

<p style="text-align: center;"><b><u>MEETING</u></b></p> <p style="text-align: center;"><b>LOCAL PENSION BOARD</b></p>
<p style="text-align: center;"><b><u>DATE AND TIME</u></b></p> <p style="text-align: center;"><b>THURSDAY 3RD FEBRUARY, 2022</b></p> <p style="text-align: center;"><b>AT 6.00 PM</b></p>
<p style="text-align: center;"><b><u>VENUE</u></b></p> <p style="text-align: center;"><b><a href="#">TO VIEW THE MEETING CLICK HERE</a></b></p>

**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 31 January 2022 by 10AM. Requests must be submitted to [Paul.Frost@Barnet.gov.uk](mailto:Paul.Frost@Barnet.gov.uk)

**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

Media Relations Contact: Gareth Greene 020 8359 7039

**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 - 48
8.	Data Improvement Plan and Historical Leavers	49 - 56
9.	LPB Committee Decisions	57 - 62
10.	Pensions Scheme Risk Register	63 - 100
11.	TPR Compliance Update	101 - 108
12.	Local Pension Board Annual Report - Feb 2022	109 - 128
13.	Feedback on the Board's Training Needs	129 - 132
14.	Any other exempt item(s) the Chairman decides are urgent	



This page is intentionally left blank

## **Decisions of the Local Pension Board**

6 December 2021

Members Present:-

**AGENDA ITEM 1**

Geoffrey Alderman (Chairman)

Hem Savla (Vice-Chairman)

Stephen Ross  
David Woodcock  
Deepani De Silva

Councillor Thomas Smith  
Salar Rida

Also in Attendance  
Alice Leach

### **1. MINUTES OF LAST MEETING**

**RESOLVED** that the minutes of the meeting held on 12 October 2021 be agreed as a correct record.

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

None.

### **3. ABSENCE OF MEMBERS**

None.

The Chairman welcomed new Local Pension Board Member Mrs Deepani De Silva to the meeting.

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

None

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

None.

### **6. MEMBERS' ITEMS (IF ANY)**

None.

### **7. ADMINISTRATION PERFORMANCE REPORT**

Mr Mark Fox, Pensions Manager introduced the report. He gave an overview on 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

Mr Fox noted that one Barnet Voluntary Aided School had decided not to offer access to the Barnet Fund to its non-teaching staff. He noted that it was agreed that Academy School employees should have access to the London Government Pension Scheme. The Chairman questioned this and Mr Fox said that Officers had received legal advice and the school was acting in accordance with the scheme regulations.

During the debate Mr Savla requested a report on the quality of data. Mr Fox said that he would report a data quality improvement plan at a future meeting.

Concerns were raised on the leaver data, Mrs Leach said that the data was not improving. MR Fox said that that West Yorkshire had inherited this data and were working on improving the position.

Mr Rida noted that improvements had been made to the web portal however he noted that the take up for the LB Barnet on the portal was 25%. He therefore suggested that more communications be sent on this matter. He further added that other employees should also be encouraged to use the service. Mr Fox said that this would happen before Christmas.

Having considered the report, the Local Pension Board:

**Resolved:**

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

## **8. COMMUNICATION POLICY**

Mr Mark Fox, Pensions Manager introduced the report

Having considered the report, the Local Pension Board:

**Resolved:**

The Local Pension Board noted and provided comments to the Pension Fund Committee on reviewing the updated draft Communications Policy for 2022 and the plans for developing and improving the

## **9. 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.

During the consideration of the item members sought to understand what West Yorkshires business continuity plan was in respect to Covid 19. Mr Fox noted that working from home was an established process at WYPF and he was confident that new Covid variants would not impact service levels. Working arrangements were discussed regularly with West Yorkshire. Mr Rida noted The Pensions Regulator's guidance on fraud and cyber security matters and he therefore asked if the current arrangements are adequate. He requested that in a future meeting this matter be included in the risk report. This was accepted by Mr Fox.

Having considered the report, the Local Pension Board:

**Resolved:**

That the Local Pension Board noted the report.

**10. GOOD GOVERNANCE PROJECT**

The Head of Finance for Pensions, Mr Bruce introduced the report and highlighted the contents and requested Board Members give consideration to the report. He drew Members attention to section 1 of the report

The Chairman said that he thought that he should be an Observer on the Pension Fund Committee as the Chairman of the Local Pension Board. He said that he did not support a merger of the two bodies because of the history of the Board. Mr Ross supported this view. Mr Savla said that both the Board and Committee have separate terms of reference and therefore a combined body would muddy these waters. He added that he was further concerned that Board Members did not have access to exempt documents and suggested this be reviewed.

Mr Bruce said that a Governance review of 5 years would be appropriate unless a major or significant matter occurs.

Having considered the report, the Local Pension Board:

**Resolved:**

That the Local Pension Board notes the report and provide feedback on the Scheme Advisory Board recommendations and in particular any that require priority attention.

**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.

**Resolved:**

That the Local Pension Board note the report.

That the Local Pension Board note the procedures applied by the Pension Fund Committee when reaching decisions at recent meetings.

**12. BOARD WORK PROGRAMME**

**Resolved:**

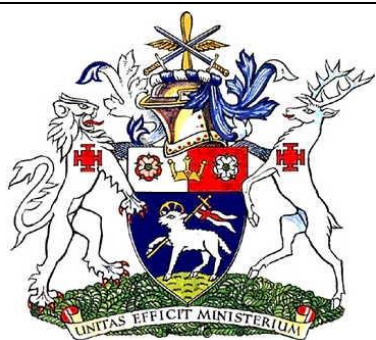
That the Local Pension Board noted the work programme.

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

None.

The meeting finished at 19:20





## Local Pension Board

3 February 2022

<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 December 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 December 2021, along with an update on the completion 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 updates on the 2021 Annual Benefit Statements and Finances.

## **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 December 2021.

### **WYPF Performance**

- 1.3 The August monthly report shows that WYPF processed **2,134** cases in December 2021 with nearly **95%** of cases being completed within the agreed Service Level Agreement (SLA). The number of cases processed in this month has increased to up to over 2,000, despite WYPF being closed over the Christmas break period.
- 1.4 The administration of the Barnet Fund has transferred from a dedicated small team within WYPF to the main administration teams, where all WYPF client's administration work is undertaken. There has not been a drop in the WYPF performance because of this change, The members of the original team looking after the Barnet Fund are still providing assistance and training to the various administration teams, where required.
- 1.5 Officers will continue to monitor the number of cases completed and processed within their SLA to ensure these remain at acceptable levels.
- 1.6 Work levels at WYPF have also increased. This is a common occurrence moving toward the end of a calendar year when more members decide to leave or retire.
- 1.7 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.
- 1.8 For most work types, the SLAs have been met. The processes that failed to meet the SLA in December all relate to Interfund transfers and linking. These relate to transfers both to and from other LGPS funds. They can be complex, and the number of cases has primarily increased due the increase in leaver cases that WYPF have to process. They are finding that these interfund transfers should have been processed by the previous administrator and need to be completed prior to the leaver calculations being completed.
- 1.9 Officers have been advised that the recruitment of additional administration staff referred to in the report has been relatively successful and that within the next 2-3 months, these cases should start to be processed within their SLA again.

- 1.10 The number of complaints and Internal Dispute Resolution Procedure (IDRP) cases received by WYPF remains very low. There is currently one stage 1 IDRP case and three stage 2 cases in progress
- 1.11 WYPF continue to have also been working on the **2,230** backlog cases inherited from the previous administrator, alongside the “business as usual” cases.
- 1.12 Most 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**

- 1.13 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
- 1.14 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>	<b>Nov 21</b>	<b>Dec 21</b>
Percentage of automated calculations	98.82%	100%	100%	100%	98.6%	100%	100%	100%

### **WYPF member portal**

- 1.15 The number of members who have registered for the WYPF “Member Portal” is increasing, albeit still slowly
- 1.16 The figures in the WYPF report equate to **26.2%** of all active members, **16.3%** of all deferred members and **7.4%** of all pensioners
- 1.17 Members can opt out of electronic communication, if they choose to do so and as of 14 January, **239** members have chosen this option.
- 1.18 Officers contacted all employers on 20 December asking them to encourage their members to register and an email was sent to Council employees on 22 December asking them to register.

Officers are considering other options to get members to register over the next few months.

- 1.19 Appendix B sets out the number of registrations for active members per employer as of 10 January 2022.
- 1.20 The facility on the portal that will allow members to run their own retirement estimates. This is likely to be available within the next couple of months, so we want to encourage members to register, in order that they can take advantage of this service.

### **Regulatory Breaches**

- 1.21 **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.
- 1.22 Officers have contacted all four members advising that we have decided not to seek recovery of the overpayments.

### **Prudential**

- 1.23 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.
- 1.24 Officers will shortly commence a review of AVC providers to the Fund.

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

- 1.25 Work on the data improvement plan will now be included in a separate report to the Board.

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

- 1.26 Annual Benefit Statements (ABS) have been produced for the majority of both active and deferred members.
- 1.27 As of 14 January, the figures are **96.5%** and **99.6%** respectively. WYPF continue to work on producing the remaining ABSs. Most of the outstanding active ABSs are where a query has been raised with the employer. Officers are working with WYPF to get these final statements produced (c175 active members and 1 deferred member).
- 1.28 If an “historical leaver” has a deferred benefit, WYPF will also need to produce ABSs for these members.

## **Finance Update**

- 1.29 Between April and December 2021, the fund has received £44.2m of contribution payments into the funds bank account.
- 1.30 The monthly contribution returns received from employers for the same period only total £45.1m, meaning that £0.9m of the contributions received relate to employers have not submitted returns but not paid, or have sent in returns which do not reconcile to the amounts received. This is largely due to the payment due date for December being the 23 January 2022, with most returns received.
- 1.31 Officers continue to chase these employers to obtain missing or incomplete monthly returns.
- 1.32 For the contributions reconciled with the monthly returns, this is split as follows:
- Employer Contributions – £33.7m  
Employee Contributions - £8.9m  
Employee Additional Contributions - £0.05m  
Employer Deficit Contributions - £2.5m

## **Membership of the LGPS for Voluntary Aided Schools**

- 1.33 The Board were updated at the last meeting of a voluntary aided school not offering membership of the Barnet Fund to their non-teaching staff. Legal advice obtained by Officers confirmed that membership of the LGPS for this type of school would be offered “*with the consent of the Governing Body*”.
- 1.34 Officers have found that all the other voluntary aided schools within the London Borough of Barnet are offering membership of the LGPS to eligible staff.
- 1.35 This includes one voluntary aided school, whose non-teaching staff were members of The People’s Pension Fund and have advised Officers that they would now like to offer these employees membership of the Barnet Fund.

## **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

This page is intentionally left blank



# Monthly Report

January 2022

LB Barnet Pension Fund

Prepared by:

**Lisa Darvill**

Client Relationship Manager

Tel: 01274 432540

Mobile: 07582 100320

Email: [lisa.darvill@wypf.org.uk](mailto:lisa.darvill@wypf.org.uk)

West Yorkshire Pension Fund

Aldermanbury House

4 Godwin Street

Bradford

BD1 2ST

[www.wypf.org.uk](http://www.wypf.org.uk)

Follow WYPF on Twitter [www.twitter.com/wypf\\_lgps](https://www.twitter.com/wypf_lgps)

Follow WYPF on Facebook [www.facebook.com/westyorkshirepensionfund](https://www.facebook.com/westyorkshirepensionfund)



# Contents

1 Performance summary .....	3
2 Work in progress.....	5
3 Member web registrations.....	8
4 Administration update.....	8
5 Membership numbers.....	17
6 Management overview.....	17
7 Projects.....	17
8 Regulatory update .....	20
9 Scheme calendar.....	26

