

MEETING

LOCAL PENSION BOARD

DATE AND TIME

THURSDAY 8TH SEPTEMBER, 2022

AT 6.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

TO: MEMBERS OF LOCAL PENSION BOARD (Quorum 3)

Chair: Geoffrey Alderman
Vice Chair: Hem Savla

Stephen Ross
David Woodcock

Salar Rida
Deepani De Silva

Humayune Khalick

Substitute Members

Alice Leach Andrea Bilbow OBE

Observing Member

Councillor Anne Hutton – Chair of the Pension Fund Committee

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions or comments must be submitted by 10AM Monday 5 September 2022 at 10AM. Requests must be submitted to 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: Tristan Garrick 020 8359 2454 Tristan.Garrick@Barnet.gov.uk

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)	
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12.	Work programme	107 - 110
13.	Any other item(s) the Chairman decides are urgent	

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Decisions of the Local Pension Board

23 June 2022

Members Present:-

AGENDA ITEM 1

Hem Savla (Vice-Chair)

Stephen Ross
David Woodcock
Deepani De Silva

Salar Rida
Councillor Anne Hutton (observer)

Also in attendance

Alice Leach

1. MINUTES OF LAST MEETING

Before the minutes were considered the Vice-Chair, Hem Savla noted that the Chair, Professor Geoffrey Alderman was unwell and not in attendance. The Vice-Chair on behalf of the Board wished the Chair a speedy recovery.

RESOLVED that the minutes of the meeting held on 26 April 2022 be agreed as a correct record

2. TERMS OF REFERENCE FOR THE LONDON BOROUGH OF BARNET PENSION BOARD

RESOLVED that the terms of reference of the Local Pensions Board be noted.

3. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None.

4. ABSENCE OF MEMBERS

Apologies of absence was received from Professor Geoffrey Alderman.

5. PUBLIC QUESTION AND COMMENTS (IF ANY)

None.

6. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

7. MEMBERS' ITEMS (IF ANY)

None.

8. DATA IMPROVEMENT PLAN AND HISTORICAL LEAVERS

Mr Mark Fox, Pensions Manager introduced the report. He provided 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.

Having considered the report:

Resolved:

The Local Pension Board noted the progress on the correcting of member data and the historical leaver exercise.

9. PENSIONS SCHEME RISK REGISTER

Mr Mark Fox, Pensions Manager, introduced the report. He highlighted the contents and requested Board Members give consideration to the report. He outlined the appendix to the report and gave an overview of the risks contained in the document.

Mr Ross noted that the TPR toolkit now had a new module and he therefore requested that this be sent to all members so that they can complete this. Mr Fox confirmed that he would circulate this so that Members can add it to their training record.

Mr Rida requested to know the timeline for the change to state pension age. Mr Fox suggested it was 2048 however he noted this had not been confirmed by the Government. He added this information could be presented in the Member newsletter, he added that he would update Members on this point.

Having considered the report:

Resolved:

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

10. TRAINING UPDATE

Mr Mark Fox, Pensions Manager, introduced the report. He outlined that the report provided the Local Pension Board with the Training Policy for Board members.

Mr David Spreckley, Head of Pensions & Treasury noted that Local Pension Board Members and Pension Fund Committee Members will be offered a Hyman Robertson training programme. He said that he would provide an update to both memberships soon.

Having considered the report:

Resolved:

The Local Pension Board noted the report.

11. ADMINISTRATION PERFORMANCE REPORT

Mr Mark Fox, Pensions Manager introduced the report. He gave an overview to the Board on the West Yorkshire Pension Fund pensions administration performance report for April 2022, along with an update on the completion of the 2022 Annual Benefit Statements and administration.

The Chair noted that appendix D to the report was exempt and therefore this was presented in a part 2 session. Members had the opportunity to consider the report and ask questions.

Councillor Hutton noted that there were 1200 members wanted to only receive papers copies of correspondence. She asked if this was effective. Mr Fox noted that these Members may be elderly or not able to use IT to access the dashboard and therefore paper was their preferred choice.

Mr Rida questioned if the portal will enable scheme members with the options to receive communication, he added that he believed it would be a benefit for members to run their own estimates. Mr Fox said that Officers were working towards an informative video that would act as a learning tool. This was welcomed by the Local Pension Board Members.

Having considered the report:

Resolved:

The Local Pension Board noted the West Yorkshire Pension Fund's performance levels along with the updates on the 2022 Annual Benefit Statements, administration issues and a Finance update.

12. MOTION TO EXCLUDE THE PRESS AND PUBLIC

A motion to exclude the press and public was agreed.

13. APPENDIX D – THE PENSIONS OMBUDSMAN (TPO) COMPLAINT CASE (EXEMPT)

Resolved:

The exempt information was noted.

14. WORK PROGRAMME

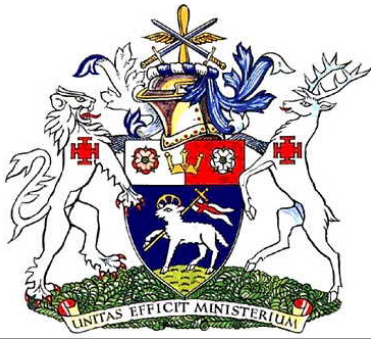
Resolved

That the Local Pension Board noted the work programme.

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

None.

The meeting finished at 20:05



Local Pension Board

8 September 2022

Title	Administration Performance Report
Report of	Executive Director of Resources (s151 officer)
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – West Yorkshire Pension Fund (WYPF) Monthly Report (for April 2022) Appendix B - Percentage of My Portal registrations per employer
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341

Summary

This paper provides the Local Pension Board with the West Yorkshire Pension Fund pensions administration performance report for July 2022, along with an update on the completion of the 2022 Annual Benefit Statements and administration.

Officers Recommendations

The Local Pension Board are requested to note West Yorkshire Pension Fund's performance levels along with the updates on the 2022 Annual Benefit Statements, and other administration issues.

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 31 July 2022.

WYPF Performance

- 1.3 The July monthly report shows that WYPF processed **1,440** cases in June 2022 with nearly **89.2%** of cases being completed within the agreed Service Level Agreement (SLA). The number of processed cases is higher than in previous months, but the cases completed within SLA are still lower than has been the case earlier in the year.
- 1.4 The LBB Pensions Team have advised the Board previously that the main reason for this was due to WYPF recruiting additional staff, which has led to existing staff taking time out to train the new staff, as they join WYPF. We were under the impression that this recruitment had progressed well and would expect the performance to show an improvement (ideally around 95% of cases being completed within the SLA).
- 1.5 The LBB Pensions Team will arrange a meeting with WYPF to discuss to discuss their recent performance as it has been continually than expected over the last few months and report back to the Board on the outcome of the meeting.
- 1.6 We would want get clarification from WYPF on their recruitment situation and when they feel that the historic cases being processed ((which will have already not met the KPI) will be cleared, so the performance statistics return up to a satisfactory level.
- 1.7 WYPF work in progress levels remain high. As at the end of July, there were **2,627** outstanding items of work. The main reason for this is the additional work that has arisen following Annual Benefit Statements being issued.
- 1.8 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.
- 1.9 For most work types, the SLAs have been met. The processes that failed to meet the SLA are also shown in appendix A.

- 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 cases in progress and no stage 2 cases.

Automated/Manual Calculations

- 1.11 Most of calculations undertaken by WYPF are fully automated on their pensions administration system, UPM. However, an occasional case will require a manual calculation. This is usually because a member has an unusual benefit or a data issue that only affects a very small number of members. In such cases, WYPF have processes and controls in place to ensure that any manual calculations are reviewed and checked before figures are sent to members.
- 1.12 For the calculations that have not been automated, WYPF have committed to a programme of getting the automation completed. The first of these calculations was for annual allowance and this has been completed.

WYPF member portal

- 1.13 The number of members who have registered for the WYPF “Member Portal” is still increasing.
- 1.14 The figures in the WYPF report equate to **34%** of all active members, **21%** of all deferred members and **25%** of all pensioners
- 1.15 The active and deferred member numbers registering have increased as these members have received notification that their ABS’s have been posted on the member portal.
- 1.16 The Pensions Team will continue to encourage employers to get their members to register and appeal directly to members themselves, to increase the number of registrations.
- 1.17 We are working with WYPF on ways to get more members engagement. Annual Benefit Statements (ABS) will again be uploaded onto the member portal this year. We have advised employers and council members that ABSs are starting to be produced and encouraged members to register.
- 1.18 Appendix B sets out the number of registrations for active members per employer as of 25 July 2022.
- 1.19 The facility on the portal that will allow members to run their own retirement estimates is in the final stages of being tested. WYPF anticipate that this will be available shortly

Prudential

- 1.20 Prudential have now sent the 2021 AVC annual benefit statements to WYPF and these have been sent to the members. There has been no update from Prudential regarding the issuing of 2022 statements.
- 1.21 Hymans Robertson have commenced a review of AVC providers to the Fund. The LBB Pensions Team will update the Board on the results of this review at the next meeting.

Annual Benefit Statements (ABS)

- 1.22 The production of Annual Benefit Statements (ABS) is going well for both active and deferred members.
- 1.23 As of 11 August, **93%** of active statements had been produced and **99%** of deferred statements.
- 1.24 For the remaining statements that need to be issued, WYPF are working with employers to ensure that these statements are issued by the 31 August deadline.

Pensions Dashboard

- 1.25 WYPF have updated their IT systems, so it is now fully compatible with the systems needed for the Pensions Dashboard.
- 1.26 WYPF are due to go out to tender to find which platform provider they will use for Pensions Dashboard. WYPF will provide updates at future meetings.
- 1.27 The start date for the pensions dashboard for LGPS schemes has now been pushed back to between April 2023 and September 2024.

“McCloud” ruling

- 1.26 The regulations for McCloud have still to be published. However, given the current estimated timescales to be compliant with the McCloud ruling, WYPF have developed an internal IT solution.
- 1.27 This solution is being reviewed by WYPF during June 2022 to establish any further work that may be required. The LBB Pensions Team are waiting for an update on progress.
- 1.28 Further updates will be provided to the Board on WYPF preparations and when the regulations are set out by the Government.

