nature of the capital advanced from redeemable debt to equity to meet the requirements of the Financial Conduct Authority.

### Pension Fund Performance for the quarter to 30 September 2021

- 1.13 The Committee received from officers a report that summarised the valuation of the fund as of 30 September 2021 and the transactions in the quarter. The timing of the meeting did not allow sufficient time for Hymans to report on fund performance although they discussed market developments and any significant fund manager developments.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 The Local Pension Board may wish to review Pension Fund Committee decision making procedures as part of its role in assisting the administering authority on ensuring good governance.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 N/A. The paper does not propose options.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Recommendations from the Board will be communicated to the next Pension Fund Committee meeting.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 Good management of the Pension Fund will minimise the cost of providing benefits thus enabling funds to be directed to Council priorities as set out in the Council's Corporate Plan for 2020-2025.

### **5.2 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 None in the context of this report.

### **5.3 Social Value**

5.3.1 There are no specific social value issues arising out of this report, however membership of the Pension Fund ensures the long-term financial health of contributing employees on retirement.

### **5.4 Legal and Constitutional References**

5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is LB Barnet. The Public Service Pensions Act 2013 requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice.

5.4.2 This paper considers the governance arrangement of the LGPS pension scheme that form part of the remit of the Local Pension Board.

### **5.5 Risk Management**

5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met.

5.5.2 Good governance is essential to ensuring that risks are identified and managed.

### **5.6 Equalities and Diversity**

5.6.1 There are no Equalities and Diversity issues arising from this report.

5.6.2 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to 1) eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; 2) advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and 3) fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability,



gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to parts 2) and 3) (above) of the public-sector equality duty.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public-sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements and monitoring of the Pension Fund's managers will benefit everyone who contributes to the fund.

## 5.7 **Corporate Parenting**

5.7.1 N/A

## 5.8 **Consultation and Engagement**

5.8.1 The paper is part of the process of co-ordinating the activities of the Pension Fund Committee and Local Pension Board.

## 5.9 **Insight**

5.9.1 N/A.

## 6. **ENVIRONMENTAL IMPACT**

6.1 N/A

## 7. **BACKGROUND PAPERS**

7.1 Papers and minutes of the three Pension Fund Committee Meetings discussed can be located at:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=10918&Ver=4>

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**London Borough of Barnet**  
**Local Pensions Board - Work Programme**  
**December 2021 – December 2022**

Title of Report	Overview of decision	Report Of	Issue Type (Non key/Key/Urgent)
<b>6 December 2021</b>			
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Administration Performance Report	To monitor the performance of the pension administration service and priorities for the new administrator.	Finance Director	Non-Key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
Annual Report of the Local Pension Board	To approve the annual report of the Local Pension Board to Full Council	Finance Director	Non-Key
Annual Report of Scheme Auditor	To receive the annual report of the Scheme Auditor relating to the accounts to 31 March 2021.	Finance Director	Non-Key
SAB Governance Review	To review Scheme Advisory Board governance requirements	Finance Director	Non-Key
Communication Policy	To review the draft communications policy.	Finance Director	Non-Key
<b>3 February 2022</b>			
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Contributing Officer(s)</b>
Administration Performance Report	To monitor the performance of the pension administration service	Finance Director	Non-Key
Scheme Risk Register	To review the Scheme Risk Register	Finance Director	Non-Key
TPR update	To review requirements of the TPR Combined Code	Finance Director	Non-Key
Triennial Valuation Planning	To review the timetable for the 2022 triennial actuarial valuation.	Finance Director	Non-Key
<b>23 June 2022</b>			
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Administration Performance Report	To monitor the performance of the pension administration service	Finance Director	Non-Key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
External Audit Plan	To note the work to be undertaken by the external auditor in respect of the Fund's 2021-22 accounts.	Finance Director	Non-Key
Training Policy	To review the Board's Training needs.	Finance Director	Non-Key
Review of Administration Strategy, IDRP and Breaches Policy.	To review the key administration processes in place.	Finance Director	Non-Key
<b>1 September 2022</b>			

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Contributing Officer(s)</b>
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Administration Performance Report (including ABS report & progress on data improvements)	To monitor the performance of the pension administration service including issuance of Annual Benefit Statements.	Finance Director	Non-Key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
Triennial valuation update	To discuss the preliminary triennial valuation results.	Finance Director	Non-Key
<b>6 December 2022</b>			
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Administration Performance Report	To monitor the performance of the pension administration service and priorities for the new administrator.	Finance Director	Non-Key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
Annual Report of the Local Pension Board	To approve the annual report of the Local Pension Board to Full Council	Finance Director	Non-Key

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Contributing Officer(s)</b>
Annual Report of Scheme Auditor	To receive the annual report of the Scheme Auditor relating to the accounts to 31 March 2022.	Finance Director	Non-Key

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