# 1. Performance summary

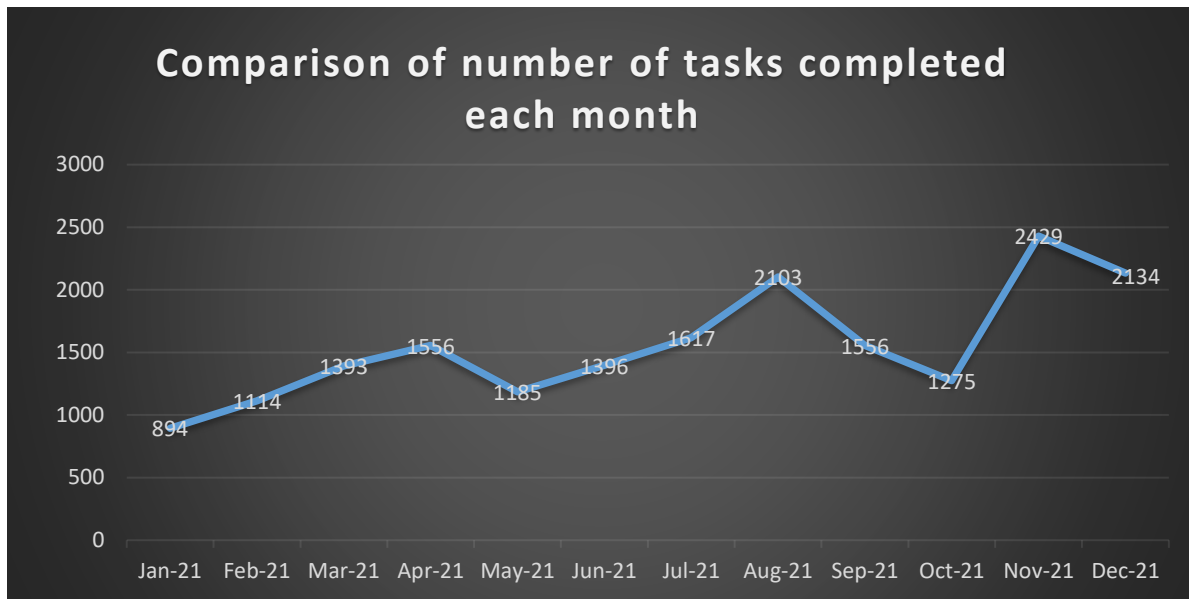
## Work completed

KPI's for the period - 01.12.21 to 31.12.21							
WORKTYPE	TOTAL CASES NOVEMBER	TOTAL CASES DECEMBER	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN (Days)
AVC In-house (General)	6	9	20	9	85	100	2.33
Change of Address	45	32	10	32	85	100	1
Change of Bank Details	18	8	10	8	85	100	1
Death Grant Nomination Form Received	187	110	20	110	85	100	1.89
Death Grant to Set Up	4	8	5	7	85	87.5	7.38
Death In Retirement	28	17	5	16	85	94.12	2.76
Death In Service	1	1	5	1	85	100	3
Death on Deferred	2	2	5	2	85	100	5
Deferred Benefits Into Payment Actual	22	14	5	13	90	92.86	1.29
Deferred Benefits Into Payment Quote	11	38	35	38	85	100	2.45
Deferred Benefits Set Up on Leaving	122	121	20	120	85	99.17	1.17
Divorce Quote	1	2	20	2	85	100	9.5
Enquiry	2	3	5	3	85	100	4.67
Estimates for Deferred Benefits into Payment	3	2	10	2	90	100	5.5
General Payroll Changes	20	17	10	16	85	94.12	1.41
Initial Letter Death in Service	1	1	5	1	85	100	1
Initial letter Death in Retirement	28	17	5	17	85	100	1
Initial letter Death on Deferred	2	2	5	2	85	100	13

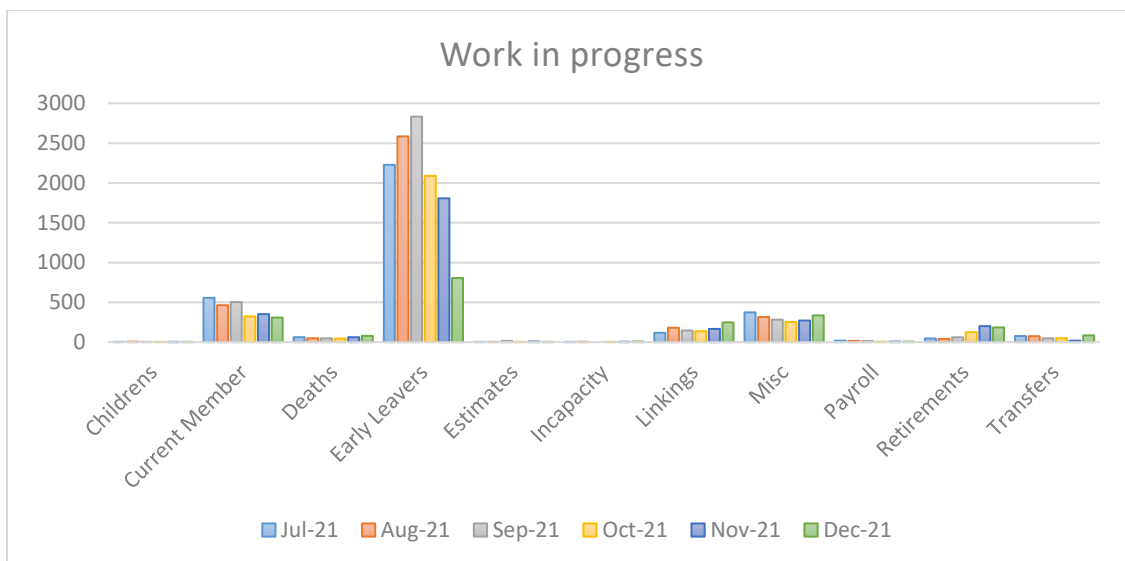
<b>Interfund Linking In Actual</b>	<b>10</b>	<b>28</b>	<b>35</b>	<b>18</b>	<b>85</b>	<b>64.29</b>	<b>35.5</b>
<b>Interfund Linking In Quote</b>	<b>18</b>	<b>14</b>	<b>35</b>	<b>10</b>	<b>85</b>	<b>71.43</b>	<b>26</b>
<b>Interfund Out Actual</b>	<b>18</b>	<b>10</b>	<b>35</b>	<b>5</b>	<b>85</b>	<b>50</b>	<b>48.6</b>
Interfund Out Quote	18	10	35	9	85	90	17.8
Life Certificate Received	3	4	10	4	85	100	1
Monthly Posting	101	82	10	80	95	97.56	1.29
Payment of Spouses _Child Benefits	14	13	5	12	90	92.31	8.23
Pension Estimate	18	17	10	17	90	100	3.12
Phone Call Received	1226	997	3	985	95	98.8	1
Refund Actual	13	8	10	8	95	100	1
Refund Quote	33	26	35	25	85	96.15	7.42
Retirement Actual	15	9	20	9	85	100	2.33
Spouse Potential	2	0					
Transfer In Actual	4	2	35	2	85	100	120
Transfer In Quote	10	3	35	3	85	100	1
Transfer Out Payment	1	1	35	1	85	100	14
Transfer Out Quote	27	10	20	9	85	90	5.9
Update Member Details	395	490	20	490	100	100	1.31
Totals	2429 92.87%	2134				94.81%	

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

**Comment** -The KPI's for the Interfund area of work has not been met due to focus on other areas. A recruitment campaign to recruit additional Senior Pensions Officers is currently underway which will be followed by recruitment of Pensions Officers to address workload issues.

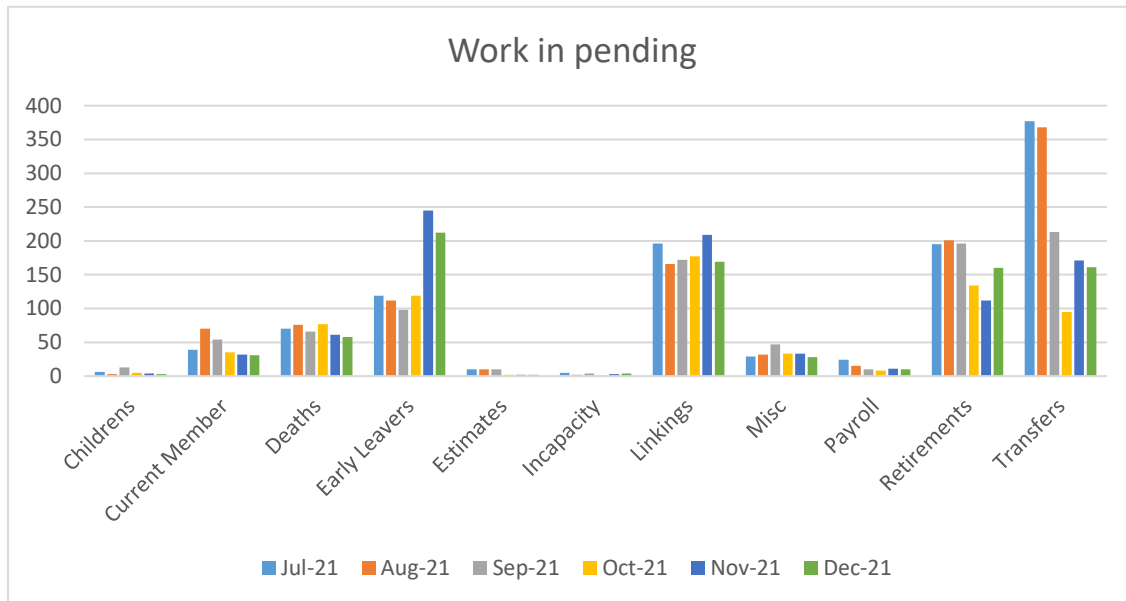


## 2. Work in progress



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Childrens	3	7	2	4	4	3
Current Member	556	464	503	324	352	308
Deaths	62	49	48	45	62	79
Early Leavers	2227	2584	2833	2089	1806	805
Estimates	2	1	15	2	8	3

Incapacity	4	5	0	3	5	8
Linkings	117	181	146	137	166	248
Misc	374	316	282	253	271	336
Payroll	19	16	14	6	7	7
Retirements	46	41	61	125	201	185
Transfers	77	75	48	49	19	85



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Childrens	6	3	13	5	4	3
Current Member	39	70	54	35	32	31
Deaths	70	76	66	77	61	58
Early Leavers	119	112	98	119	245	212
Estimates	10	10	10	2	2	2
Incapacity	5	2	4	1	3	4
Linkings	196	166	172	177	209	169
Misc	29	32	47	33	33	28
Payroll	24	15	10	8	11	10
Retirements	195	201	196	134	112	160
Transfers	377	368	213	95	171	161

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

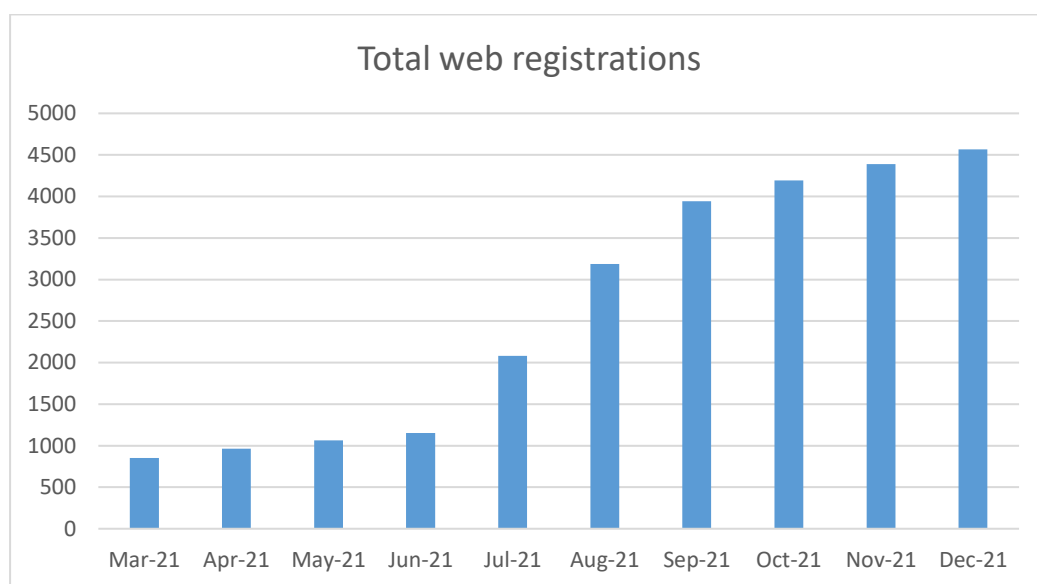
<b>Childrens</b>	Children's education review & children's pension age review
<b>Current Member</b>	Transfer in quote, changes to circumstances (breaks/hours etc.), annual allowance breach, AVC change, monthly postings mover, APC buying extra, divorce quote, query on record, waiting for documents, GMP 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	2389
Pensioner	641
Deferred	1538
<b>Total</b>	<b>4568</b>



### 4. Administration update

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

##### Stage 1

Completed 1

Ongoing 2

Date of appeal	Reason for appeal	Current position /outcome	Last action taken	Decision due	Date decision letter sent
14/09/2021	Incorrect ABS.	Appeal turned down and £500 compensation offered to member.		14/11/2021	14/12/2021.

30/09/2021	Appeal against transfer out being allowed to proceed.	Currently obtaining a calculation of the potential cost of reinstatement.		30/11/2021	
29/11/2021	Appeal against maladministration by Capita dealing with retirement.			29/01/2022.	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	Turned down.	Referred to Mark Fox as appointed person for Stage 2 appeals – 21/09/2021.	14/11/2021	23/11/2021

## b) TPAS/Pensions Ombudsman

None to report

## c) Employers ceasing participation

Completed 0

Ongoing 7

Name	Date ceased	Current position	Last action taken	Date completed
Ashlyns	31/07/2020	Data submitted to Hymans for opening position. Leaver notifications outstanding. Query resolved re one leaver	Referred to Service Centre for outstanding leaver to be processed on assumed values – 28/10/2021.	