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

Monthly Report

August 2022

LB Barnet Pension Fund



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1. Performance summary

Work completed

KPI's for the period - 01.07.22 to 31.07.22							
WORKTYPE	TOTAL CASES JUNE	TOTAL CASES JULY	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN (Days)
AVC In-house (General)	7	5	20	5	85	100	1.6
Change of Address	52	84	10	80	85	95.24	1.52
Change of Bank Details	7	19	10	18	85	94.74	10.05
Death Grant Nomination Form Received	117	160	20	145	85	90.63	8.36
Death Grant to Set Up	4	4	10	4	85	100	1.25
Death In Retirement	28	17	10	15	85	88.24	4.12
Death In Service	2	2	10	2	85	100	6
Death on Deferred	2	2	10	2	85	100	6
Deferred Benefits Into Payment Actual	24	28	5	28	90	100	1
Deferred Benefits Into Payment Quote	40	58	35	58	85	100	11.41
Deferred Benefits Set Up on Leaving	43	122	20	74	85	60.66	26.01
Divorce Quote	1	2	20	2	85	100	8
Enquiry	0	1	5	1	85	100	1
Estimates for Deferred Benefits into Payment	2	0					
General Payroll Changes	28	19	10	19	85	100	1
Initial Letter Death in Service	2	17	10	17	85	100	1.06
Initial letter Death in Retirement	28	2	10	2	85	100	1
Initial letter Death on Deferred	2	2	10	2	85	100	3.5
Interfund Linking In Actual	7	9	35	8	85	88.89	25.33

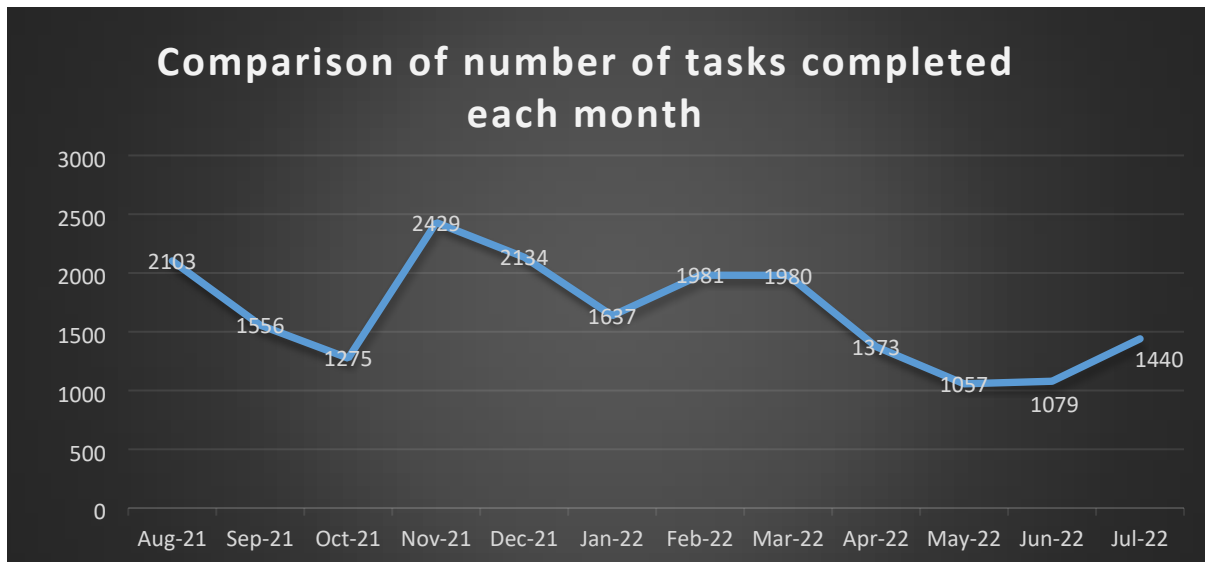
Interfund Linking In Quote	4	24	35	4	85	16.67	62.33
Interfund Out Actual	43	21	35	6	85	28.57	117.81
Interfund Out Quote	43	21	35	15	85	71.43	27.19
Life Certificate Received	1	1	10	1	85	100	10
Monthly Posting	96	176	10	169	95	96.02	3.31
Payment of Spouse & Child Benefits	10	5	5	4	90	80	81.4
Pension Estimate	19	27	10	15	90	55.56	17.81
Phone Call Received	318	454	3	432	95	95.15	1.89
Refund Actual	2	9	10	9	95	100	1
Refund Quote	5	22	35	19	85	86.36	8.23
Retirement Actual	19	22	3	22	90	100	1
Transfer In Actual	2	4	35	4	85	100	2.75
Transfer In Quote	5	2	35	2	85	100	1
Transfer Out Payment	1	0					
Transfer Out Quote	10	24	20	23	85	95.83	9.17
Update Member Details	105	75	20	75	100	100	4.52
Totals	1079 92.91%	1440				89.21%	

Comment – The KPI for Deferred Benefits Set Up On Leaving was not met this month due to staff working on historic cases (which will have already not met the KPI) to reduce outstanding numbers. This area of work has been prioritised due to the Triennial valuation and the number of cases processed this month have been significantly higher than previous months.

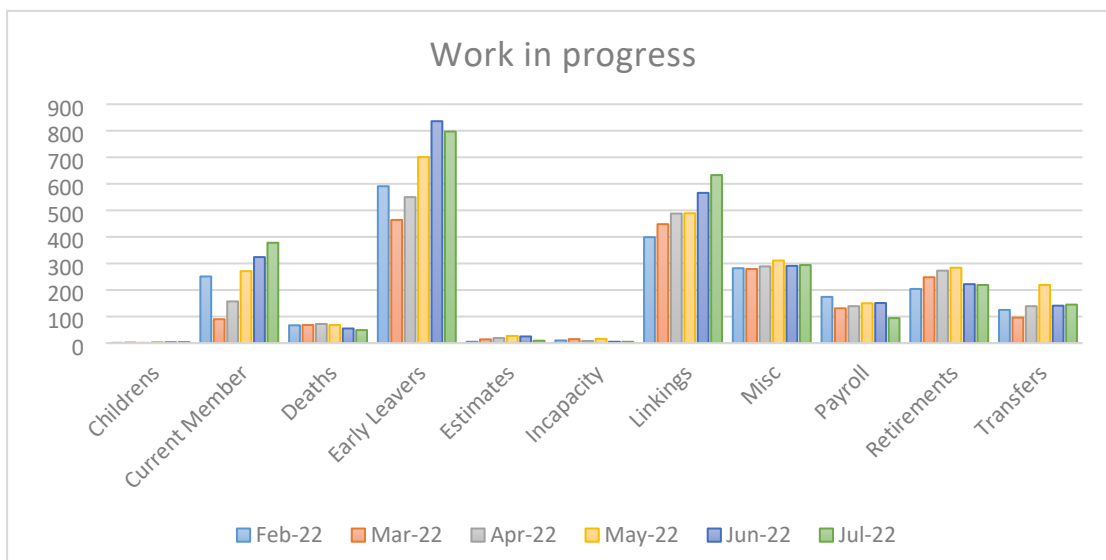
Comment -The KPI's for some of the Interfund areas of work has not been met this month due to historic cases being processed for ABS production. Employers across all funds are currently sending in leaver notifications that have been outstanding in preparation for the Triennial Valuation. This has had an impact on the levels of work and has increased the numbers of linkings and interfunds out.

Comment – The KPI for payment of Spouse & Child Benefits was not met this month due to one case not being completed within the target days. It was a complicated case due to gathering information with regards to an incapacitated child.

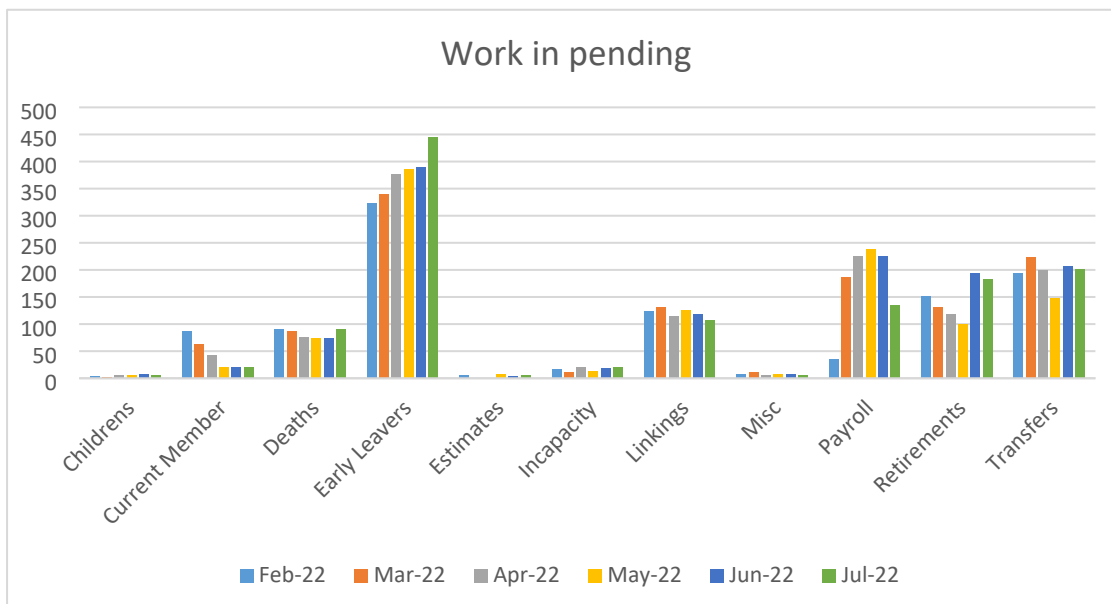
Comment - Comment - The KPI for Pension Estimate has not been met this month due to the high volume of estimates requests being received as members receive their ABS. Estimates received with a date of retirement within 3 months have been treated as a priority and future estimates have been processed but there have not been enough experienced staff to check the number of estimates that have been produced. Additional resources are being put into this area with 2 extra members of staff being trained.



2. Work in progress



	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Childrens	1	2	1	4	3	4
Current Member	251	90	157	271	324	378
Deaths	67	68	72	68	55	49
Early Leavers	591	464	550	701	836	797
Estimates	5	14	19	27	25	9
Incapacity	10	15	8	16	5	5
Linkings	399	448	488	489	566	633
Misc	282	279	289	311	291	294
Payroll	174	131	139	150	151	94
Retirements	204	248	273	284	222	219
Transfers	125	96	139	219	141	145



	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Childrens	3	2	6	5	7	6
Current Member	86	63	42	21	21	21
Deaths	91	86	75	73	73	91
Early Leavers	323	340	376	385	390	444

Estimates	6	0	0	7	4	5
Incapacity	16	11	21	13	18	20
Linkings	124	132	114	125	119	108
Misc	8	11	6	7	8	6
Payroll	36	186	225	239	225	135
Retirements	151	131	119	99	194	182
Transfers	193	224	200	148	207	202

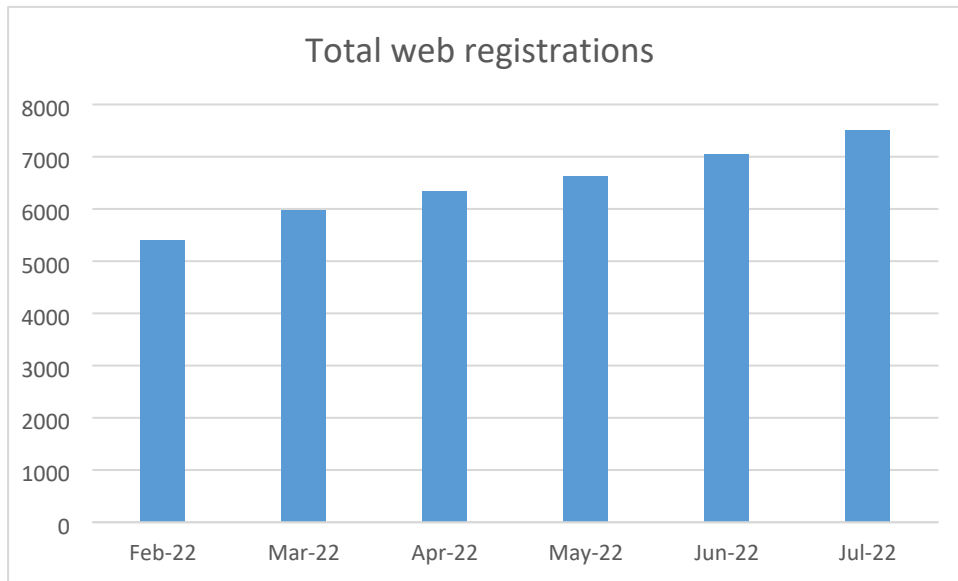
The tables above show processes grouped together and each group consists of a number of processes as shown below.

Childrens	Children's education review & children's pension age review
Current Member	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
Deaths	Death in retirement, death in service, death on deferred, death grant to set up, death overpayment to recover, death notification
Early Leavers	Leaver notification, deferred benefit, refund quote, preserved refund
Estimates	Pension estimate, deferred estimate
Incapacity	Incapacity case
Linkings	Linking quote, linking actual, interfund linking quote, interfund linking actual
Misc	Member portal query, post received, phone log, age 75 approaching, enquiry needing a response, Finance Team referral
Payroll	Life certificate received, returned credit, BACS recall, 100 th birthday, Tracesmart, suspend Tier 3, update bank details, payroll changes, GMP notification
Retirements	Deferred retirement quote, retirement quote, Tier 3 ill health review
Transfers	Interfund out, transfer out, AVC transfer out

3. Member web registrations

The numbers of members signed up to member web are:

Status	Number
Active	3194
Pensioner	2227
Deferred	2077
Total	7,498



4. Administration update

a) New Academies/Schools

Completed 0
Ongoing 0

New enquiries this month - 0

b) New Admission Bodies

Completed 0
Ongoing 6

New enquiries this month – 0

Ongoing

Name	Start date	Current position	Last action taken	Date completed
Innovate (Blessed Dominic)	01/09/2019	<p>Records to be updated from monthly contribution return to be able to provide data submission to Hymans. Info provided to WYPF on contract – 19/03/2021.</p> <p>Phoned contact at Innovate and sent a spreadsheet to complete – 19/07/2021.</p> <p>Member data provided by Innovate – 20/07/2021.</p> <p>Data submitted to Hymans on 01/11/2021.</p> <p>Assessment completed.</p> <p>Employer record updated to actual. Admission agreement being completed and once this is complete to pass to the Employer Relations Team and Finance as a new employer – 21/02/2022.</p> <p>Mark confirmed at the meeting on 03/03/2022 that the admission is in the process of</p>	<p>Admission agreement with Legal Team for sealing as per Mark Fox – 26/07/2022.</p>	

		being signed and would be ready soon.		
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. Data submitted to Hymans – 06/01/2022.	Hymans require membership as at 31/03/2019. Contribution postings needed for this. Agreed at meeting on 03/03/2022 to e-mail Mark to confirm requirements. E-mailed Mark 14/03/2022 to confirm that we need to complete monthly contribution postings to 31/03/2019. Mark chased this up with Caterlink – 16/06/2022.	
Signature Education	01/04/2021	Admissions required in respect of contracts with 5 Barnet Schools. Further employer records have now been set up for 3 further schools. For the three original academies that transferred staff to Signature – they are still with Mark Fox for concluding admission agreements and then we can conclude our	Meeting held with Mark Fox and Signature – 28/07/2022. Further email followed this meeting. The company has gone out of business and the admissions therefore appear unlikely to proceed.	

		processes on these.		
Tenon (St Michaels)	01/04/2021	Member details sent to Mark Fox so he can issue a draft admission agreement – 16/06/2022.	Admission agreement with Employer/School to sign and return as per Mark Fox – 26/07/2022.	
Hire-A-Pitch (Whitefield School)	01/10/2021	Member details confirmed – 02/12/2021. Employee was not in the scheme. Contacted contractor to ask about their intentions as the member who transferred was not in the scheme – 10/02/2022. Copy of the e-mail sent to Mark 03/03/2022 for him to consider the next action.	Still waiting to hear if this is an admission as per Mark Fox – 26/07/2022.	
Alliance in Partnership (Osidge)	01/08/2018	Pay details received and further data submitted to Hymans – 16/02/2022. 2019 valuation position issued by Hymans. Mark F will issue the admission agreement – 28/04/2022. Member details forwarded to Mark F for inclusion in the admission	Admission agreement with the employer – confirmed by Mark Fox – 12/07/2022.	

		agreement – 31/05/2022.		
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c) Employers ceasing participation

Completed 2
Ongoing 7

Name	Date ceased	Current position	Last action taken	Date completed
Ashlyns	31/07/2020	Delayed by one final outstanding leaver. A meeting was held between Jo Gaffney, Mark Fox and myself to agree a way forward with Mark providing the relevant leaver information. The record was then set to deferred status so that we could run of the cessation data.	Cessation data submitted to Hymans – 13/07/2022.	
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.	Response received from Caterlink. Mark Fox replied with bank details for payment of contributions – 26/07/2022.	
Atlas Cleaning (St Michaels)	31/03/2021	Data to be submitted to Hymans for cessation. Members transferred to Tenon.	Richard Quinn has been chasing the employer for outstanding leaver notifications – 01/06/2022.	
Caterlink (QE Girls School)	31/08/2021	Contributions not received. Mark	Chased up Service Centre	

		<p>Fox chasing up employer – 27/10/2021. We have also requested 3 outstanding leaver notifications – 23/11/2021. Outstanding leaver with Service Centre who are requesting outstanding postings from the employer. Final leavers being worked on – 14/03/2022. Both leavers have calculations in progress – 31/05/2022.</p>	<p>asking for leavers to be prioritised – 22/06/2022</p>	
Hartwig	09/07/2021	<p>Last query from Hymans responded to – 29/03/2022. Hymans still require data from WYPF for one outstanding leaver – 28/04/2022. Outstanding data submitted to Hymans – 04/05/2022.</p>	<p>Confirmed as concluded by Mark Fox – 12/07/2022.</p>	12/07/2022
Churchill Catering (Queenswell School)	30/11/2021	<p>Cessation data submitted to Hymans – 28/04/2022. Queries from Hymans responded to - 16/05/2022.</p>	<p>Confirmed as concluded by Mark Fox – 12/07/2022.</p>	12/07/2022

Atlas Cleaning (Claremont)	31/03/2022	End of contract. Cessation process set up – 04/04/2022. Queried with employer what happened to the members, are they leavers or did they transfer to a new employer – 28/04/2022. Queried with Claremont Primary – 03/05/2022. Chased up – 22/06/2022.	Leaver notifications requested – 12/07/2022.	
Fremantle Trust (2)	30/06/2019		Last email from Hymans saying they thought the cessation valuation had been concluded. Mark Fox to confirm – 18/07/2022.	
City and County Healthcare Group	08/06/2022	Last member left.	Retirement notification requested by Service Centre – 26/07/2022.	

d) Other employer work

Name	Description	Current position	Last action taken	Date completed
Bulk transfer to Harrow Council.	Bulk transfer dating back to 2015 and transfer value has still not been agreed by the actuaries.		Bulk transfer to be agreed by actuaries. To keep under review at monthly meetings.	

e) Internal Dispute Resolution Procedure (IDRP)

Stage 1

Completed 0

Ongoing 1

Date of appeal	Reason for appeal	Current position /outcome	Last action taken	Decision due	Date decision letter sent
15/06/2022	Appeal against a period of secondment being recorded as a separate scheme employer resulting in a deferred pension.	Referred to employer – 04/07/2022.		15/08/2022	

Stage 2

Completed 0

Ongoing 0

f) TPAS/Pensions Ombudsman

None

g) Compensation cases – July to September 2022

None

h) Member issues

- Member retired in 2019 and the reason for retirement was given as redundancy. The retirement was processed by WYPF in January 2022 as this had not been done by the previous pension administrator in 2019. An e-mail was then received in May 22 confirming that the reason for retirement was age retirement not redundancy. The member's benefits were re-calculated and a letter was sent to the member explaining the recalculation and also that her pension and lump sum had been overpaid. A letter was also sent to the employer explaining that as they had changed the reason for retirement the benefits had been overpaid and an invoice would be sent for the overpayment.
- Member joined and told us they had previous LGPS membership but no interfund process was started. It was picked up when a process was started

on another record we have for the member which she had previously left. The interfund process was started on her new record and the member of staff who had dealt with the case and is currently in training was told how to deal with these cases going forward.

- A refund quote was sent to the member but we then discovered she had gone to a new LGPS employer. An e-mail was sent to the member to apologise for sending details of the refund and that it was sent in error as she had new LGPS membership. Member e-mailed back and was happy with the explanation.

i) Employer issues

None

5. Membership numbers

Membership status	ACTIVES	DEFS	PENS	BENS	PRESERVED REFUND	LVRS OPTIONS PENDING
Numbers	9379	9784	7841	1009	1204	907
Change from last month (+ / -)	+10	+76	+40	-1	0	-5

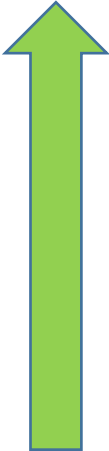
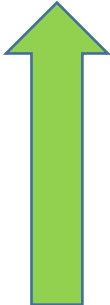
6. Management overview

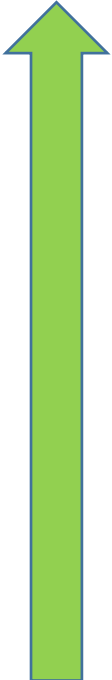
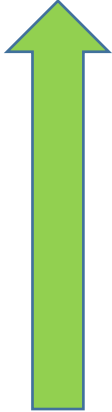
a) Staffing update

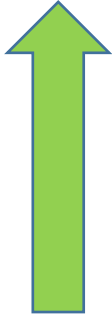

Finance – There are currently no vacant posts in the Finance Team.