		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.	Service Centre are working on linking options for this member.	
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. Member is now on pensioner status so we can proceed with data submission – 04/01/2022.	
Hestia	31/03/2021	Last member left. Leaver notification received for final member. Further query raised with	Process referred to early leavers team to process an early leaver calculation for the remaining	

		employer with regards to earlier year's pay.	active member on this employer. Once completed we can proceed with the cessation valuation – 28/10/2021. Member has not returned claim forms so will request Service Centre to put member to deferred status.	
Caterlink (Totteridge)	23/03/2020	Contributions not received from employer.	Member data has now been received from Caterlink. Still dealing with opening position at this point.	
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. We have also requested 3 outstanding leaver notifications – 23/11/2021.	

#### d) New Admission Bodies

Completed 0  
Ongoing 10

New enquiries this month – 0

Name	Start date	Current position	Date completed

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. Data queries from Hymans resolved – 14/11/2021.	
Innovate (Blessed Dominic)	01/09/2019	Records to be updated from monthly	Data submitted to Hymans – 01/11/2021.	

		<p>contribution return to be able to provide data submission to Hymans. Info provided to WYPF on contract – 19/03/2021. Phoned contact at Innovate and sent a spreadsheet to complete – 19/07/2021. Member data provided by Innovate – 20/07/2021.</p>		
Olive Dining (St Joseph's Primary)	01/08/2019	<p>Gathering data to enable new employer assessment to be requested. Agreed approach to completing the data. Querying contract length with the 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</p>	Up to date member data submitted for Bond assessment – 25/10/2021.	

		– 03/08/2021. Queries responded to on 13/10/2021.		
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.	
Caterlink (Totteridge Academy)	01/08/2017	Awaiting response from Caterlink with membership data. Data requested from Chris Thomas – 04/08/2021.	Member data provided by Caterlink – 23/11/2021.	
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	01/04/2021	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	Employer records have been updated to active status – 23/11/2021.	

		basis of data provided. Data submitted to Hymans – 02/08/2021.		
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.	
Hire-A-Pitch (Whitefield School)	01/10/2021	Member details confirmed – 02/12/2021. Data to be submitted to Hymans.		

#### 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
Data cleansing for Valuation		Extracts have been run for all statuses as at 31 March 2021 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.		

## g) Compensation cases – October to December 2021

IDRP decision letter sent	Reason for compensation	Compensation paid
08/10/2021	Delays in dealing with retirement benefits due to problems with obtaining the AVC Fund.	£500 compensation offered to member on 08/10/2021. No response received.
14/12/2021	Incorrect pension values on previous ABS in relation to transfers in.	£500 compensation offered to member 14/12/2021. Awaiting response.

#### h) Member issues

- Member e-mailed to query/complain about the service records we have for her as she felt we had gaps in her service which she was worried about. A member of staff reviewed all the documents we had received from the previous administrator and they confirmed that the member had opted out several times which explained the breaks in service. A letter was sent to the member confirming her periods of membership and that each time she opted out this was not pensionable.

## 5. Membership numbers

Membership status	ACTIVES	DEFS	PENS	BENS	PRESERVED REFUND	LVRS OPTIONS PENDING
Numbers	9111	9411	7622	985	1021	1751
Change from last month (+ / -)	+294	-104	+15	+12	+65	-234

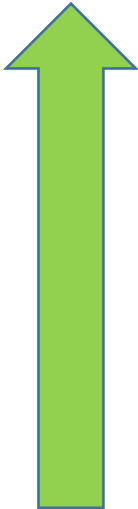
## 6. Management overview


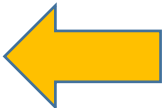

#### a) Staffing update

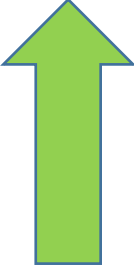
WYPF has been successful in recruiting to a number of key posts. There is an ongoing recruitment campaign for Senior Pensions Officers and Pensions Officers. This includes new posts to deal with additional workloads and future challenges from regulatory changes such as McCloud.

## 7. Projects

Project	Description	Current position	Last action taken	Movement	Expected completion date
McCloud	To remove unlawful age discrimination identified in the McCloud	Pre populated spreadsheets have been sent out to employers for	A meeting of the Project Team took place on 10/11/2021.		

	<p>ruling. It will provide eligible younger members with a protection equal to the protection provided to older members when the scheme was changed in 2014.</p>	<p>those members in scope. 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. The Project Team are meeting on a regular basis to discuss the next steps.</p>	<p>The testing of the uploading of the data capture spreadsheets has been passed to IT and they will have an update at the next meeting. The Project Team met on 01/12/2021 and the testing of the data upload facility had been completed. Now need to plan on uploading the spreadsheets we have already received from employers and chase the employers who have not returned their spreadsheets or confirmed they are happy with the information we hold for their members. A meeting of the Project Group is to take place in Mid-January 2022.</p>		<p>Regulations to be introduced from April 2023 as per the current proposal.</p>
<p><b>Phase 3 (Monthly postings)</b></p>	<p>Move all the functionality onto to the</p>	<p>This was completed by IT by the end of</p>			

	front end website to enable Employers to process the data.	2021 and passed to the Finance Team. A few amendments have been requested and once these have been done and agreed it can be rolled out to employers.			End of 2021 – IT completed the project. To be rolled out to employers February 2022.
<b>Pensions Dashboard</b>	Will enable individuals to access their pension information online, securely and all in one place.	A meeting was arranged by Civica to discuss the data requirements and the proposed solution. 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 Pensions Dashboard.			2022/2023
<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.	A meeting took place on 02/12/2021 and included staff from IT & UPM and Hitesh from Hounslow. It was agreed that the reporting for KPIs and other reporting needs to be reviewed. This will be done by IT and a further meeting will be arranged for the 2nd/3rd	A meeting has been arranged on 19/01/2022 to discuss how the work on the KPIs is progressing.		February 2022

		week in January 2022.			
<b>Data Improvement Plan</b>	Data falls into 2 categories – Common & Scheme Specific (also known as Conditional)	A meeting was arranged with IT to see if IT solutions can be found to address the big ticket items and improve the data scores. IT have identified some areas where they may be able to improve the scores and are currently looking into these.			As per Data Improvement Plan.

## 8. Regulatory update

### Section 13 report

On 16 December 2021, DLUHC published GAD's report on the 2019 fund valuations. The report is required by section 13 of the Public Service Pensions Act 2013.

The Government Actuary's Department (GAD) found the scheme's financial position had strengthened since its previous review in 2016, on the back of buoyant investment returns between 2016 and 2019. Also, LGPS funds have made progress against the 2016 review recommendations.

The main findings are:

- Compliance - fund valuations were compliant with relevant regulations.
- Consistency - funds implemented GAD's 2016 recommendation to provide a standard dashboard to aid readers when comparing of results for different funds. However, differences in methodology and assumptions do mean that a like for like comparison is not straightforward.
- Solvency - the size of pension funds has grown considerably more than local authority budgets since 2016, so there's an increased risk of strain on employers from any future funding changes.
- Long-term cost efficiency - where relevant, funds had generally acted on GAD's 2016 recommendations on operating plans to close any deficit funding gaps. GAD highlighted four funds they are concerned about the level

or trajectory of employer contributions and the implications for taxpayers.

## **Next steps**

GAD's recommendations for funds or the Scheme Advisory Board to consider during the local valuations in 2022 include:

- improve consistency in the approach to assessing emerging and existing key issues, such as recent legal judgements and setting employer contributions for new academies
- ensuring deficit recovery plans can be demonstrated to be a continuation of the previous plan
- continue with ongoing improvements on transparency through an expanded valuation dashboard
- review the governance around asset transfer arrangements from local authorities.

## **DWP launch second review of State Pension age**

The review was launched on 14 December 2021. It will consider if the State Pension age (SPa) rules are still appropriate based on the latest life expectancy data and other evidence.

The Pensions Act 2014 requires Government to regularly review SPa and for the latest review to be published by 7 May 2023.

Two independent reports will be commissioned as part of the review:

- the Government Actuary will provide a report assessing the appropriateness of SPa considering the latest life expectancy projections
- Baroness Neville-Rolfe will provide a report on other relevant factors including recent trends in life expectancy and other metrics.

Evidence from across the UK will be considered in the review.

## **LGPC minutes**

On 20 December 2021, we published the draft minutes of the Local Government Pensions Committee (LGPC) meeting held on 13 December 2021. These are found on the LGPC minutes pages of [www.lgpsregs.org](http://www.lgpsregs.org).

Topics discussed included:

- pensions tax relief
- government response to the pensions scam consultation
- letter from Michael Lynk, United Nations Special Rapporteur on the

- Palestinian Territories to administering authorities
- annual report survey
- Scheme Advisory Board membership representing academies
- cost management committee report concerning the McCloud remedy
- updates from LGPS Scotland, LGPS Northern Ireland and National LGPS Technical Group.

The minutes will be agreed at the next meeting on 7 March 2022.

### **National LGPS Technical Group minutes**

On 17 December 2021, we published the minutes of the National LGPS Technical Group meeting held on 7 December 2021. These are found on the Technical group pages of [www.lgpsregs.org](http://www.lgpsregs.org). Topics discussed included:

- McCloud preparations
- Pensions Dashboards
- the Conditions for Transfers Regulations 2021 and the impact on administering authorities processes and communications
- producing a standard process and communications for administering authorities to use when they receive a data subject access request
- the agreement to produce an historical timeline of pension scam information to help administering authorities deal with transfer out complaints
- the decision not to recommend changing the LGPS regulations to include emoluments for electric vehicles as pensionable
- an update about the poor level of service from Prudential.

The next meeting will be held on 11 March 2022.

### **Pension scams: new restrictions on transfers**

On 17 December 2021, Jayne Wiberg emailed administering authorities to let them know we published version 2.0 of the non-club transfers out technical guide, alongside template letters. These can be accessed on the Administrator guides and documents pages of [www.lgpsregs.org](http://www.lgpsregs.org).

The guide is updated to reflect the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021('the regulations'). See Bulletin 216 for more information.

The regulations do not replace existing due diligence processes, which we recommend should be in line with the Pension Scams Industry Group's 'Combating Pension Scams: Code of Best Practice'. The regulations build on this.

The regulations apply to the payment of cash equivalent transfers for:

- deferred members who request a statement of entitlement on or after 30 November 2021 (main scheme benefits only)
- AVC members who elect for payment of a transfer on or after 30 November

2021

- pension credit members who elect for payment of a transfer on or after 30 November 2021 (main scheme and / or AVCs).

The regulations do not apply to the payment of cash transfer sums ie deferred refunds, nor to pensions on divorce transfers.

Although, the guide does not cover qualifying recognised overseas pension schemes (QROPS) or AVC transfers, the new regulations apply in a similar way to these as they apply to other transfers. The main differences are:

- for transfers to QROPS, members need to demonstrate a residency link to the country in which the QROPS is based, or, where the QROPS is an occupational pension scheme, either the residency link or employment link
- for AVC transfers, you must let the member know about the new regulations within one month of receiving the election to transfer.

We will be setting out more details about how the new regulations apply to QROPS and AVC transfers in due course.

To support administering authorities in applying the new regulations, we have revised our existing acknowledgement letter and created three new template letters, that you can also use for transfers to QROPS and transfers of AVCs.

#### **Information to be provided to member upon initial enquiry (version 2.0)**

The new regulations require administering authorities to notify deferred members applying for statements of entitlement on or after 30 November 2021, that the transfer can only proceed if there are no red flags present or the transfer is to a public service scheme, master trust or collective money purchase scheme. Administering authorities must notify the member within one month of the application. We have updated this letter to include this information.

#### **Information to be provided on payment request of AVCs or pension credits (version 1.0)**

The new regulations require administering authorities to notify members who elect to transfer their pension credit benefits or AVCs on or after 30 November 2021, that the transfer can only proceed if there are no red flags present or the transfer is to a public service scheme, master trust or collective money purchase scheme. Administering authorities must notify the member within one month of the election. This letter sets out this information.

#### **Information to be provided on transfer payment (version 1.0)**

Once administering authorities have decided about whether the transfer can proceed taking into account the new regulations, they must notify the member. If administering authorities decide that the transfer can proceed, they must notify the member by no later than the date they write to the member confirming that they have paid the transfer. This letter provides this confirmation.



### **Refusal to transfer (version 1.0)**

If administering authorities decide that there are red flags present so they must stop the transfer and notify the member within seven working days of their decision. This letter sets out what you need to tell the member if you decide to stop the transfer.

### **Action for administering authorities**

**WYPF will review the guide and correspondence to ensure that our transfer out process is in line with the new regulations.**

### **Pensions dashboards – A to Z industry guide**

On 16 December 2021, the Pensions and Lifetime Savings Association published an A to Z industry guide containing decisions that are required to make the initial pensions dashboards a success. The guide looks at seven key areas covering:

- testing and managing savers' understanding
- integrated service provider technical connections with the digital architecture and dashboards
- GDPR compliance
- clarity on the liability regime
- the definition of view data to be returned
- clarity on the timeline
- regulation of data provision.