Service Centre – The recent recruitment exercise for the Pension Officer posts resulted in 3 applicants being offered a post and they will be starting at the beginning of September. There continues to be ongoing Pension Officer recruitment as there are 15 vacant posts and these are currently being advertised. The next exercise to recruit to these posts will start in the next couple of weeks and a number of applications have already been received.

7. Projects

Project	Description	Current position	Last action taken	Movement	Expected completion date
McCloud	To remove unlawful age discrimination identified in the McCloud 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.	There are still a large number of employers that have not provided data and we believe that this is possibly because they don't need to provide any additional data. Agreed that we are now at the point to start giving employers a deadline - suggested date was 30th September to hopefully help employers and WYPF get beyond the peak leave period.	Civica's final product specification for McCloud is due the 1 st week in September. Once we have received the final product specification we will communicate further.		Regulations to be introduced from 1 st October 2023 as per current proposal.
Phase 3 (Monthly postings)	Move all the functionality onto to the front end website to enable Employers to process the data.	This is starting to progress as fixes are put in place as the internal testing continues in the Finance Team with a view to ask some employers to also test it.	Final development work has been scheduled in and internal testing has highlighted a couple of further amendments/developments are needed. Frontend penetration testing is being done in the next few weeks to check Cyber security and availability.		2022/2023

<p>Pensions Dashboard</p>	<p>Will enable individuals to access their pension information online, securely and all in one place.</p>	<p>Both Civica and ITM can offer a dashboard service and the Head of Projects, Communications & IT is issuing an invitation to tender mid-August for the service. Civica have progressed well on their development and are projecting to have their offer ready Autumn this year. The next meeting with TPR is the end of July. We are expecting DWP's response to the 31st Jan Dashboard Consultation on 23rd July pre summer recess. We are not expecting any significant changes.</p>	<p>DWP made their response pre-summer recess and clarified that AVCs are included within the Regulations for Pensions Dashboard. The staging date has been delayed from April 2024 to September 2024 to allow for McCloud/Sargent developments to be included in the staging date data requirements. At the meeting in July with TPR they were interested in our procurement process and the progress Civica have made around Pensions Dashboard. There was also a discussion on data quality and data accuracy. The next meeting is planned for September.</p>		<p>2022/2023</p>
<p>Key Performance Indicators (KPIs)</p>	<p>The KPI indicators have been developed in order to provide funds with the ability to self-assess against best practice benchmarks.</p>	<p>The new KPI reports have now been completed by Hafiz in IT. These will be tested internally before they replace the current KPI reports. The newly developed end to end KPI's will be tested</p>	<p>We continue to have regular internal meetings to discuss the new KPIs and ensure going forward that they are reporting correctly. The Member Service Managers are currently looking at each of the KPIs within their</p>		<p>Autumn 2022</p>

		thoroughly throughout the summer, analysed, checked for reliability and for accuracy. It is our intention to use the new KPI measures in the monthly report with effect from the autumn. A letter has been sent to all Shared Service Partners to confirm we have formally started the review.	area and will feed back at the regular meetings.		
Data Improvement Plan	Data falls into 2 categories – Common & Scheme Specific (also known as Conditional)	IT have agreed the quote from the supplier for intelligent character recognition, this is for a month's technical scoping to get the best configuration for us. This will include some support from Civica and we are waiting for dates from Civica to schedule this in.	Civica have agreed to send us a proposal for access to the image server and routes to make this development happen. The next step is for WYPF to write a detailed brief for Civica of our requirements and Civica will respond to those with a proposal of how this can happen. The proposal should be received by the end of August.		As per Data Improvement Plan.
Website	WYPF's website has not been redesigned since the introduction of the CARE scheme in	To ensure that we fully meet our customers' needs and wants we have undergone a programme of surveying users which will shortly	The survey has now closed. Total responses 7309 (around 11%). Results and analysis being put into a report by		New website live by Q4 2022/23

	2014. Change is needed to improve: Member journeys, brand identity, diversity of media and accessibility	be complimented by a series of members' labs. We've also researched the market looking at both LGPS sites and wider financial institutions to understand how they have approached web design.	TLF for a presentation back to the Communications Team on 5/8/22.		
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8. Regulatory update

[LGPC Bulletin 227 \(lgpslibrary.org\)](https://www.lgpslibrary.org) has now been published, please take a few minutes to read the bulletins.

LGPS England & Wales

Government confirms academy guarantee will continue After a reassessment, the Government confirmed on 21 July 2022 in [a written ministerial statement](#)? that it will continue to provide the academy guarantee. The annual ceiling will also increase to £20 million.

In 2013, the Government introduced the academy guarantee. The guarantee provides that, in the event of an academy closing, any outstanding liabilities will not revert to the LGPS fund. We covered this in [Bulletin 105](#).

Although there is no end date to the guarantee, the Government is committed to regularly reassessing it to determine whether it remains affordable and is fully recognised by administering authorities.

The Scheme Advisory Board in England and Wales has also published [a news article on this](#).

LGPS minister changes

On 6 July 2022, Kemi Badenoch MP resigned from the Government. Kemi Badenoch was Minister of State at the Department for Levelling Up, Housing and Communities. As part of this office, she was responsible for the LGPS.

The Government has recently confirmed that Paul Scully MP has taken over ministerial responsibility for the LGPS.

The Scheme Advisory Board in England and Wales has published [a news article on the changes](#)

HMRC

Newsletter 141

On 21 July 2022, HMRC published pension schemes newsletter 141. The newsletter includes articles:

- covering the technical consultation on resolving the low earners tax relief anomaly (see below article covering the consultation)
- clarifying how to migrate schemes from the Pension schemes online service to the Managing pension schemes service
- reminding schemes that they cannot compile and submit new Accounting for Tax returns for any quarter from 1 April 2020 onwards on the Pension schemes online service
- reminding schemes who need to submit an Accounting for Tax return for the quarter 1 April 2022 to 30 June 2022 that they will need to have migrated the scheme and submitted the return on the Managing pension schemes service by 14 August 2022 to avoid interest and penalties

Technical consultation on resolving low earners tax relief anomaly

On 20 July 2022, HMRC launched [a technical consultation](#) on draft legislation that aims to resolve the tax relief anomaly. The consultation closes on 14 September 2022.

The proposed changes will be included in the next Finance Bill.

The tax relief anomaly affects pension scheme members who earn less than the personal allowance. Whether the member receives any tax relief on their pension contributions depends on the tax relief method used by their scheme. The scheme will either use the 'net pay arrangements' or the 'relief at source' method.

Under the 'net pay arrangements', pension contributions are deducted before income tax is calculated. This means that tax relief is equal to the member's marginal rate. For members whose income is below the personal allowance, the rate is zero per cent. Under the 'relief at source' method, low earners do receive tax relief on their contributions. The LGPS uses the 'net pay arrangements'.

The legislation proposes placing a duty on HMRC to make top up payments directly to eligible members. Eligible members are members who pay into a scheme that uses the 'net pay arrangements' and whose total taxable income is below the personal allowance. H M R C will identify and notify eligible members and invite them to provide the necessary details for the top up payment to be paid direct to their bank account. The duty will apply for the tax year 2024/25 onwards.

The proposals follow an earlier call for evidence on resolving the anomaly from HM Treasury (HMT). The call for evidence ran between 21 July 2020 and 13 October

2020, which we covered in [Bulletin 200](#). We responded to the consultation in October 2020. H M T responded to the consultation in October 2021. You can access the consultation documents and our response on the:

- [non-scheme consultations](#) page of www.lgpsregs.org

GAD

Cost cap results published

On 29 June 2022, the Government Actuary's Department published the results of the first cost cap valuation for LGPS (England and Wales) and LGPS (Scotland).

The cost cap was introduced by the Public Service Pensions Act 2013. The Act requires the setting of an employer cost cap rate against which changes in the cost are to be measured. If the cost changes and falls outside a two per cent corridor above / below the rate, action must be taken to bring the cost back to the rate.

The results of the first valuations show that the cost has remained within the two per cent corridor for both schemes. This means no changes to benefits or member contributions are needed.

The employer cost cap rate for LGPS (England and Wales) is 14.6 per cent. [The results for the valuation as at 31 March 2016](#) show that the cost is 1.2 per cent below the cost cap rate.

The employer cost cap rate for LGPS (Scotland) is 15.2 per cent. [The results for the valuation as at 31 March 2017](#) show that the cost is 0.2 per cent above the cost cap rate.

TPO

TPO McCloud factsheet published

On 20 July 2022, TPO published [a factsheet on McCloud](#) a factsheet on McCloud.

The factsheet sets out TPO's views on what affected members and schemes can do now and TPO's present approach to dealing with McCloud complaints.

TPO's general starting position is that it would not investigate McCloud complaints. This is because it acknowledges that the Government is taking steps to address the discrimination with retrospective effect. TPO will, however, carefully look at the facts of each case before deciding whether to investigate. The factsheet sets out examples where TPO may decide to investigate a McCloud complaint now.

TPR

Pensions dashboards

Blog published from Moneyhub

On 7 July 2022, the Pensions Dashboards Programme (PDP) published a blog from Dave Tonge, Chief Technology Officer at Moneyhub.

Moneyhub has been helping the PDP develop pensions dashboards.

In the blog, Dave reflects on a key lesson from the alpha build phase, how multiple dashboards will help consumers and the importance of the upcoming beta testing phase.

Dashboard Accuracy Data Guidance

On 4 July 2022, the Pensions Administration Standards Association published the Dashboard Accuracy Data Guidance.

The guidance highlights the importance of regularly testing data for accuracy. This is particularly important for data that pension schemes will use when matching requests from the dashboards. The guidance provides information on how schemes could test their data and what data sources they could use.

DWP responds to consultation on the draft pensions dashboards regulations

On 14 July 2022, the Department for Work and Pensions (DWP) [responded to the consultation on the draft Pensions Dashboards Regulations](#).

DWP has also published a [summary of the key policies](#). The summary reflects the response to the consultation.

DWP consulted on the regulations between 31 January 2022 and 13 March 2022, which we covered in [Bulletin 220](#). We responded to the consultation in March 2022.

The key areas of the response that affect LGPS administering authorities are set out below. DWP will amend the draft regulations ('the Regulations') to reflect the response. We expect DWP to lay the Regulations before Parliament in autumn.

Staging Deadline

The staging deadline for the LGPS and all other public service pension schemes will be deferred from 30 April 2024 to 30 September 2024.

Schemes will be expected to meet the required standards (connection, security and technical) by 30 September 2024. They must also, by that date, be able to respond to find requests, complete matching and provide administrative and signpost data on request.

Administering authorities will need to be able to provide value data (accrued and projected values) by 1 April 2025. Though they can provide this earlier if they wish.

You can access the consultation documents on the:

- [non-scheme consultations](#) page of www.lgpsregs.org

LGA response to further consultation on pensions dashboards

On 19 July 2022, we responded to the further consultation on pensions dashboards. DWP launched the further consultation on 28 June 2022. We covered this in [Bulletin 226](#). The consultation included proposals on the 'Dashboard Available Point' (DAP).

In our response, we call for the Government to:

- commission market research on how many people are likely to connect to dashboards when they go live
- consider phasing publicising the DAP, possibly by age or region
- consider providing easements during the initial period after the DAP.

Our response can be found on the:

- [non-scheme consultations](#) page of www.lgpsregs.org

PDP launches consultation and call for input on standards and guidance

On 19 July 2022, the Pensions Dashboards Programme (PDP) launched a consultation on dashboard standards and guidance, and a call for input on the design standards. Both the consultation and the call for input will close on 30 August 2022.

Standards and guidance

The standards detail how pension schemes and dashboard providers operationally, technically or in practice must meet their dashboard duties. The following six standards are published for consultation:

- data standards
- operational standards
- reporting standards
- security standards
- service standards
- technical standards (this comprises of the technical standards, the API standards and technical overview guidance).

The guidance provides further requirements that pension schemes must have regard to when complying with their dashboard duties. The following three sets of statutory guidance have been published for consultation:

- connection guidance
- data usage guide
- early connection guidance.

Other news and updates

2022 National Knowledge Assessment

Following [the 2020 LGPS National Knowledge Assessment](#), Hymans Robertson will run their benchmark knowledge and skills assessment again this September. The assessment is aimed at pension Committees and local pension boards.

Administering authorities will be able to gain an understanding of the knowledge levels of both groups and how that compares with their peers. Questions will be split between technical, decision making and roles and responsibility, providing further information to administering authorities to aid the development of training plans.

You can find more information about the assessment, including a link to register interest, on [the relevant page of Hymans Robertson's website](#).

Commenting on the 2022 assessment Councillor Roger Phillips, SAB (England and Wales) Chair, said:

“We very much welcome the follow up assessment which will enable the Board, pension committees, local pension boards and other scheme stakeholders to assess and compare the levels of knowledge across key sectors since 2020.”

Cost cap control judicial review given permission to be heard

On 4 July 2022, the Fire Brigades Union and the British Medical Association were given permission to judicially review the UK Government’s decision to include McCloud remedy costs in the 2016 cost control valuations. The cases will be heard together.

Though the case will look at the firefighters’ and NHS pension schemes, the outcome may have an impact on the LGS. This is because the first cost control valuations in the LGPS also included the McCloud remedy costs. See earlier article for the results of the first LGPS cost control valuation.

No date has been set for when the case will be heard.

McCloud update from DLUHC

On 27 July 2022, Steven Moseley sent the following update to administering authorities in England and Wales and software suppliers on behalf of the Department for Levelling Up, Housing and Communities (DLUHC).

Earlier this year, the Public Service Pensions and Judicial Offices Act 2022 (“the 2022 Act”) received Royal Assent. The 2022 Act provides powers for the Government to rectify the McCloud age discrimination across all affected public service pension schemes. In DLUHC, work continues on the steps to rectify the

discrimination as it affects the L G P S in England and Wales. Later this year, we intend to publish the Government's response to [our 2020 consultation](#), in which we'll set out our decisions on the matters covered in that consultation. After the publication of the Government 20 response, the Scheme Advisory Board will resume their McCloud implementation groups (including representatives of different LGPS stakeholders), and the Department will attend those meetings.

Alongside the Government response, we intend to publish an updated version of the draft regulations implementing the McCloud remedy. The updated draft regulations will reflect the new powers in [Chapter 3 of Part 1](#) the 2022 Act governing the statutory underpin, as well as technical feedback we received at the 2020 consultation and any changes in policy. To ensure the updated draft regulations are accurate in light of the changes made, they will be subject to a further period of consultation early in 2023. At that time, we will also consult on other aspects of the McCloud remedy which did not feature in our original consultation (for example, compensation and rates of interest). The regulations will be made later in 2023 and will come into force on 1 October 2023. We intend to issue statutory guidance on the implementation of McCloud in 2023 following a period of consultation.

This approach will ensure that the regulations, when made, will reflect all aspects of the remedy and have been appropriately scrutinised. We would encourage LGPS administrators to begin taking steps towards the implementation of McCloud remedy following the publication of the Government response, and will shortly be holding a meeting with software suppliers to discuss the implementation of the McCloud remedy to this timetable.

Training

Employer role training There are still places available on the employer role training we will run in September online. Use the links below to see more information about the training and make a booking. Please let your employers know about the training.

[Employer role training - 13 September 2022 Online](#)

[Employer role training - 20 September 2022 Online](#)

Fundamentals 2022

Our Fundamentals training programme for this year is proving very popular.

The training will be run face to face in two locations, London and Birmingham and we will also be running a separate online session.

Fundamentals is a three-day training course aimed at elected members and others who attend pension committees/panels and local pension boards. Attending all three days will assist delegates in meeting the relevant requirements for knowledge, skills and understanding either required in statute or encouraged by relevant guidance. Each day has a different theme and will include sessions delivered by experts in their field. The event also provides delegates with valuable networking opportunities.

Early booking is recommended as places are limited. We are unable to take manual bookings.

Each event below has a link to take you directly to the booking page of that session.

[Fundamentals Day 1 – 18 October 2022 online](#) [Fundamentals Day 1 – 20 October 2022 Westminster](#)

[Fundamentals Day 1 – 27 October 2022 Birmingham](#)

[Fundamentals Day 2 – 10 November 2022 Westminster](#)

[Fundamentals Day 2 – 16 November 2022 Birmingham](#) [Fundamentals](#)

[Day 2 – 22 November 2022 online](#) [Fundamentals](#)

[Day 3 – 6 December 2022 Westminster](#) [Fundamentals](#)

[Day 3 – 14 December 2022 Birmingham](#) [Fundamentals](#)

[Day 3 – 20 December 2022 online](#)

The booking page for all LGA events is: www.local.gov.uk/events.

Legislation

Statutory Instruments

[The Public Service Pensions \(Employer Cost Cap and Specified Restricted Scheme\) Regulations 2022](#) [SI 2022/787]

Useful links

[LGA Pension page](#)

[LGPS members' website](#)

[LGPS Advisory Board website](#)

[LGPS Regulations and Guidance website](#)

[LGPS Discretions](#) - lists all the potential discretions available within the LGPS

[The Timeline Regulations for Final Salary Schemes](#)

[The Timeline Regulations for the current scheme](#)

9. Scheme calendar for year commencing 1 April

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

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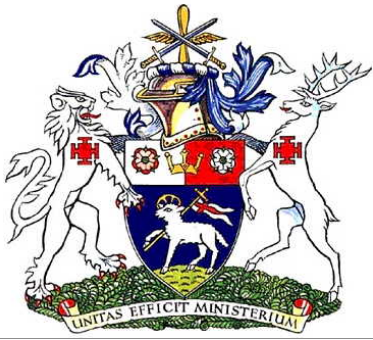
Appendix B – Percentage of My Portal registrations per employer

Employer	Percentage of members registered
All Saints C of E Primary School	36.3%
Alma Primary School	36.3%
Archer Academy	25.8%
Ark Pioneer Academy	22.2%
Ashmole Trust	26.7%
Atlas (St Michaels)	25.0%
Barnet And Southgate College	27.7%
Barnet Education And Learning Service Ltd (BELS)	66.6%
Barnet Education Arts Trust (Beat)	100%
Barnet Homes	53.7%
Barnet Homes (Brooksons)	34.7%
Barnfield Primary School	35.7%
Bishop Douglass Catholic High School (Academy)	31.4%
Bishop Douglass R.C. School	19.1%
Broadfields Academy	25.8%
Brookland Infant and Nursery School	25.9%
Brookland Junior School	47.9%
Capita CSG	52.2%
Capita RE	100%
Caterlink (The Compton School)	50.0%
Caterlink - Holly Park School	23.4%
Childs Hill Primary Academy	35.7%
Christ Church C E Primary School	45.1%
Christs College	28.2%
Claremont Primary	29.2%
Colindale Primary School	21.0%
Copthall Academy	13.2%
Danegrove School	17.3%
Deansbrook Jun School	13.2%
Dollis Primary School	23.2%
East Barnet School	20.7%
Edgware Primary School	35.6%
Finchley Catholic High School	72.7%
Friern Barnet School	29.4%
Grasvenor Avenue Infant School	28.5%
Greenwich Leisure Limited	35.1%
Hasmonean Schools MAT	20.3%
Hendon School	40.0%
Henrietta Barnet School	15.7%

Hyde School	9.8%
ISS	25.0%
Independent Jewish Day School	66.6%
J.B Riney	31.9%
JCoSS	27.2%
Kisharon Academy	19.5%
London Academy	35.6%
London Borough of Barnet	25.8%
London Borough of Barnet (Schools)	11.9%
Mapledown School	22.1%
Martin Primary School	50.0%
Mathilda Marks Kennedy Tst	52.3%
Menorah Foundation School	25.0%
Menorah High School for Girls	31.8%
Middlesex University	31.6%
Mill Hill County High	33.3%
Monken Hadley School	46.3%
Monkfrith Primary School	54.5%
NSL Ltd	50.0%
OCS Group Uk Ltd Barnet	28.5%
Oak Hill Academy	24.5%
Oak Lodge School	24.7%
Oakleigh School and Acorn Assessment Centre	33.3%
Osidge G.M. Primary School	16.6%
Parkfield School	42.4%
Pavilion Study Centre	16.6%
Queen Elizabeth Girls School	42.4%
Queen Elizabeth Boys School	47.0%
Queenswell Federation	54.7%
Rimon Jewish Primary School	7.14%
Rosh Pinah Primary School	29.2%
Sacks Morasha Jewish Primary School	42.8%
Saracens Academy	10.9%
St Andrew The Apostle School	23.8%
St Andrew's C of E Voluntary Aided Primary School	29.1%
St James' Catholic High School	27.9%
St Johns N20 School	40.0%
St Mary & St John Primary School	23.6%
St Mary's CEP School	36.1%
St Michael's Catholic Grammar School	25.9%
St Pauls C of E Primary School	30.0%
Summerside Primary Academy	39.4%
Sunnyfields Primary School	23.9%