The guide is intended to help the people engaged with preparing for pensions dashboards, better understand the key issues to be assessed and resolved.

### **Action for administering authorities**

**WYPF will review the guide and start preparing for pension dashboards.**

### **Pensions dashboards – commercial dashboard providers**

On 15 December 2021, the Pensions Dashboard Programme (PDP) announced that it has selected three potential dashboard providers to take part in initial development of the dashboards ecosystem: Aviva, Bud and Moneyhub.

In addition to the Money and Pensions Service's non-commercial dashboard, PDP will work with these companies to support the early work on design standards and technology.

### **Pensions dashboards - -blog recaps developments in 2021**

On 16 December 2021, Chris Curry, Principal of the Pensions Dashboard Programme (PDP), published a blog recapping the developments in 2021. In the blog, Chris urges all pension providers to work on their data, so that it is clean, up to date, online and accessible.

## **Pensions dashboards – data matching guidance**

On 7 December 2021, the Pensions Administration Standards Association (PASA) published initial guidance on the choice of data matching convention, schemes must make ahead of their compliance with the upcoming pensions dashboards legislation.

The guidance details how every pension scheme must choose how they wish to compare 'find requests' from dashboard users against the member records they hold. Choice of matching will depend on the accuracy of the personal data held by administering authorities, across all of their deferred and active member records.

The initial guidance does not completely resolve the matching challenges. Questions about liability and maybe matches remain outstanding. Though this is an important step in helping administering authorities prepare for dashboards.

### **Action for administering authorities**

**WYPF will review the accuracy of the personal data values held for all active and deferred members, in due course.**

## 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

This page is intentionally left blank

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

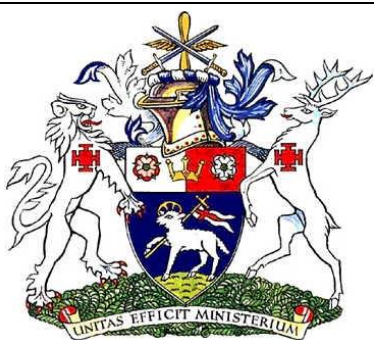
Employer	Total Active Members	Registrations	Percentage of members registered
Alma Primary School	11	4	36.36%
Archer Academy	51	13	25.49%
Ark Pioneer Academy	20	6	30%
Ashmole Academy	145	26	17.93%
Barnet And Southgate College	308	72	23.38%
Barnet Education and Learning Service Ltd (BELS)	58	34	58.62%
Barnet Education Arts Trust (Beat)	2	1	50%
Barnet Homes	201	78	38.81%
Barnet Homes (Brooksons)	31	10	32.26%
Barnfield Primary School	37	13	35.14%
Bishop Douglass R.C. School	34	11	32.35%
Broadfields Academy	121	15	12.4%
Brookland Infant and Nursery School	30	5	16.67%
Brookland Junior School	26	7	26.92%
Capita CSG	100	46	46%
Capita RE	100	45	45%
Caterlink (The Compton School)	5	4	80%
Childs Hill Primary Academy	48	7	14.58%
Christ Church C E Primary School	26	7	26.92%
Christs College	34	12	35.29%
Churchill Catering (Queenswell School)	1	1	100%
Claremont Primary	39	10	25.64%
Colindale Primary School	54	9	16.67%
Copthall Academy	62	14	22.58%
Danegrove School	112	14	12.5%
Deansbrook Jun School	50	5	10%
Dollis Primary School	51	8	15.69%
ETZ Chaim Jewish Primary	11	2	18.18%
East Barnet School	138	26	18.84%
Edgware Primary School	60	13	21.67%
Finchley Catholic High School	66	22	33.33%
Friern Barnet School	45	28	62.22%

Grasvenor Avenue Infant School	21	3	14.29%
Greenwich Leisure Limited	9	4	44.44%
Hasmonean Schools MAT	64	16	25%
Hendon School	105	18	17.14%
Henrietta Barnet School	26	8	30.77%
Hyde School	39	3	7.69%
ISS	105	13	12.38%
Independent Jewish Day School	7	1	14.29%
JCoSS	99	28	28.28%
Kisharon Academy	45	6	13.33%
London Academy	72	8	11.11%
London Borough of Barnet	1982	526	26.54%
London Borough of Barnet (Schools)	1740	335	19.25%
Mapledown School	82	9	10.98%
Martin Primary School	79	13	16.46%
Mathilda Marks Kennedy Trust	24	11	45.83%
Menorah Foundation School	19	9	47.37%
Menorah High School for Girls	13	3	23.08%
Middlesex University	914	239	26.15%
Mill Hill County High	69	24	34.78%
Monkfrith Primary School	42	11	26.19%
NSL Ltd	13	6	46.15%
OCS Group Uk Ltd Barnet	2	1	50%
Oak Hill Academy	14	4	28.57%
Oak Lodge School	68	17	25%
Oakleigh School and Acorn Assessment Centre	83	21	25.3%
Osidge G.M. Primary School	45	4	8.89%
Parkfield School	37	16	43.24%
Pavilion Study Centre	15	2	13.33%
Queen Elizabeth Girls School	32	17	53.13%
Queen Elizabeth's Boys	35	15	42.86%
Queenswell Federation	52	25	48.08%
Rimon Jewish Primary School	13	1	7.69%
Rosh Pinah Primary School	26	9	34.62%
Sacks Morasha Jewish Primary School	6	2	33.33%
Saracens Academy	74	7	9.46%

St Andrew The Apostle School	33	4	12.12%
St Andrew's C of E Voluntary Aided Primary School	23	5	21.74%
St James' Catholic High School	55	7	12.73%
St Johns N20 School	25	7	28%
St Mary & St John Primary School	100	21	21%
St Michael's Catholic Grammar School	48	13	27.08%
St Pauls C of E Primary School	14	6	42.86%
Summerside Primary Academy	39	3	7.69%
Sunnyfields Primary School	38	7	18.42%
The Compton School (Middlesex Learning Trust)	78	27	34.62%
The Totteridge Academy	33	12	36.36%
Underhill Infant School	73	22	30.14%
Wessex Gardens Primary School	29	5	17.24%
Whitefield Trust School	34	4	11.76%
Woodcroft School	46	4	8.7%
Woodhouse College	68	17	25%
Wren Academy	98	24	24.49%
Your Choice Barnet	105	23	21.9%

This page is intentionally left blank





## Local Pension Board

3 February 2022

<b>Title</b>	<b>Data Improvement Plan and Historical Leavers</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>	Mark Fox, Pensions Manager – 0208 359 3341
<b>Summary</b>	
This paper provides the Local Pension Board with an update on the data improvement plan and historical leaver exercise, together with details of the data preparations for the 2022 triennial valuation.	

## Officers Recommendations

The Local Pension Board are requested to note the progress on the correcting of the member data and the historical leaver exercise.

## 1. WHY THIS REPORT IS NEEDED

- 1.1 The presence and quality of data is a vital component to ensuring that benefits calculated and paid to pension scheme members are correct.
- 1.2 The administrators, West Yorkshire Pension Fund (WYPF), inherited data from the previous administrators that requires correcting and updating to ensure it is up to the standard required to accurately calculate benefits and conform with the data quality requirements of The Pensions Regulator (TPR).
- 1.3 WYPF have produced a data improvement plan (“the plan”) to get the data up to the required levels. In addition, Officers and WYPF are working together to ensure that these historical leavers are processed.
- 1.4 In addition, WYPF inherited a large number of historical leavers that had not been processed by the previous administrator.
- 1.5 It is important that both the data improvement plan and progress on the historical leavers is reviewed regularly by the Board.

### Data Improvement Plan

- 1.6 Officers continue to monitor and work with WYPF on the Data Improvement Plan to correct the issues inherited from the previous administrator. WYPF provide monthly data quality update reports to Officers, which gives the number of data items within the data improvement plan that still require updating.
- 1.7 Initially, there were **c28,500** data items that needed to be reviewed and updated. At the end of December, this had reduced to **c13,000**. As WYPF review the data, they sometimes find additional data items that need updating that were not originally identified.
- 1.8 This is particularly true for active member data, where missing earnings data has more than doubled recently up to **c1,050** data items. The reason for this is as the administration team process more historical leavers, they are finding that the earnings data is not complete and are therefore having to obtain this information from employers. As more of these leavers are processed, it is possible that more incomplete earnings data is identified, meaning the data numbers may increase in the short term.
- 1.9 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.
- 1.10 WYPF have identified four data areas where their IT Team are looking to update records in bulk, which should see a sizeable reduction in the data items that need correcting.

These include:

- **c5,500** items of pensioner data relating to “benefit crystallisation” events, which may be sent to pensioners annually or if they retire any from another pension arrangement.
  - There are also **c920** Guaranteed Minimum Pension (GMP) data items, which are important to ensure that both the correct benefits are paid, and pension increases applied.
- 1.11 There are also **c700** missing addresses (mainly for deferred members). WYPF will undertake a tracing exercise possibly in late 2022 for these members.
- 1.12 In addition, WYPF will soon be testing “character recognition” software, which could help them to obtain the missing data from the scanned images on members records. At present, the only way to look for this information is for the administration team to look through the scanned records, which can take up to a couple of hours for each member, depending on the number of scanned records on file.
- 1.13 This software will be tested in early March, and an update will be provided to the Board on the results at the next meeting.
- 1.14 Officers and WYPF have agreed that there are some items of data where it could be classed as “nice to have” rather than vital. This is particularly relevant for missing pensioner data where benefits are already in payment.
- 1.15 Therefore, WYPF will not look to update this data as part of the data improvement plan project, unless there is member activity where this is required.
- 1.16 WYPF also provide update on both the common and conditional data scores. These data scores are a method for measuring quantity of data and are reported to TPR in the Scheme Return.
- 1.17 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%
December 2021	96.30%	77.62%
January 2022	96.65%	78.91%

- 1.18 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.

### Historical Leavers

- 1.19 WYPF also inherited **c1,500** "historic leavers" from the previous administrator. Following the work undertaken by WYPF in the Annual Benefit Statement (ABS) process, this number has increased to **c1,950**. As of 13 January, this number had reduced to **c1,400**, of which **1,325** are leavers who left before 1 November 2020 when WYPF took over the administration of the Fund.
- 1.20 Officers are assisting WYPF by providing the information for the historical leavers to WYPF, where possible, on the employers' behalf. Employers have not been able to provide details previously, mainly due to changes in payroll provider.
- 1.20 Officers have also contacted employers who have not sent leaver notifications to WYPF for more recent leavers since April 2021. We have reiterated the importance of sending this information to WYPF within the time limits set out in the Pension Fund Administration Strategy and that if this information is consistently not provided to WYPF within these time limits, we have the option to fine employers and report to TPR.
- 1.21 In addition, Officers, in conjunction with WYPF, are running training sessions, in early February, for employers and their payroll providers on providing leaver data to WYPF. Employers will be reminded again of their responsibilities and the option available to Officers to issue fines. Officers have requested that all employers attend one of these sessions.
- 1.22 A lot of the historic leavers 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. For leavers who are entitled to a deferred pension, it is likely that an ABS will also need to be sent to them.
- 1.23 At present, Officers will not be reporting the non-issuing of ABS's to TPR whilst the historical leavers are being processed. As more members are found to be entitled to a deferred pension (and subsequently an ABS), we will reconsider submitting a report to TPR and will provide a copy to the Board, if submitted.

## **Preparation for the 2022 triennial valuation**

- 1.24 To prepare for the triennial actuarial valuation in 2022, Officers asked WYPF to submit a test run of data to the Fund Actuary, to determine the quality of member data that is required.
- 1.25 This exercise was completed in November and following a report from the actuary which identified the data issues, this was discussed at a meeting with both WYPF and Hymans Robertson. Officers agreed the actions required by WYPF to get this data corrected and updated.
- 1.26 The main issues identified are:
- WYPF do not store details of the members contribution rate on their system (although contributions paid are held). The Actuary requires this information for valuation purposes, but it has been agreed that WYPF will not need to provide these details, which affects all active members, as the actuary is able to use an alternative method for obtaining this information. The main other issue affecting active member data, is missing earnings data, as detailed in paragraph 1.8 above.
  - There are **c800** deferred member data issues with the main item being missing deferred pension data for **675** members.
  - For pensioners, the main issues relate to pensioner increase history.
- 1.27 WYPF are currently working on updating the errors identified and will resubmit the test data on the Hymans Robertson portal in mid-January, so progress can be monitored.
- 1.28 The intention is to repeat this process at least twice more before the final cut of data is submitted to Hymans Robertson in the summer.

## **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 and data 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 ini 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

This page is intentionally left blank



	<p style="text-align: right;">AGENDA ITEM 9</p> <p style="text-align: center;"><b>Local Pension Board</b> <b>3 February 2022</b></p>
<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 Pensions, <a href="mailto:george.bruce@barnet.gov.uk">george.bruce@barnet.gov.uk</a> - 0208 359 7126
<b>Summary</b>	
<p>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.</p>	
<b>Officer Recommendations</b>	
<p>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.</p>	

## **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 14 December 2021**

- 1.4 The meeting was attended by the Scheme Auditor, Actuary, Investment Advisor, London CIV and officers from Governance and Finance.
- 1.5 Each of the agenda items for which a paper was presented is discussed below.