The Compton School (Middlesex Learning Trust)	36.4%
The Totteridge Academy	37.2%
Underhill Infant School	30.9%
Wessex Gardens Primary School	21.8%
Whitefield Trust School	26.6%
Woodcroft School	18.3%
Woodhouse College	34.2%

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Local Pension Board

08 September 2022

Title	Data Improvement Plan and Historical Leavers
Report of	Executive Director of Strategy & Resources (S151 officer)
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341
Summary	
<p>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.</p> <p>Will update Board at next meeting.</p>	

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 which 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 produced a data improvement plan (“the plan”) to get the data up to the required levels. The LBB Pensions Team and WYPF are working together to ensure that accurate data is updated on members’ records.
- 1.4 In addition, WYPF inherited a large number of historical leavers that had not been processed.
- 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 The LBB Pensions Team (“the Pensions Team”) continue to monitor and work with WYPF on the Data Improvement Plan to correct the issues inherited. 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 initially **c28,500** data items that needed to be reviewed and updated. At the end of July, this had reduced to **9202**.
- 1.8 WYPF are working on four data areas where their IT Team are looking to update records in bulk. This is still ongoing. WYPF have advised once the “character recognition” software (previously mentioned to the Board) is introduced this will significantly reduce the number of data items outstanding in these areas.
- 1.9 The “character recognition” software, will help WYPF to obtain the missing data from the scanned images on members records. The software is presently being tested and will be available in early Autumn.
- 1.10 The Pensions Team and WYPF have agreed that there are some items of data where it could be classed as “nice to have” rather than vital, so this data will only be looked at, on a case-by-case, if this is relevant to the calculation of members benefits

1.11 WYPF also provided an 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.

1.12 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%
February 2022	96.71%	78.58%
March 2022	96.71%	79.28%
April 2022	96.69%	79.66%
May 2022	96.63%	79.31%
June 2022	96.66%	79.31%
July 2022	96.68%	78.65%

1.13 These figures show the presence of data held on members' records. Common data is data is needed so that a member can be uniquely identified, such as date of birth and national insurance number. Conditional data is used to calculate the member benefits, such as pensionable salary and service information.

1.14 The common data score is at the acceptable level for The Pensions Regulator (TPR). Conditional data does not have a score level set by TPR, however, the Pensions Team hope that, with the introduction of the character recognition software by WYPF, this score increases by the end of the year.

Valuation Data

1.15 The final extract of data has just been submitted to Hymans at the beginning of July. WYPF, Hymans and the pensions team have been working together to correct critical errors. This has been a successful exercise.

1.17 As a result, Hymans are confident that they should meet agreed timescales for providing valuation results.

Historical Leavers

WYPF initially inherited **c1,500** “historic leavers. Following the work undertaken by WYPF in the 2021 Annual Benefit Statement (ABS) process, this number increased to **c1,950**. As of 1 August 2022, this number had reduced to **c880**, of which **760** are leavers who left before 1 November 2020 when WYPF took over the administration of the Fund.

- 1.18 As advised at the last Board meeting, the Pensions Team recently contacted all employers, with historic leavers outstanding, requesting that they submit leaver forms to WYPF by a deadline date (ranging from the end of April to end of May, depending on the number of leaver forms that need to be submitted).
- 1.19 The pensions team will shortly contact employers where leaver forms are still outstanding and issue fines where appropriate.
- 1.20 We are working with the council’s payroll provider to get their historic leavers submitted. These have now reduced to **c540**.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Not applicable in the context of this report.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable in the context of this report.

4. POST DECISION IMPLEMENTATION

- 4.1 Not applicable in the context of this report.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

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

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

- 5.2.1 Not applicable in the context of this report.

5.3 Social Value

5.3.1 Not applicable in the context of this report.

5.4 Legal and Constitutional References

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

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

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

5.4.3 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 [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

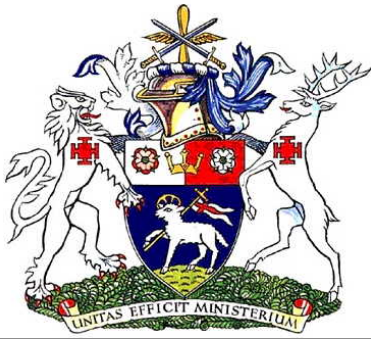
5.9.1 Not applicable in the context of this report.

6. ENVIRONMENTAL IMPACT

6.1 None

7. BACKGROUND PAPERS

7.1 None



Local Pension Board

8 September 2022

Title	Pensions Scheme Risk Register
Report of	Executive Director of Strategy & Resources (S151 officer)
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Pensions Administration Risk Register: September 2022
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341

Summary

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

Recommendations

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

1. WHY THIS REPORT IS NEEDED

- 1.1 It is important that the Council maintain the Pensions 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.

Risk Velocity

- 1.3 Risk Velocity is defined as the time to impact (i.e. an estimate of the timeframe within which a risk may occur).
- 1.4 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
- 1.5 Officers have reviewed each of the risks on the risk register and have determined the risk velocity as follows:

Risk ID	Short Risk Title	Risk Velocity
PB001	Operational - disaster (Fire / flood etc)	Red
PB002	Member data incomplete or inaccurate	Amber
PB003	Admin process failure or maladministration	Amber
PB004	Excessive charges by suppliers	Green
PB005	Employer failure to pay contributions to the fund	Green
PB006	Failure of non-public sector employers	Green
PB007	Failure to interpret rules or legislation correctly	Green
PB008	Appropriate personnel in place to perform in designated roles	Amber
PB009	Conflicts of interest	Green
PB010	Admission agreements / securities (i.e. bonds) not arranged	Green
PB011	Commercial viability of strategic suppliers	Green
PB012	Non-compliance with GDPR	Red
PB013	Negative media exposure and member experience	Red
PB015	Impact of pandemics on pensions administration	Amber
PB016	Cyber security breach	Red
PB017	Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements	Amber
PB018	Effect of new pensions legislation and LGPS regulations	Green

- 1.8 The Pensions Team has reviewed the Risk Velocity for each of the risks above and determined that there are no changes at present.
- 1.9 Updates on the administration risks are as follows:
- 1.9.1 **PB001** – The LBB Pensions Team are waiting for West Yorkshire Pension Fund (WYPF) to provide a copy of their latest audit report on the WYPF Business Continuity Plan (BCP). On receipt, the Pensions Team will review to ensure that there are potential issues that we need to be aware of.
- 1.9.2 **PB002** – WYPF have now submitted the final “cut” of valuation data to Hymans and good progress has been made in ensuring that the critical data errors identified have been corrected. so data gaps that still need to be corrected.

WYPF are also testing ‘character recognition’ software to assist in the updating of missing data. Assuming that this testing is satisfactory, this will have an impact in ensuring missing or incomplete member data is updated quicker than has been the case previously.

The risk score remains at 10.

- 1.9.3 **PB015** – The Board have previously expressed concern at last Board meeting regarding recent issues with WYPF staff absences and unfilled vacancies and the effect on the WYPF performance.

The LBB Pensions Team continue to review and discuss the concerns on WYPF recent performance with senior management at WYPF and this will continue to be reviewed until the LBB Pensions Team are satisfied that there is no detrimental effect on the WYPF performance.

The risk score remains at 8.

- 1.9.4 **PB017** – The LBB Pensions Team have asked WYPF for their latest report on their cyber security risk mitigations. This will then be reviewed against TPR cyber security principles to ensure compliance.

2. REASONS FOR RECOMMENDATIONS

- 2.9 Management of risk is critical to avoiding unfavourable outcomes.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.9 Not applicable in the context of this report.

4. POST DECISION IMPLEMENTATION

4.9 Not applicable in the context of this report.

5. IMPLICATIONS OF DECISION

5.9 Corporate Priorities and Performance

5.9.1 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.

5.10 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

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

5.11 Social Value

5.11.1 Not applicable in the context of this report.

5.12 Legal and Constitutional References

5.12.1 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

5.13 Risk Management

5.13.1 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.

5.14 Equalities and Diversity

5.14.1 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.

5.15 Corporate Parenting

5.7.1 Not applicable in the context of this report.

5.16 Consultation and Engagement

5.16.1 Not applicable.

5.17 Insight

5.17.1 Not applicable

6. ENVIROMENTAL IMPACT

None

7. BACKGROUND PAPERS

7.9 None

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	The administrator has Business Continuity Procedures and Disaster Recover Plans in place. The LBB Pensions Team have been updated with the latest version of the WYPF BCP (last review - January 2020). WYPF Business Continuity and Disaster Recovery Plans may be audited by either the internal audit team of Bradford Metropolitan	5	1	5	5	1	Tolerate	The LBB Pensions Team waiting for the last audit report on the WYPF BCP and date of next review. This is now due in the summer of 2022.	Q3, 2022	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	
				District Council or external auditors appointed by the Bradford Council.									

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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 monthly by WYPF monthly and is showing improvements in data presence.</p> <p>The LBB Pensions Team have received assurance from</p>	5	2	10	3	2	Treat	<p>WYPF to advise the LBB Pensions Team when employers are not providing the relevant information, appropriate action can be taken.</p> <p>The LBB Pensions Team have contacted all relevant employers with unprocessed leavers, so member benefits can be calculated, and records be updated.</p> <p>Final cut of valuation data has been submitted by</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Q2, 2022</p>	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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>joiners and leavers were identified in the 2019 valuation process, along with incorrect pensionable salary and CARE for members who have two job roles.</p>		<p>Bradford City Council's Internal Audit team on controls in place on UPM for automated calculations and how WYPF processes for non-automated calculations are reviewed.</p> <p>Training sessions on providing leaver data took place in February 2022, with employers being reminded of their responsibilities and the option for the Administering</p>							<p>WYPF to Hymans. Work has been completed to correct most of the critical data errors identified.</p> <p>WYPF are testing 'character recognition' software to assist in the updating of missing data</p>	Ongoing	

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	
				Authority to issue fines and report to TPR.									