#### Annual Report and Accounts and Auditors Report

- 1.6 The external Auditor, BDO, provided an update on the progress of their audit, which was as yet incomplete. In particular audit work was incomplete in respect of benefit testing and membership movements, mainly relating to the period when Capita was the administrator. The Auditor is intending to complete testing during January and issue a final report in February. Potential adjustments identified so far relate to the late receipt of information from fund managers which officers have deemed non material and not requiring any corrections to the annual accounts. It is unlikely that the final audit report will be available in time for the 3 February Board meeting. The Committee deferred consideration of the annual accounts pending receipt of the audit report.

#### London CIV Presentation

- 1.7 Representatives from the London CIV provided an update on their commitment to become a Net-Zero company by 2040 in line with the Paris Agreement objectives to limit global temperature rise below 1.5°C with an interim target to reduce the carbon intensity of the Pool's investments by 35% by 2025 (relative to 2020), and 60% by 2030 across funds in aggregate. LCIV outlined how they were working with the managers within each of their investment funds to integrate ESG into investment decisions. Finally, they discussed a pilot exercise underway to provide climate analytics (carbon emissions) to each client pension fund to support our reporting obligations under the Taskforce for Climate Related Finance Disclosures.

## 1.8 Planning for the Triennial Actuarial Valuation

- 1.9 The Scheme Actuary provided an overview of the aims of the 2022 triennial valuation reminding the Committee that the funding horizon was mainly long-term. Although recent investment returns had exceeded expectations, future projections played an important role in the determination of contribution rates. To retain a similar expectation of achievement as 2019 would involve trimming expected investment returns from 4.4% to 4.2%. Important decisions for the Committee included the future inflation rate, currently exceeding BoE target levels, and the impact of covid on long term longevity. Current expectations were that in aggregate there would be an increase in the cost of future service but a reduction in secondary / deficit contributions. The overall impact on each employer will vary. Finally, the Actuary discussed the work underway to identify data gaps and inconsistencies that could impact on the completion timetable.

## Administration Report

- 1.10 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.

## Approval of Contribution Policies

- 1.11 Following feedback from employers, a revised Deferred Debt and Debt Spreading policy was approved by the Committee that enables employers with no active members to request continued participation rather than immediate cessation even if the cessation debt is affordable. Ceasing employers who can provide adequate security will have the option of crystallising a cessation deficit or remaining active with their funding position subject to market conditions.

## Admitted Body Status Report

- 1.12 A report on outstanding admission, cessations and bonds was discussed noting that progress on the backlog continued. The Committee approved two new admitted bodies; Hire-a-Pitch Events (Whitefield Trust School) and Alliance in Partnership (Osidge School). 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.

## 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 and 31 October together with the transactions in the quarter. The Committee heard a verbal update from the Council's investment consultants, Hyman Roberts. A report was requested on the costs associated with the redemption from Alcentra Multi-Asset Fund.

## Investment Strategy

- 1.14 Two papers from Hymans Robertson were discussed by the Committee. Both were related to the October decision to review the opportunity to invest into the credit / bond mandates offered by the London CIV. Hymans first report confirmed the suitability of the LCIV's Global Bonds and Multi-Asset Credit funds. It was therefore agreed to transfer half the allocation to corporate bonds to LCIV Global Bonds and to transfer the previous allocation to Alcentra MAC to LCIV Multi-Asset Credit. Both LCIV funds were undergoing a transformation; Global Bonds to incorporate a ESG filter and Multi-Asset Credit to introduce a second fund manager. It was agreed that investing in these two funds should be delayed until the transformations were complete, which is expected by end 2<sup>nd</sup> quarter of 2022.
- 1.15 The second report, as discussed at the October meeting, was to consolidate the holdings in asset backed securities with one manager, Insight, and sell the holdings in M&G, the latter having a lower return objective.

## **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 plays an essential and key role in providing assurance that the Pension Fund's financial risks are managed in an environment of sound stewardship and control. This is in line with the aims set out in the Council's Corporate Plan, to ensure that services are delivered efficiently to get value for money for the taxpayer.

### **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**

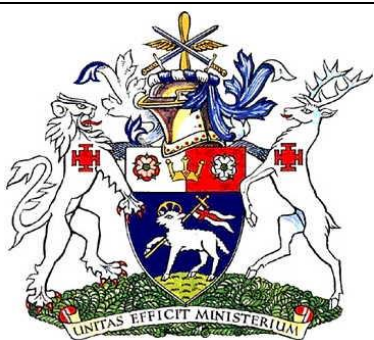
6.1 N/A

**7. BACKGROUND PAPERS**

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

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=10919&Ver=4>

---



## Local Pension Board

### 3 February 2022

<b>Title</b>	<b>Pensions Scheme 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: February 2022 Appendix B – Non-Administration Risk Register: February 2022
<b>Officer Contact Details</b>	Mark Fox, Pensions Manager – 0208 359 3341
<b>Summary</b>	
The Pensions Administration Risk Register is a standing agenda item for the Local Pension Board. The non-administration risks are reviewed annually by the Board.	

## Recommendations

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

## 1. WHY THIS REPORT IS NEEDED

- 1.1 It is important that the Council maintain the Pensions Risk Register to help protect members of the LGPS. The purpose of risk management is to identify potential problems before they occur, so that risk handling activities may be planned and invoked as needed to mitigate adverse impacts on achieving objectives
- 1.2 The most recent Pensions Administration Risk Register can be found in Appendix A, with non-Administration risks at Appendix B.
- 1.3 Officers have also viewed the West Yorkshire Pension Fund (WYPF) shared service risk register, which establishes a risk management process across all their shared service clients. This incorporates most of the risks identified in the Barnet Fund's pensions administration risk register.
- 1.4 This document is currently be reviewed and updated, with the intention of sharing with the Board at a future meeting later this year.

### Risk Velocity

- 1.5 Risk Velocity is defined as the time to impact (i.e. an estimate of the timeframe within which a risk may occur).
- 1.6 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
- 1.7 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)	
PB002	Member data incomplete or inaccurate	
PB003	Admin process failure or maladministration	
PB004	Excessive charges by suppliers	
PB005	Employer failure to pay contributions to the fund	
PB006	Failure of non-public sector employers	
PB007	Failure to interpret rules or legislation correctly	
PB008	Appropriate personnel in place to perform in designated roles	
PB009	Conflicts of interest	



PB010	Admission agreements / securities (i.e. bonds) not arranged	
PB011	Commercial viability of strategic suppliers	
PB012	Non-compliance with GDPR	
PB013	Negative media exposure and member experience	
PB015	Impact of COVID-19 on pensions administration	
PB016	Cyber security	
PB017	Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements	
Inv001	Investment Strategy	
Inv002	Investment Manager Returns	
Inv003	ESG	
Inv004	Rebalancing	
Fun001	Achievement of Investment Return Assumptions	
Fun002	Contribution rate increases	
Fun003	Funding level	
Fun004	Employer's covenant	
Gov001	Knowledge and understanding	

- 1.8 Officers have reviewed the Risk Velocity for each of the risks above and determined that the risk PB010 has changed to green from amber, based on the improvements in getting the historic and current Admission Agreements completed in good time.

### Administration Risks

- 1.9 Updates on the administration risks are as follows:

- 1.9.1 **PB002** – To ensure that future leaver data is provided to WYPF within the time limits set out in the Fund's Pensions Administration Strategy document, Officers have arranged two training sessions, in conjunction with WYPF, for early February for both employers and their payroll providers to attend. We asked that all employers (or their payroll provider) attend and advised them of that Officers have the option to fine employers for late submission of data to WYPF.

In addition, to the data improvement plan in place, as preparation for the 2022 triennial valuation, WYPF have submitted data to the Fund actuary to review and following this, WYPF are working on the corrections needed to ensure good data is in place for when the "final cut" of data is submitted to the actuary in June 2022. Further "test" submissions will be made by WYPF before the summer, so progress on the data updates can be monitored.

The risk score remains at 10 but should reduce as further improvements to data are made by WYPF over the next few months.

- 1.9.2 **PB003** - Officers have reviewed the latest WYPF ISO9001 and ISO27001 reports on Quality Management and Information Security Management. Both

reports show that satisfactory controls are in place to ensure that there are appropriate controls on authority levels and that there is clear definition of delegated authorities and individual approval authorities. This determines who can authorise and sanction large payments.

- 1.9.3 **PB007** – Officers are reviewing the training questionnaires sent to Board members and relevant training will then be arranged during 2022. Some of this training may be in conjunction with WYPF, if it is found that they have provided similar training to other local authorities Pension Boards.

The risk score remains at 2.

- 1.9.4 **PB010** – Historic Admission Agreements have now been completed. Officers continue to work with both WYPF and the Actuary to ensure new Agreements are completed and signed promptly. Officers now able to calculate the employer contribution rates and bond values on receipt of “clean data” after purchasing the software from the actuary, which should quicken the process further,

The risk score currently remains at 6.

### **Non-Administration Risks**

- 1.10 No changes were made to the risk scoring for Funding and Governance.
- 1.11 **Inv001** (investment strategy delivering the required investment returns) – The impact has been reduced to 4 (from 5) and risk score from 15 to 12 as a consequence of the funding level improvement to close to 100%, the increased resilience of the investment portfolio through incorporation of ESG filters and the Actuary’s planned use of a 75% success threshold for the assumed future investment return.
- 1.12 **Inv004** (delays to rebalancing activity) – the likelihood has been reduced from 3 to 2 and the risk score from 9 to 6. Significant rebalancing is spread to avoid market impact and monitored by both Hymans and Barnet Officers. No issues have arisen from the significant transition activity carried out in the last three years.

## **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

This page is intentionally left blank

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Operational - disaster (Fire / flood etc)	An event occurs that would impact the ability to deliver all / parts of the pension service.	Business Continuity	<p>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).</p> <p>WYPF Business Continuity and Disaster Recovery Plans may be audited by either the internal audit team of Bradford Metropolitan District Council</p>	5	1	5	5	1	Tolerate	Officers waiting for the last audit report on the WYPF BCP and date of next review. This is due in the first quarter of 2022.	Q1, 2022	Aug-17

Last Updated: 14/01/2022

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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: 14/01/2022**



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Member data incomplete or inaccurate	<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>WYPF are running training sessions on providing leaver data to WYPF in early February 2022. Employers have been reminded again of their responsibilities and the option available to the Administering Authority to issue fines where data is not provided within the timescales set out in the Administration Strategy document.</p> <p>WYPF to advise. Officers when employers are not providing the</p>	<p>Q1 2022</p> <p>Ongoing</p>	Aug-17

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
		joiners and leavers were identified in the 2019 valuation process, along with incorrect pensionable salary and CARE for members who have two job roles.		Internal Audit team on controls in place on UPM for automated calculations and how WYPF processes for non-automated calculations are reviewed.							<p>relevant information, appropriate action can be taken.</p> <p>Common and conditional data analysis now provided monthly by WYPF demonstrate progress with the Data Improvement Plan.</p> <p>Officers are working with WYPF to reduce the number of unprocessed leavers, so member benefits can be calculated and records be updated.</p>	<p>Ongoing</p> <p>Ongoing</p>	

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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>WYPF have tested data quality by running data through the Hymans Robertson data portal. Officers have met with both WTPD and Hymans to discuss the data issues that were identified.</p> <p>WYPF are working on correcting this data and will resend the data to Hymans around 20 January 2022 to monitor progress.</p>	Ongoing	

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Admin process failure or mal-administration	<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 weekly and monthly 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.</p> <p>Scheme Event Calendar in</p>	5	2	10	2	1	Treat	<p>Officers have reviewed the latest WYPF ISO9001 and ISO27001 reports on Quality Management and Information Security Management respectively, which details the controls in place at WYPF in terms of giving system access to WYPF staff. This is an annual report.</p> <p>This determines who can authorise and sanction large payments.</p> <p>Scheme Event Calendar in place</p>	<p>Annual</p> <p>Annual</p>	Aug-17

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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>place to ensure legislative / regulatory deadlines are achieved (i.e., ABS / Scheme Return etc.)</p> <p>Staff training plans in place to ensure processing in accordance with LGPS requirements</p> <p>Monthly reports by WYPF to scheme managers.</p>							and reviewed annually.		