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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>The LBB Pensions Team 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.</p> <p>This determines who can authorise and sanction large payments.</p> <p>Scheme Event Calendar in place and reviewed annually.</p>	<p>Annual</p> <p>Annual</p>	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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>							<p>Any errors or issues identified by WYPF are advised to Officers on the monthly report or earlier, if deemed appropriate.</p>	Ongoing	

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	The LBB Pensions Team check monthly that employers pay the correct contributions rates. New Admitted Bodies are asked to commence paying contributions as soon as possible (prior to the Admission Agreement has not been signed).	Monthly	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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>The LBB Pensions Team 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>Revised procedures have been implemented to improve the collection of strain cost invoices.</p>									

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	
PB006	Failure of non-public sector employers	Should admitted bodies default on payments, the fund is left with additional pension liabilities.	Finance	<p>LB Barnet Pension Team monitoring of employer covenant and business strength.</p> <p>The backlog of admission agreements and bonds that increase the risk of an unrecovered shortfall are reducing.</p> <p>The LBB Pensions Team now have access to a Hymans modeller, enabling calculation of the employer's</p>	2	2	4	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>The LBB Pensions Team work with both WYPF and Hymans Robertson to ensure that new Agreements are completed and signed in good time.</p>	<p>Ongoing</p> <p>Ongoing</p>	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	
				contribution rate, thus speeding up the admission process.									
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>Board Training to be a standing item at each meeting with appropriate training to be arranged over the course of 2022 and beyond.</p>	N/A Ongoing	Aug-17

Last Updated:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	WYPF 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 always executed effectively.	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:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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:11/08/2022

London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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	Admission agreements / securities (i.e. bonds) not arranged	<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	<p>The LBB Pensions Team 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.</p> <p>LB Barnet Pension Team monitoring of employer covenant and business strength.</p> <p>The backlog of admission</p>	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>The LBB Pensions Team are working with both WYPF and Hymans Robertson to ensure new Agreements are completed and signed promptly.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	Jan-19

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London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 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>agreements and bonds are reducing.</p> <p>The LBB Pensions Team now have access to a Hymans modeller, enabling calculation of the employer's contribution rate, thus speeding up the admission process.</p>									
PB011	Commercial viability of strategic suppliers	If the commercial viability of a strategic supplier declines this could lead to operational	Business Continuity	Administration has few suppliers - WYPF, Civica (indirect),	4	1	4	4	1	Treat	As WYPF are part of a local authority, they will not go out of business. If they cease providing	Ongoing	Mar-19

Last Updated:11/08/2022

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

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		failings resulting in service disruption/reduction, failure to complete statutory duties and financial costs.		<p>Hymans (actuarial).</p> <p>Contract management framework, with policy and procedures for commercial activity.</p> <p>Contract monitoring takes place monthly with quarterly reporting to Financial Performance and Contracts Committee.</p> <p>Contract register kept under review with checks on financial status of strategic</p>							third party admin services, this will likely be over a reasonable period. This will enable The LBB Pensions Team enough time to find an alternative provider. This can be done by using the National LGPS Framework.		

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

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				suppliers. Contract management arrangements in place, including indicators to identify financial stress. 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	Statutory Duty	The LBB Pensions Team are required to engage with GDPR eLearning to be trained on GDPR regulations. WYPF staff must complete GDPR awareness	3	2	6	2	1	Tolerate	WYPF ensure that all employees responsible for handling personal data will receive appropriate training in the use and control of this data. The LBB Pensions Team who are	Ongoing Ongoing	Mar-19

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

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		financial and reputational impact on the Council.		training and more in-depth training if they are involved in the processing of personal data.							responsible for sensitive personal data also receive training appropriate to their roles. The LBB Pensions Team will report any potential data breaches to the Council's Data Protection Team for review and advice.	Ongoing	
PB013	Negative media exposure and member experience	Negative media attention may lead to ineffective media management impacting on the reputation of the	Staffing and Culture	Staffing and Culture Communication team to liaise with S151 Officer as and	4	1	4	2	1	Tolerate	Press releases to be shared with Local Pension Board members prior to publication (if possible).	Ongoing	Mar-19

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

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		<p>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>		<p>when a media enquiry arises.</p> <p>The LBB Pensions Team to provide regular communication on the Barnet Fund when changes or issues occur</p>							<p>Member experience to be measured by satisfaction surveys and feedback by WYPF. Last results received for quarter ending 31 March 2022 received by the LBB Pensions Team in May 2022.</p> <p>The LBB Pensions Team and WYPF to discuss issues weekly.</p>	<p>Every 3 months</p> <p>Ongoing</p>	
PB015	Impact of COVID-19 and staffing issues on pensions administration	Administration processes and levels being maintained whilst administrators working from home with no detrimental effect	Business Continuity	WYPF have developed their own Business Continuity plan., This is to be shared with Council The LBB Pensions Team.	4	2	8	2	1	Treat	The LBB Pensions Team to monitor performance levels, complaints and resourcing levels. Any major dip in levels should be raised	Ongoing	Apr-20

Last Updated:11/08/2022

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

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
		on the payment of members benefits and general service levels.		The LBB Pensions Team will monitor service levels through regular reports and calls with WYPF.							with Senior Management at WYPF and Commercial Team at the Council. WYPF staff have started hybrid working arrangements. Recent issues with WYPF staff absences and unfilled vacancies have been discussed with senior management at WYPF and will continue to be reviewed until the LBB Pensions Team are satisfied that there is no detrimental effect	Ongoing Ongoing	

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

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											on WYPF performance.		
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</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	5	2	10	2	2	Treat	<p>To obtain the latest report from WYPF on their cyber security risk mitigations.</p> <p>The LBB Pensions Team to check whether the WYPF policy is updated in line with the TPR cyber security principles.</p>	<p>Q2, 2022</p> <p>Q2, 2022</p>	Jun-20

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

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		damage to the fund or its members as a result of the failure of its information technology systems and processes. It includes risks to information (data security) as well as assets, and both internal risks (eg from staff) and external risks (eg hacking).		administration software system.									

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

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					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB017	Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements	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 the LBB Pensions Team the results of the pensioner existence exercise and where members have not responded, their pension will be suspended until the pensioner returns their certificate. Exercise commenced in October 2021.</p> <p>Exercise will commence for overseas pensions in autumn 2023.</p> <p>The LBB Pensions Team to review transfer documentation sent with transfer</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	Aug-20

Last Updated:11/08/2022

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

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				<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>quotations to members and review the processes to ensure that appropriate checks are being taken to prevent transfer value payments being made to “pension scam” arrangements.</p> <p>The LBB Pensions Team to ensure that WYPF processes consider these new regulations and have requested details of all transfer payments made every six months.</p>	Q2, 2022	

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

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											WYPF have confirmed that they will be signing up to TPR Pensions Pledge, which is a new initiative to: <ul style="list-style-type: none"> • raise awareness of the risks of scams • educating administrators and Boards on the best practice for due diligence around transfers • doing all they can to protect their members. 	Ongoing	

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

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PB018	Effect of new pensions legislation and LGPS regulations (including the proposed increase in State Pension Age) on the provision of pension benefits to members of the Fund.	<p>New pensions legislation or updates to the LGPS regulations can influence members pension benefits within the Fund. An example would be the proposed increase in State Pension Age (SPA) currently proposed to increase from age 67 to 68 between 2044 and 2046.</p> <p>As the LGPS normal retirement age is linked to SPA, this will have an effect for members born on or after 1978.</p>	Statutory Duty	<p>The LBB Pensions Team to monitor and review updates to pensions legislation to determine the impact on members benefits.</p> <p>This will be in conjunction with WYPF, Hymans Robertson and other bodies to enable relevant communication to be sent to appropriate parties.</p>	4	2	8	2	3	Treat	The LBB Pensions Team to ensure that legislative changes are reviewed as soon as possible, so that any impact on members and employers are communicated clearly and promptly.	Ongoing	

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Local Pensions Board

8 September 2022

Title	Knowledge and Understanding
Report of	Executive Director of Strategy and Resources (S151 officer)
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	David Spreckley, Head of Pensions and Treasury, david.spreckley@barnet.gov.uk

Summary

The role of the Local Pension Board is to contribute to the governance of the pension scheme by scrutinising the work of the Pension Fund Committee and making recommendations where appropriate. In this context it is important that the Board has appropriate training opportunities for it to fulfil its duties.

Officers Recommendations

The Local Pensions Board is invited to note the training options available to it (and also to the Pension Fund Committee).

The Local Pension Board are invited to:

- 1) collectively commit to undertake the mandatory training; and
- 2) endeavour to undertake the recommended training.

3) Comment on whether the training opportunities provided the Pension Fund Committee are adequate.

- 1.1 The London Borough of Barnet Pension Fund is governed by the Pension Fund Committee, scrutinized by the Local Pensions Board with support of Officers, advisors and outsourced administrators.
- 1.2 The Pension Fund Committee is a decision making body responsible for the operation of the Pension Fund, ensuring it is governed and administered effectively and is financially sustainable.
- 1.3 The Local Pension Board is an oversight body with no direct decision making powers. The Local Pension Board's primary role is to review decisions made by the Pensions Committee and hold the Committee to account. The Local Pension Board includes member and employer representation.
- 1.4 The Local Pensions Board has a regulatory duty to keep their knowledge and understanding up-to-date and to document their training. Guidance around your regulatory duties is summarised on the Pension Regulator's website linked [here](#).
- 1.5 In summary, as a Board member, you must:
 - be conversant with (ie have a working knowledge of) your scheme rules and any document recording policy about the administration of your scheme;
 - have knowledge and understanding of the law relating to pensions
- 1.6 There is no direct Regulatory requirement for the Pensions Fund Committee to undertake training beyond what is required as an elected member.
- 1.7 Issues surrounding the Pension Fund are complex and financially significant to the Council. To make effective decisions it is important that Committee members feel empowered to ask the right questions of Officers and advisors.
- 1.8 It is a priority that both the Pension Fund Committee and Local Pension Board members have access to sufficient training opportunities so that they can meet their duties.
- 1.9 To deliver on this priority we have identified 'mandatory' training – this is training that we expect Local Pension Board members to undertake to enable them to perform their duties (note that this it is a Regulatory requirement for Board members to have sufficient knowledge and understanding to carry out their duties) and 'recommended' training, which will further develop Committee members' skills.