Last Updated: 14/01/2022

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Excessive charges by suppliers	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	Employer failure to pay contributions to the fund	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 continue to check monthly that checking that employers pay the correct contributions rates and that new Admission Body's commence paying contributions as soon as practicably possible.	Monthly	Aug-17

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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: 14/01/2022

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Failure of non-public sector employers	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: 14/01/2022**



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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.							<p>The backlog of Admission Agreements has been completed</p> <p>Officers are working with both WYPF and Hymans Robertson to ensure that new Agreements are completed and signed in good time.</p>	Ongoing	

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Failure to interpret rules or legislation correctly	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 are reviewing the training questionnaires sent to Board members (in late 2021). Appropriate training will then be arranged over the course of 2022.</p>	<p>N/A</p> <p>Q2, 2022</p>	Aug-17

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
PB008	Appropriate personnel in place to perform in designated roles	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: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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>Historic Admission Agreements have now been completed.</p> <p>Officers are working with both WYPF and</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	Jan-19

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
											Hymans Robertson to ensure new Agreements are completed and signed promptly.		
<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	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	Ongoing	Mar-19

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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>activity. 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>							alternative provider. This can be done by using the National LGPS Framework.		

**Last Updated: 14/01/2022**



**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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.									
PB012	Non-compliance with GDPR	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: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	Negative media exposure and member experience	<p>Negative media attention may lead to ineffective media management impacting on the reputation of the Council and impacting on staff morale.</p> <p>Member perception of the Fund may be negatively impacted due to both member experience and negative reporting of the fund in the media.</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 September 2021 received by Officers in November 2021.</p> <p>Officers and WYPF to discuss issues weekly.</p>	<p>Ongoing</p> <p>Quarterly</p> <p>Ongoing</p>	Mar-19

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
PB015	Impact of COVID-19 on pensions administration	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

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
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	<p>To obtain the latest report from WYPF on their cyber security risk mitigations.</p> <p>Officers to check whether the WYPF policy is updated in line with the TPR cyber security principles.</p>	Q1, 2022	Jun-20

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
		processes. It includes risks to information (data security) as well as assets, and both internal risks (eg from staff) and external risks (eg hacking).											

Last Updated: 14/01/2022

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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	
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 commenced in October 2021.</p> <p>Officers to review transfer documentation sent with transfer quotations to members and review the processes to ensure that appropriate</p>	<p>Ongoing</p> <p>Ongoing</p>	Aug-20

**Last Updated: 14/01/2022**

**London Borough of Barnet Pension Fund – Pensions Administration Risk Register – February 2022**

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>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>	Q2, 2022	

**Last Updated: 14/01/2022**

This page is intentionally left blank



Appendix 1


London Borough of Barnet Pension Fund Risk Register January 2022

Risk ID	Short-risk Title	Long Description	Nature of Risk	Controls and Mitigation in Place	Residual Risk			Target Risk			Further Actions		Date Risk Identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Risk Score	Actions	Delivery Date	
Inv001	Investment Strategy	Long-term investment strategy for the Pension Fund has low chance of delivering return required to meet fully funded objectives	Strategy	The investment strategy was reviewed in 2018 and changes made increased the probability of achieving full funding in 20 years from 66% to 70%. The changes are substantially implemented. The funding level at the 2019 triennial valuation improved from 73% to 86% and was estimated close to 100% as at March 2021.	Major 4	Possible 3	Medium High 12	Major 4	Possible 3	Medium High 12	The investment strategy has been enhanced during 2020 and 2021 to incorporate reductions in emissions, a greater focus on ESG and costs savings through pooling. Monitoring by the investment advisor ensures the investment structure remains appropriate. The strategy will be reviewed after the outcome of the 2022 triennial valuation is known.	31-Mar-22	Initial risk
Inv002	Investment manager returns	Investment managers under perform relative to the benchmark over the medium term.	Implementation & Monitoring	Quarterly investment monitoring in place to analyse market performance against the performance of the investment manager. The most volatile asset place (equities) is mostly managed on an index tracking basis to eliminate relative performance risk. The active portfolio is highly diversified to reduce the impact of single manager performance. The planned elimination of DFG's will significantly reduce the impact of single manager underperformance	Medium 3	Possible 3	Medium 9	Major 3	Possible 3	Medium 9	As assets are pooled with the London CIV there will be enhanced scrutiny of manager capabilities	n/a - target risk levels already achieved.	Initial risk
Inv003	ESG	The management of ESG risk is not adequate impacting on both investment returns and reputational risk.	Implementation & Monitoring	The investment portfolio is highly diversified and the active managers are expected to take into consideration all risks when selecting investments. The Pension Fund Committee is currently reviewing its approach to ESG issues and has already altered the equity portfolio to increase the focus on ESG when selecting investments.	Major 4	Unlikely / Possible 2	Medium 8	Low / medium 2	Unlikely / Possible 2	Low 4	To meet regulations the Fund is required to establish climate related metrics and targets during 2022 and publish these in 2023.	31-Mar-23	Jan-20
Inv004	Rebalancing	Rebalancing of portfolios to approved asset allocations delayed due to market volatility	Implementation & Monitoring	Scheduled timetable for sale and transfer of assets to ensure transition completed in agreed timeframe	Medium 3	Possible 2	Low Medium 6	Medium 3	Possible 2	Low Medium 6	Full reporting of transition costs following significant asset transfers	ongoing	Initial risk

Risk ID	Short-risk Title	Long Description	Nature of Risk	Controls and Mitigation in Place	Residual Risk			Target Risk			Further Actions		Date Risk Identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Risk Score	Actions	Delivery Date	
Fun001	Achievement of Investment Return Assumption	Fund assets fail to deliver returns in line with actuarial assumptions	Strategic	Annual actuarial review and triennial valuation on all employers anticipate long term returns on prudent basis. However, markets are volatile and three year returns are unpredictable. Changes to investment strategy since 2018 have increased the probability of achieving full funding while protecting downside risk.	Major 4	Possible 3	Medium High 12	Major 4	Possible 3	Medium High 12	Recent strong investment returns have improved funding levels however future returns expectations have reduced which will be factored into the 2022 triennial actuarial valuation.	31-Dec-22	Initial risk
Fun002	Contribution rate increases	Effect of possible increase in employer's contribution rate on service delivery and affordability for scheme employers	Cashflow	Manage impact by deficit spreading and phasing in of contributions rises. Council already has +/-1% annual change band and pooling for academies provides some stability. Rates on average held steady at 2019 valuation with increases in primary rate offset by lower secondary contributions. Upward drift of primary rates is partly due to Government action that has increased the benefit liability.	Major 4	Possible 3	Medium High 12	Medium 3	Possible 3	Medium 9	The March 2022 valuation offers additional opportunities to stabilise contributions	31-Mar-23	Initial risk.
Fun003	Funding level	Significant reduction in funding level following triennial actuarial valuation	Strategic	The funding level increased at the 2019 valuation from 73% to 86%. Post March 2019 returns have exceeded the actuary's target with funding levels close to 100% as at 31 March 2021. The investment strategy is reviewed by the investment advisor and remains appropriate.	Major 4	Possible 3	Medium High 12	Medium 4	Unlikely / Possible 2	Medium 8	Opportunities to increase the prudence level will be considered at the March 2022 triennial valuation	31-Mar-23	Initial risk
Fun004	Employers' covenant	Strength of covenant of employers /risk of financial loss to Pension Fund	Implementation & cashflow	Ensure Bond arrangements maintained and renewed. Pension Fund Committee monitors Admission agreements bond renewals. The Council is considered a low risk and academies have a limited Government guarantee. Other employers are monitored.	Medium 3	Unlikely 2	Low Medium 6	Medium 3	Unlikely / possible 2	Low Medium 6	With the increase in the number of employers consideration is being given to a more formal employer covenant assessment process.	ongoing	initial risk

Risk ID	Short-risk Tile	Long Description	Nature of Risk	Controls and Mitigation in Place	Residual Risk			Target Risk			Further Actions		Date Risk Identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Risk Score	Actions	Delivery Date	
Gov001	Knowledge and Understanding	Those involved in governance of the Pension Fund have insufficient knowledge and support to undertake their functions.	Training	This risk covers PF Committee, Local Pension Board, officers and advisors. Training plans are developed for the PF Committee and Local Pension Board and members are encouraged to identify training needs. Complex agenda items are introduced via training sessions. The officer resources have recently been increased. The performance of advisors is regularly reviewed and feedback provided.	Major	Low	Low	Major	Low	Low	Regular Training. Local Pension Board members complete TPR Public Sector Trustee Toolkit	Ongoing	Jan-17
					4	1	4	4	1	4			

This page is intentionally left blank

	<p style="text-align: right;">AGENDA ITEM 11</p> <p style="text-align: center;"><b>Local Pension Board</b></p> <p style="text-align: center;"><b>3 February 2022</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>The Pensions Regulator (TPR) Code of Practice 14 (COP14) Compliance Report</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Director of Finance</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>N/A</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: right;"><b>Key</b></p>	<p>No</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Appendix 1 – Review of COP14 compliance</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>George Bruce, Head of Pensions  <a href="mailto:george.bruce@barnet.gov.uk">george.bruce@barnet.gov.uk</a>  02083597126</p>
<p style="text-align: center;"><b>Summary</b></p>	
<p>Compliance with The Pension Regular’s Code of Practice 14 is a key pillar of the governance of the Barnet Pension Fund. This paper reports on the latest review of the fund’s compliance with the code of practice.</p>	
<p style="text-align: center;"><b>Recommendations</b></p>	
<p>The Local Pension Board is asked to note the outcome of the review.</p>	

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

- 1.1 The Public Services Pensions Act 2013 brought oversight of the administration of certain elements of the Local Government Pension Scheme (LGPS) within the purview of The Pensions Regulator (TPR). Those elements that fall under the scrutiny of TPR, and the associated legal requirements, are set out in Code of Practice 14 (COP14), which came into force in April 2015.
- 1.2 LGPS administering authorities must be able to demonstrate to the satisfaction of TPR their compliance with COP14. Whilst failure to do so does not in itself constitute a breach of the law, TPR can issue improvement notices where failures to meet the underlying statutory requirements referred to in the COP14 occur. It is therefore prudent for an LGPS administering authority to periodically review its systems and processes to ensure that it is acting in accordance with the law.
- 1.3 A compliance review was presented to the Local Pension Board June 2021 that indicated areas in which full compliance has not been achieved. A review of progress since that date has been undertaken and the findings are summarised on appendix 1.
- 1.5 TPR have consulted during 2021 on a new code that consolidates ten previous codes, including the public sector code, into one. This has been argued as confusing for LGPS as the scope of the TPR powers are more limited compared to private sectors schemes. A revised proposed code is awaited and will be reviewed when available. It is not expected to become effective until the second half of 2022. As with most such reviews, the focus of the new code will be on documentation of procedures.

## **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 Officers will continue to monitor the progress of the transition and report back to the Board.

## **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 It is not expected that any costs will arise as a consequence of actions taken to comply with either the existing or new codes.

## **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 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. Good governance is essential to managing the risks of the pension fund. This project forms part of that good governance.

## **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 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 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 N/A

## **7. BACKGROUND PAPERS**

7.1 See Local Pension Board 24 June 2021, agenda item 13.

[HTTPS://BARNET.MODERNGOV.CO.UK/IELISTDOCUMENTS.ASPX?CID=753&MI  
D=10907&VER=4](https://barnet.moderngov.co.uk/ielistdocuments.aspx?cid=753&mid=10907&ver=4)



## Review of TPR COP 14 Compliance

### Partially Compliant

#### Knowledge and Understanding

B9 - Does the Fund offer pre-appointment training for new pension board members or mentoring by existing members?

Suggested action was “member training and development (T&D) be included as a standing item on the agenda where recent T&D can be discussed and reviewed, and where future training opportunities can be communicated to members.”

*Update – Training has not appeared on the agenda since June 2021 although training questionnaires were completed by Board Members Autumn 2021. An agenda item on training needs has been included for the February 2022 meeting and will be retained for future meetings.*

B12 - Have the pension board members completed the Pension Regulator's toolkit for training on the Code of Practice number 14?

*Update – With the exception of the recently appointed member, all the Board members have completed the TPR toolkit.*

#### Managing Risk

E7 - Does the Administering Authority have adequate systems, arrangements and procedures (internal controls) in place for the administration and management of the Fund and are they documented?

Recommendation relates to the documentation of processes in connect with collection of contributions following the transfer of responsibility from Capita to LBB.

*Update – Procedures for the collection and monitoring of contributions are now in place.*

#### Maintaining Accurate Members Data

F1 - Do member records record the information required as defined in the Record Keeping Regulations and is it accurate?

Relates to date improvement exercise and quality of membership date; common and conditional data scores and other data issues.

*Update – The date improvement exercise is continuing and reported quarterly to the Local Pension Board. There is a paper on data quality on the Board's February agenda. Common and conditional scores are reported quarterly, with common at 96% and Conditional at 77% as at December 2021. In addition, work is progressing to eliminate the backlog of historical leavers and again progress will be reported at the February meeting. Progress will be deemed satisfactory if data quality is adequate for the triennial actuarial valuation by 30 June 2022.*

#### Maintaining Contributions

G1 - Does the Fund have procedures and processes in place to identify payment failures?

G2 - Do those processes and procedures include a contributions monitoring record to determine whether contributions are paid on time and in full?

G3 - Do those processes and procedures include monitoring payments against the contributions monitoring record on an ongoing basis?

G4 - Are these procedures regularly reviewed to ensure they are effective?

G5 - Do the Administering Authority's processes include managing overdue contributions in line with TPR's suggested approach?

G8 - Is there a satisfactory process in place to assess the materiality of any payment failures and ensure that those which are material are reported to the Regulator within a reasonable period?

G1 to G5 & G8 relate to the documentation of the contribution collection process.

*Update – Procedures for the collection and monitoring of contributions are now in place.*

### Providing Information to Members and others

H1 - Has an annual benefit statement been provided to all active members within the required timescales?

*Update – as at 31 December 2021, 99% of deferred and 96% of active annual benefit statements have been issued. The aspect most in need of attention is historic leavers whose benefits have not been calculated.*

H7 - Is basic scheme information provided to all new and prospective members within the required timescales?

H9 - Is all other information provided in accordance with the legal timescales?

H10 - Is all other information provided in the format and methods required by law?

Re H7, H9 and H10, there were two recommendations – (1) The issuance of information to new starters should be monitored and reported on in the monthly report from WYPF. (2) The fund should also ensure that employers have processes in place to make new employees (who are eligible to join the scheme) aware of the scheme.

*Update – There is no service standard for issuing welcome letters to new members. This is currently being considered. Notification of new joiners is by way of the monthly payroll report from each employer and although there are no known issues with late notification, there is no formal reporting in place.*

### Internal Disputes Resolution

I1 - Has the Administering Authority put in place an internal dispute resolution procedure?

I3 - Does the information made available to applicants about the procedure clearly state the procedure and process to apply for a dispute to be resolved including: who it applies to, who the specified person (stage 1) is; the timescales for making applications; who to contact with a dispute; the information that an applicant must include and the process by which decisions are reached?

The observation for I1 and I2 was that the IDRP on the WYPF site was not branded for LBB and that we needed one applicable to LBB. Also that the persons responsible for stage 1 and 2 decisions should be identified.

*Update – The published IDRPs now makes reference to LB Barnet. As the procedure is standard across WYPF's clients it does not identify who will undertake the stage 1 and 2 complaints. It has been agreed that details (name of post) of the complaint reviewers will be included in the letter enclosing the policy to each member who has a complaint.*

I5 - Are the timescales in the procedure adhered to including sending an acknowledgment on receipt of an application?

The recommendation is that the WYPF monthly report should track progress of IDRPs to ensure that timescales are adhered to.

*Update – There is full monitoring of IDRPs complaints within the WYPF administration reports.*

## **Non-compliant**

### Reporting Breaches

J2 - Does the Administering Authority have appropriate procedures in place to meet their legal obligations for identifying and assessing breaches?

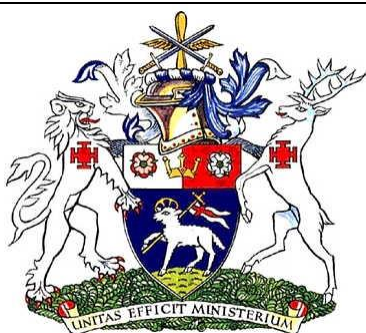
J3 - Are breaches being recorded in accordance with the agreed procedures?

For J2 and J3 the recommendation is that a breaches log be established, maintained and reviewed on a regular basis.

*Update – A breaches log for Barnet Pension Fund has recently been established and is currently being populated and will be included as a standing item at each Board meeting as part of the administration report.*

**End**

This page is intentionally left blank



## Local Pension Board

3 February 2022

<b>Title</b>	<b>Local Pension Board – Annual Report 2021/22</b>
<b>Report of</b>	Head of Governance
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A –Terms of Reference for Local Pension Board Appendix B – Local Pension Board, Forward Work Plan 2022/23
<b>Officer Contact Details</b>	Paul Frost, Senior Governance Officer 020 8359 2205, <a href="mailto:paul.frost@barnet.gov.uk">paul.frost@barnet.gov.uk</a>

### Summary

This report provides an update on the work of the Local Pension Board which will be reported to the Pension Fund Committee and Full Council in line with the reporting guidelines set out in the terms of reference.

The report includes the Local Pension Board Terms of Reference and its Forward Work Plan for consideration.

<b>Recommendations</b>	
<b>1.</b>	<b>That the Local Pension Board note the report.</b>
<b>2.</b>	<b>That the Local Pension Board note and comment on its Terms of Reference as highlighted within Appendix A.</b>
<b>3.</b>	<b>That the Local Pension Board note and comment on the annual work plan attached at Appendix B.</b>
<b>4.</b>	<b>That the Local Pension Board note that this report be submitted to the next possible meeting of the Pension Fund Committee and Full Council.</b>

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

- 1.1 The Public Service Pensions Act 2013 requires the establishment of Local Pension Boards to assist local authorities with the effective management of local pension funds. The Department for Levelling Up, Housing and Communities has issued regulations and reporting guidelines concerning the implementation of Local Pension Boards.
- 1.2 This report provides a summary of the work carried out by the Council's Local Pension Board. The report covers the period from the Boards meeting from 04 February 2021 to date. It presents details of the Board members, training and items covered during the Board's meetings.
- 1.3 The Local Pension Board's terms of reference, at Appendix A, set out the reporting guidelines which states that the Board shall report to the Pension Fund Committee as often as is necessary and at least annually:
  - a summary of the work undertaken;
  - the work plan for the next 12 months;
  - details of training received and planned; and
  - details of any conflicts of interest and how they were dealt with.
- 1.4 The Local Pension Board is requested to consider whether any breach in compliance or other significant issues that has come to their attention should be reported to Full Council such as:
  - any areas of persistent non-compliance
  - any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee
  - areas raised to the Board to be investigated and how they were dealt with;
  - any risks or other areas of potential concern it wishes to raise;

## Local Pension Board Membership

1.4 The membership of the Board during the year was as follows:

Member	Role	Appointed	Term	Status
Stephen Ross	Independent Member	21 May 2019	4 years	Current
Geoffrey Alderman	Employer Representative Chairman (Retired/ Deferred)	21 May 2019	4 years	Current
<b>Hem Savla</b>	Employer Representative Vice-Chairman (Retired/ Deferred)	<b>25 Jan 2022</b>	4 years	Current
Salar Rida	Employee Representative (Active)	02 March 2021	4 years	Current
Deepani De Silva	Employer representative - scheduled body (Barnet homes)	19 October 2021	4 years	Current
<b>David Woodcock</b>	Employer representative – Admitted body (Middlesex University)	<b>25 Jan 2022</b>	4 years	Current
Councillor Thomas Smith	Councillor (employer representative)	May 2021	1 years	Current
Councillor Helene Richman <b>(substitute)</b>	Councillor Employer Representative	May 2021	1 years	Current
<b>Alice Leach (substitute)</b>	Employer Representative (Retired/ Deferred)	<b>25 Jan 2022</b>	4 years	Current

1.5 The Local Pension Board are to note the appointments listed for re-appointment which be report to the Full Council meeting on 25 January 2022.

- 1.6 As illustrated in the table above Ms Deepani De Silva was appointed to the Local Pension Board on 19 October replacing out going Member Ms Rebecca Doctors who resigned.

### **Summary of Work Undertaken**

- 1.7 The follow items have been considered by the Local Pension Board since 4 February 2021:

<b>Meeting</b>	<b>Substantiative Item</b>
04 February 2021	Compliance with TPR code of practice Internal Audit Performance Report Pension Combined Risk Register Local Pension Board – Annual Report
24 June 2021	Actuarial Valuation Update Administration Performance Report Review of Administration Strategy, IDRP and Breaches Policy LPB External Audit Plan Decision made by the Pension Fund Committee Pension Combined Risk Register Compliance with The Pension Regulator Code of Practice Training Policy
12 October 2021	Administration Performance Report Pension Administration Risk Register Annual Performance Report Consultation on Contribution Policies Decision made by the Pension Fund Committee
6 December 2021	Administration Performance Report Communication Policy Pension Administration Risk Register Good Governance Project LPB Committee Decisions

### **Recommendations and Comments to the Pension Fund Committee**

- 1.8 The Local Pension Board can bring any recommendations or observations concerning the governance, management and administration of the fund to the attention of the Pension Fund Committee or Council. The Comments of Board Members is therefore request, such comments would then feature in the reporting process to the Pension Fund Committee and Full Council reports.

### **Board Training**

- 1.9 Members are required to attend meetings and training sessions during the year. Training is important to ensure the Board, as a whole, have the



appropriate skills, knowledge and understanding to support the Scheme in running effectively. Members complete annual training needs assessments which are used to identify knowledge gaps that are addressed either through internal training or external training e.g. attendance at CIPFA organised events. As detailed in 1.15 below, four CIPFA training events were attended by at least one Board Member.

- 1.10 Local Pension Board Members are required to complete the Pensions Regulator (TPR) toolkit. The Board should note that the only the newly appointed Member is yet to complete this. It is expected that this will be completed soon.

### **Key Areas 2021/22**

- 1.11 The Local Pension Board raised several concerns that are set out below:

- a) The outsourced administrator changed to West Yorkshire Pension Fund on 31 October 2020. The Board have monitored the progress of the new provider and have noted in meetings an improved performance. However, a backlog of data improvement issues and progress is being monitored by the Board.
- b) Areas of Non-Compliance – the Board has not noted any areas of non-compliance during the year. However, members are encouraged to make comment in respect to this.

### **Local Pension Board Budget**

- 1.12 The terms of reference include a requirement to prepare an annual budget for approval by the Pension Fund Committee. The annual budget proposed by the Board at its November 2019 meeting and approved by the Pension Fund Committee was £32,572 comprising attendance and training costs of £7,572 and Board support (advice) of £25,000. At the Local Pension Board meeting on 04 February 2021 it was noted and subsequently agreed by the Pension Fund Committee and Full Council a budget of £25,000 for board support.
- 1.13 The Member attendance costs for attending are meetings and for training is set at £127 respectfully for attendance.

<b>Meeting</b>	<b>Attendance Cost</b>
4 February 2021	£127 x 6 = £762
24 June 2021	£127 x 6 = £762
12 October 2021	£127 x 5 = £635
6 December 2021	£127 x 7 = £889
<b>Total</b>	<b>£2,976</b>

- 1.14 Board members attending external conferences incurred fees of **£1,524** from February 2021 to date. The courses attended were:

<b>Session</b>	<b>Date</b>	<b>Attendance</b>
----------------	-------------	-------------------

Barnett Waddingham and CIPFA LPB Spring 2021 Webinar	22 February 2021	4 members
LGPS Local Pension Board Members' Annual Event Webinar 2021	23 June 2021	4 members
Barnett Waddington and CIPFA seminar (autumn)	28 September 2021	3 Members
LGPS / LGA - Fundamentals Day	12 October 2021	1 member

- 1.15 The budget below is proposed for the next municipal year. In addition to attendance fees and external training a budget of £25,000 has been included for Board support.
- 1.16 From time to time, the Board may wish to commission an independent external advisor to review and make recommendations in relation to a specific issue. Should there be a requirement to call on this support, the Board should agree the issue to be considered and the terms of engagement (i.e. scope and upper funding limit). Attendance at meetings by Scheme advisors is not charged against the Board's budget although if the Board were to commission additional work, this will be reflected in their expenses. The external support provision has been reduced to £10,000 as more in line with the Board's potential requirements.

<b>Attendance and Training</b>	Board Member meeting attendance fees	<b>£3,048</b>
	Board Member Training attendance fees	£3,048
	External Course fees	<b>£5,000</b>
<b>Board Administration</b>	Board support	£10,000
<b>Total</b>		<b>£21,096</b>

- 1.18 The Local Pension Board is invited to consider the budget and the reporting matters above.

## 2 REASONS FOR RECOMMENDATIONS

- 2.1 The terms of reference of the Local Pension Board outline the reporting requirements for the Board's annual report. Contained within the Boards terms of reference as illustrated in section 5.4.2 the report's recommendations are captured accordingly.

## 3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None in the context of this report.

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

- 4.1 This report will be included on the agenda for the next Pension Fund Committee. The Board will be informed of responses from the Committee.
- 4.2 Following consideration by the Pension Fund Committee, the report will be considered by Full Council in accordance with the Board's terms of reference.

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

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

- 5.2.1 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 The budget for the Board is outlined in section 5 of the report. All costs are billed to the Pension Fund.

##### **5.3 Social Value**

- 5.3.1 None in the context of this report.

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

- 5.4.1 The Public Service Pensions Act 2013 and the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 required the Council to establish a Pension Board by 1 April 2015.
- 5.4.2 The Board's terms of reference of the Board state that "...the Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually in relation to:
  - a summary of the work undertaken;
  - the work plan for the next 12 months;
  - details of training received and planned; and
  - details of any conflicts of interest and how they were dealt with.
- 5.4.3 It is noted that no conflicts of interest were recorded.

##### **5.5 Risk Management**

- 5.5.1 There are no specific risk management implications arising from this report.

##### **5.6 Insight**

- 5.6.1 None in the context of this report.

## **5.7 Equalities and Diversity**

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

5.7.2 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

5.7.3 The protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

## **5.8 Consultation and Engagement**

5.8.1 None in the context of this report.

## **6. ENVIRONMENTAL IMPACT**

6.1 None in the context of this report.

## **7. BACKGROUND PAPERS**

7.1 Reports relating to Local Pension Board Meeting can be found at: [Committee details - Local Pension Board \(moderngov.co.uk\)](https://www.moderngov.co.uk/committees/details-local-pension-board)

## **Terms of Reference for the London Borough of Barnet Pension Board**

The purposed of this document is to set out the detailed Terms of Reference for the Local Pension Board of the London Borough of Barnet Pension Fund.

### **1. Role of the Local Pension Board**

1.1 The role of the local Pension Board, as defined by sections 5(1) and (2) of the Public Services Pension Act 2013 and regulation 106 of the Local Government Pension Scheme (LGPS) Governance Regulations 2013 is to:

- assist with:
  - securing compliance with LGPS Government regulations and any other legislation relating to the governance and administration of the LGPS
  - securing compliance with the requirements imposed in relation to the PGPS by the Pensions Regulator.
  - such other matters as the LGPS regulations may specify
- ensure the effective and efficient governance and administration of the LGPS for the LBB Pension Fund.
- ensure the Pension Fund's strategy and policy documents are in place and have been maintained in accordance with the LGPS Regulations. These documents are: the communications policy statement; funding strategy statement; governance compliance statement; statement of investment principles; and the Pension Fund annual report and accounts.
- ensure the Pension Fund's internal Risk Register is in place and reviewed at least annually.
- review the Pension Fund's performance in complying with the requirements of the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS.
- review the Pension Fund's performance in complying with the requirements of the Pension Regulator.
- annually submit a proposed work plan for the forthcoming financial year to the Pension Fund Committee.
- carry out any other activities relating to the efficient governance and administration of the Pension Fund.

- submit an annual budget to the Barnet Pension Fund Committee for approval.

- 1.2 The Local Pension Board does not replace the Administering Authority or make decisions or carry out duties which are the responsibility of the Administering Authority (refer to Compliance statement). The Pension Board is an advisory/scrutiny board and does not have decision making powers.
- 1.3 The Administering Authority retains ultimate responsibility for the administration and governance of the scheme. The role of the Board is to support the Administering Authority to fulfil that responsibility and secure compliance with any requirements imposed by the Pensions Regulator.

## **2. Appointment of members of the Pension Board**

- 2.1 All Board members will be appointed by Full Council. It is a statutory requirement (section 248A of the 2004 Act) that the Administering Authority must be satisfied that every individual member of the Pension Board:
  - 2.2 Is conversant with;
    - the legislation and associated guidance of the Local Government Pension Scheme
    - any document recording policy about the administration of the fund which is for the time being adopted by LBB Fund; and
  - 2.3 has knowledge and understanding of;
    - the law relating to pensions; and
    - such other matters as may be prescribed

## **3 Rules governing Membership the Local Pension Board**

- 3.1 Local Pension Boards must include an equal number of employer and member representative with a minimum requirement of no fewer than four in total.
- 3.2 No officer or Councillor who would be responsible for the discharge of any functions under the Regulations (apart from any relating to LPB) may be a Member of the Local Pension Board of that authority.
- 3.3 Officer precluded would be any officer named in the scheme of delegation (e.g. Section 151 Officer and the head of investments). The guidance also states that consideration should be given as to whether officers of the Fund at a senior level, who are not named in the formal scheme of delegation, but who are responsible for discharging functions under the Regulations, should be precluded from being a member of the LPB.

## **4 Composition of the Board**

4.1 The Board shall consist of 7 members constituted as follows:

- 3 employer representatives comprising:
  - 1 councillors who are not members of the Pension Fund Committee
  - 2 employer representatives from an admitted or scheduled body (e.g. Re, CSG or Middlesex University)
- 3 scheme member representatives (employee side) comprising:
  - 1 active members
  - 2 retired/deferred members

• **1 independent member/advisor**

Having no current employment, contractual, financial or other material interest in the Council or any scheme employer fund and not being a member of the LGPS Fund.

4.2 Independent and Scheme Members shall be appointed following a public recruitment, selection and interview process.

## **5. Chairman and Vice-Chairman of the Board**

5.1 The Chairman and Vice-Chairman of the Board will be appointed by Members of the Board as the first business at their first meeting.

5.2 Should the elected Chairman be an Employer representative the Vice-Chairman must be a Scheme Member representative and vice versa.

## **6. Substitute Members**

6.1 Each member will have a substitute to act as Board member in her/his absence, which will be recommended following a recruitment process consistent with their own appointment. These nominations will be approved as part of the overall appointments made by Full Council.

**NB:** The independent member shall not have a substitute.

## **7. Quorum**

7.1 The Pension Board will be quorate when three voting Pension Board Members are in attendance.

## **8. Period of Office**

8.1 Each Board member shall be appointed for a fixed period of four years, which appointment will normally occur at the Annual Council meeting.

## **9. Termination of office**

- 9.1 Each Board member will be expected to attend all meeting and training sessions during the year. The membership of any member who fails to attend two or more meetings shall be reviewed and determined by other Board members in consultation with officers.
- 9.2 The removal of a member from office during her/his term of appointment can only be effected by the unanimous agreement of the other members present at the meeting.
- 9.3 In the absence of mitigating factors a Board member can be removed from the Board in the following circumstances (but not limited to):
- A poor attendance record;
  - If a member does not undertake training as requested;
  - If a member is in breach of Council's Code of Conduct, Pension Board Code of Conduct and Conflict of Interest policy;
  - If a member has a conflict of interest that cannot be managed in accordance with the Board's conflicts policy.
- 9.4 Should the Council representative members, or the active scheme member(s) cease to be Council representatives or active scheme members, he/she will automatically cease to be a member of the Board and the Administering Authority will conduct a replacement process.
- 9.5 Any Board member choosing not to continue her/his role must provide a written notice of resignation from their post to the Governance Service. The notice period shall be two months. Once the written notice is received the Board shall be notified accordingly and arrangements shall be made for a replacement in line with the procedures for the original appointment.

## **10. Voting Rights (this is dependent on makeup of the Board)**

- 10.1 All Board Members will have equal voting rights.
- 10.2 In the event of an equality of voted the Chairman will have the casting vote.

## **11. Frequency of meeting**

- 11.1 The number of meetings a year should be in alignment with the number of the Pension Committee meetings year, or should be determined by the Board once it has agreed a workplan, with a minimum of two meetings annually.

## **12. Notice of meeting and circulation of papers**

- 12.1 In accordance with the Access to Information Procedure Rules as set out in the Council's Constitution.



### **13. Minutes**

- 13.1 In accordance with the Access to Information Procedure Rules as set out in the Council's Constitution.

### **14. Accountability and reporting**

- 14.1 The Board is accountable solely to the Council for the effective operation of its functions.
- 14.2 The Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually:
- a summary of the work undertaken;
  - the work plan for the next 12 months;
  - details of training received and planned; and
  - details of any conflicts of interest and how they were dealt with.
- On certain matters the board will report directly to Council;
- 14.3 The Board shall report annually to Full Council on its work.
- 14.4 It will also and as necessary from time to time report to Full Council any breach in compliance or other significant issues such as:
- any areas of persistent non-compliance
  - any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee
  - areas raised to the Board to be investigated and how they were dealt with;
  - any risks or other areas of potential concern it wishes to raise;

### **15. Code of Conduct**

- 15.1 All members of the Board are expected to act in accordance with Barnet Council's Code of Conduct for Councillors, and where applicable and the Pensions Regulator's Code of Practice.

### **16. Conflicts of interest**

- 16.1 All members of the Board must declare on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.
- 16.2 In accordance with s5(5) Public Service Pension Act 2013, a Board member must not have a financial or other interest that could prejudice him/her in carrying out his/her Board duties. This does not include a financial or other interest arising merely by virtue of being a member of the LGPS.
- 16.2 On appointment to the Board and following any subsequent declaration of potential conflict the conflict must be managed in line with the Council's Members Code of Conduct, the Local Government Pension Scheme (LGPS)

Guidance on Conduct of Members and Conflicts of Interest, the requirements of the Public Service Pensions Act 2013 and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Board members.

## **17. Knowledge and understanding including training**

- 17.1 All new members must follow an induction training plan and all members of the Board will be expected to attend the training provided to ensure that they have the requisite knowledge and understanding to fulfil their role.
- 17.2 All members must be prepared to participate in such regular personal training needs analysis or other processes as are put in place to ensure that they maintain the required level of knowledge and understanding to carry out their role.
- 17.3 Failure to attend training or participate in the processes may lead to membership being reviewed.

## 18. Definitions

The following terms shall have the following meanings when used in this document:

<i>Administering Authority</i>	London Borough of Barnet
<i>Board or Pension Board</i>	The local Pension Board for the London Borough of Barnet, Administering Authority for the London Borough of Barnet Pension Fund as required under the Public Service Pensions Act 2013
<i>Board Member</i>	A member of the Board including Employer representatives, Scheme Member representatives and an independent member
<i>Code of Practice</i>	The Pensions Regulator's [draft] Code of Practice no 14 entitled " <i>Governance and administration of public service pension schemes.</i> "
<i>Conflicts of Interest</i>	As defined in the Public Service Pensions Act 2013
<i>Employer Representative</i>	A person appointed to the Board for the purpose of representing employers for the Scheme
<i>Fund</i>	The London Borough of Barnet Pension Fund within the Scheme administered and maintained by the Scheme Employer
<i>Independent</i>	A Member of the Board who is neither an Employer

<i>Member</i>	Representative nor a Member Representative
<i>LGPS</i>	The Local Government Pension Scheme as constituted by the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009.
<i>Member Representative</i>	A person appointed to the Board for the purpose of representing members of the Scheme
<i>Scheme</i>	The Local Government Pension Scheme as defined under LGPS
<i>Scheme Manager</i>	London Borough of Barnet as administering authority of the London Borough of Barnet Pension Fund

**London Borough of Barnet**  
**Local Pensions Board - Work Programme**  
**April 2022 – February 2023**

Title of Report	Overview of decision	Report Of	Issue Type (Non key/Key/Urgent)
26 April 2022			
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 Report	To consider the external auditors report and recommendations following the audit of the 2021 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
23 June 2022			
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

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Contributing Officer(s)</b>
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
External Audit Plan	To consider the external auditors plan for the 2021-22 Pension Fund Accounts	Finance Director	Non-Key
TPR Code of Practice	To review the requirements of the new combined TPR Code of Practice.	Finance Director	Non-Key
1 September 2022			
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
6 December 2022			
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

<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
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Triennial Valuation 2022	To review the Actuary's report on the 2022 Triennial Valuation.	Finance Director	Non-Key
3 February 2023			
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
Annual Report of the Local Pension Board	To approve the annual report of the Local Pension Board to Full Council	Finance Director	Non-Key



	<p style="text-align: right;">AGENDA ITEM 13</p> <p style="text-align: center;"><b>Local Pension Board</b></p> <p style="text-align: center;"><b>3 February 2022</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Feedback on the Board's Training Needs</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Director of Finance</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>N/A</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: right;"><b>Key</b></p>	<p>No</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>None</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>George Bruce, Head of Pensions  <a href="mailto:george.bruce@barnet.gov.uk">george.bruce@barnet.gov.uk</a>  02083597126</p>
<p style="text-align: center;"><b>Summary</b></p>	
<p>The review of compliance with The Pension Regular's Code of Practice 14 proposed that training needs be a standing item on the Board's agenda and for Board members to indicate at each meeting any collective or individual training needs.</p>	
<p style="text-align: center;"><b>Recommendations</b></p>	
<p>The Local Pension Board is asked to bring to the attention of officers identified training needs.</p>	

## 1. WHY THIS REPORT IS NEEDED

1.1 It is a requirement of section 248A of the Pensions Act 2004, that members of the Local Pensions Board must have knowledge and understanding of both the rules of the Local Government Pension Scheme (LGPS) and general pensions law. The Board has adopted a training policy and Members periodically complete self-assessment questionnaires on training needs. The purpose of this agenda item is to give Board Members the opportunity to identify any subject

matter for which training would be beneficial, particular with reference to the items discussed at the meeting or included in the workplan.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Training is vital to ensuring that Board Members meet the knowledge and skills requirements set out in The Pension Regulator's Code of Practice.

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

- 3.1 Not applicable in the context of this report.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Officers will arrange suitable training on topics identified by the Board.

## **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 Any costs associated with training are expected to be well within the expenses budgeted prepared by the Board and expenditure on training is vital to ensure good governance of the Pension Fund.

### **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 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. Good governance is essential to managing the risks of the pension fund and is aided by providing comprehensive training opportunities.

## **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 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 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 N/A

**7. BACKGROUND PAPERS**

7.1 See Local Pension Board 24 June 2021, agenda item 14, training policy

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=753&MId=10907&Ver=4>