1.10 The mandatory and primary training opportunities available to Board and Committee members are summarised in the table below:

Training Opportunity	Description	Approx. hours	PFC	LPB
The Pensions Regulator Trustee tool kit	Web based modular training programme with 7x 30-minute modules focused on governance	3.5	Recommended	Mandatory
Hymans' training portal	Web based training programme with 6 modules covering all aspects of operating an LGPS Fund	c10	Mandatory (within first 6-months of appointment)	Recommended (within first 6-months of appointment)
CIPFA	Day sessions developed and provided by CIPFA on various governance and topical issues	10 p.a.	Recommended	Recommended
Sustainability Training Day	Dedicated workshop / training day focusing on sustainability with a view to developing the Fund's Responsible Investment Policy	5	Mandatory	N/A
Ad-hoc training sessions held before or during committee meetings	Topical issues – Committee / Officers to make suggestions	4 p.a.	Mandatory	N/A (LPB will also receive training)
Private Reading / research	Reading papers / attending workshops and seminars as suggested by Officers and other members of the Committee	0.25 p.w. (c10 p.a.)	Recommended	Recommended
Total (First 12-months)			19 hours Mandatory 23.5 hours Recommended	3.5 hours Mandatory 30 hours Recommended

1.9 The Local Pension Board are invited to note the training options available, agree how training will be recorded and collectively commit to undertake the primary training and endeavour to undertake the recommended training.

- 1.10 We also note that the Board has one new full member and one new substitute member that will need to undertake the mandatory training requirements.
- 1.11 Training requirements will be reviewed annually.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Issues surrounding the Pension Fund are complex and financially significant to the Council. To make effective decisions it is important that Committee members feel empowered to ask the right questions of Officers and advisors.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None necessary for this report.

4. POST DECISION IMPLEMENTATION

- 4.1 Officers will establish a Trustee Training log for Board members that will be considered at each Board meeting.
- 4.2 Training requirements will be reviewed annually.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Good knowledge and understanding of the Pension Fund will improve overall governance and operational effectiveness of the Pension Fund.

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

- 5.2.1 Provision of Hymans' LOLA portal has a modest annual license fee.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.
- 5.3.2 Before they start the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.
- 5.3.3 The Act is a tool to help commissioners get more value for money out of procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.

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

5.4 Legal and Constitutional References

5.4.1 There are no legal references.

5.4.2 The Council's Constitution – Article 7 – includes within the responsibilities of the Pension Fund Committee the appointment of various service providers. Monitoring is an essential element of the appointment and re-appointment process.

5.5 Risk Management

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

5.5.2 The Committee relies on its service providers and good performance from these will help to avoid problems.

5.6 Equalities and Diversity

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

5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

5.8 Consultation and Engagement

5.8.1 Not applicable.

5.9 Insight

5.9.1 Not applicable

6. ENVIRONMENT CONSIDERATIONS

6.1 None

7. BACKGROUND PAPERS

7.1 Guidance around the Board's regulatory duties around Knowledge and Understanding can be accessed [here](#).



Local Pension Board

8 September 2022

Title	Decisions made by the Pension Fund Committee
Report of	Executive Director of Strategy and Resources (S151 officer)
Wards	n/a
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	David Spreckley, Head of Pensions, david.spreckley@barnet.gov.uk - 020 8359 6264

Summary

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

Officer Recommendations

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

1. WHY THIS REPORT IS NEEDED

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

Meeting 11 July 2022

A summary of the key agenda items requiring discussion and potential decisions is set out below.

Item	Purpose	Decisions Made
7. Administration report	<p>The Committee reviewed the Administration report prepared by Pension Officers.</p> <p>This is a standing item to monitor the administration performance and highlight any significant issues.</p>	<p>None.</p> <p>The Committee noted report prepared by officers.</p> <p>It was noted that WYPF performance had dipped slightly over recent months. Pension Officers reported that this was being addressed and WYPF were looking to increase its resources to meet demand.</p>

Item	Purpose	Decisions Made
8. Data improvement plan	<p>The Fund has experienced issues with poor data quality. Steps have been taken to improve this, e.g. by moving the pension administration service to a new Third Party administrator however, there are historical data issues which need resolving.</p> <p>This process is documented each meeting through a Data Improvement Plan.</p>	<p>None.</p> <p>The Committee reviewed the report.</p> <p>The Committee discussed whether data quality might hinder the progress of the actuarial valuation, but it was felt that the improvements made to data quality and processes in place meant that delays to the valuation due to data quality was unlikely.</p> <p>There are still a significant number of historical leavers to be processed. Barnet has recently filled an open vacancy for a Pension Officer, and one of the key jobs for that officer will be to progress outstanding leaver records.</p>

Item	Purpose	Decisions Made
Triennial Valuation update	<p>There is a funding review undertaken every three years. The Funding Review requires the Pension Fund Committee to set long-term actuarial assumptions after taking advice from the Scheme Actuary.</p> <p>It is also a requirement for the Administering Authority to document its policies around funding within the Funding Strategy Statement and consult on those changes.</p>	<p>The Pensions Committee decided to proceed with the whole of fund valuation on the assumptions proposed by Pension Officers (which had been made following advice provided by the Scheme Actuary).</p> <p>The Committee were able to participate in an hour's training session on assumption setting, which was held prior to the meeting.</p> <p>In making this decision the following points were discussed:</p> <ul style="list-style-type: none"> - The proposed life expectancy assumptions and whether they were too cautious - How the proposed inflation assumptions related to current inflation and how they compared with what the other actuarial firms were proposing <p>The Committee also considered the process around consulting on the Funding Strategy Statement. It was generally felt that a December / January consultation would not give stakeholders enough time to plan and consider any impact on them.</p> <p>It was therefore decided to delegate the consultation to Officers and for the consultation to be run September /October.</p>

Item	Purpose	Decisions Made
10. Knowledge and Understanding	<p>It is important that the Pension Fund Committee have access to sufficient training. It also important that there is a common understanding on what training is expected to be undertaken.</p>	<p>The Committee considered a paper prepared by officers that set out the training opportunities for the Committee and what the expected level of training was.</p> <p>Officers also highlighted a new training opportunity, LOLA, which is a web-based modular training programme developed by Hymans.</p> <p>It was decided to commit to a base level of mandatory training for all Committee members.</p>
11. Developing the Pension Fund's Responsible Investment Policy	<p>As an institutional investor with c£1.5bn under management, the Committee has a duty to consider how it invests responsibly.</p> <p>This duty covers a number of areas, including Environment, Social and Governance ("ESG") considerations.</p> <p>The Pension Fund Committee has a Responsible Investment policy and is likely to increase its reporting and targets around greenhouse gas related emissions.</p> <p>Officers had also assessed the Fund's carbon emissions on a Scope 1 and 2 measure. This analysis suggested that the Fund's RAFI fund was contributing a disproportionately high amount towards the Fund's overall emissions.</p>	<p>The Committee considered several papers prepared by Officers and the Fund's advisors Hymans Robertson.</p> <p>The key point made by officers was that this was a complex area and the Pension Fund Committee should devote a substantial amount of time to explore what the issues were and what options the Pension Fund Committee had to develop their Responsible Investment policy further.</p> <p>There was some debate around how this could best be done, recognising the time constraints of Committee members.</p> <p>Officers had recommended that a day's time should be devoted, but some Committee members asked to see a detailed agenda before deciding to commit the suggested amount of time.</p> <p>As recommended, it was decided to conduct a review of the RAFI fund allocation given its high contribution to the Fund's Carbon Emissions.</p>

Item	Purpose	Decisions Made
<p>12. Admitted Body and Bond status</p>	<p>The Pension Fund admits a number of employers reflecting wider outsourcing strategies by the Council and related parties (e.g. Multi Academy Trusts “MATs”).</p> <p>As part of that process new employers may need to provide certain information and provide security to protect the Pension Fund.</p>	<p>Pension Officers prepare a regular report summarising the status of different employers.</p> <p>It was noted that several employers had not provided the sufficient and security required or signed the necessary legal documentation.</p> <p>There was a discussion around what the role of the Pension Fund Committee was in this context. The Pension Fund Committee isn't necessarily at liberty to 'approve' or 'reject' participations as the transfer of employment to a new employer means that the new employer is required to participate in the LGPS otherwise they are not complying with their Regulatory Duty to provide LGPS benefits to impacted staff.</p> <p>The process is further complicated because the commercial discussions with prospective employers are undertaken by third parties (e.g. MATs).</p> <p>However, recognising the above, it was decided to admit the employers into the Pension Fund</p> <p>Cllr Rich abstained from the decision, noting his concerns around the impact one employer Signature Dining had had on local services.</p> <p>As an additional note, the process for admissions is overly complex and Officers have subsequently decided to review the process over the next 12-months to see whether it can be simplified.</p>

Item	Purpose	Decisions Made
13. Valuation, Transactions and Performance	Monitoring the performance of the investment fund is key. Officers prepare detailed reports on the underlying performance of the investments and commission specialised advice to update the Committee on investment markets generally.	<p>None.</p> <p>Officers have separately commissioned a report to consider how the Fund's risk profile might be impacted by current economic factors (e.g. rising interest rates and high inflation).</p> <p>Officers will report back the findings of this report at the next Committee meeting (or earlier if the report highlights urgent action needs to be taken).</p>

Item	Purpose	Decisions Made
<p>14. Cessation Refund Recommendation</p>	<p>Admitted Bodies may be required to make a cessation payment on cessation of their participation.</p> <p>However, if the investment performance has been significantly higher than expected, then recent changes in pension rules around Exit Credits mean that the employer may be entitled to a Surplus in certain situations.</p> <p>The Pension Fund Committee developed a policy around Exit Credits in 2021.</p> <p>Two cessations have recently occurred which may allow a refund to be paid.</p>	<p>Due to favourable investment performance, refunds are possibly due for two employers:</p> <ul style="list-style-type: none"> • Fremantle • Hartwig <p>The Pension Fund Committee received a report from Officers on the level of refund that may be appropriate.</p> <p>The Officers recommendation considered the policy in place, representation from employers and independent legal advice.</p> <p>The policy does allow a high degree of discretion and so any conclusion around did rely on an element of discretion. As per legal advice received, the recommendation did consider a number of factors, including the terms of the commercial contract (from a pension perspective and contributions paid).</p> <p>The recommendation around the two refunds was formulated around consistent principles.</p> <p>Based on the process and information provided, the Committee decided to accept Officers' recommendations. It should be noted that the commercial performance of each contractor did not form part of the assessment of what refund should be due.</p>

Item	Purpose	Decisions Made
15. Pension Scheme Costs	<p>It is important that Pension Scheme costs are monitored and scrutinised.</p> <p>This is done annually.</p>	<p>None.</p> <p>The Committee considered the report and asked several questions in relation to the report prepared.</p> <p>It was noted that one advisor's costs were creeping up relative to estimates provided within their proposal document and the Committee were concerned about this and asked Officers to monitor the position.</p>
16. Work Programme	<p>A plan of forthcoming work is provided to give foresight of future business of the Committee.</p> <p>This is updated at each meeting.</p>	<p>None.</p> <p>The size of agenda means this is putting pressure on the length of meetings given there were only three meetings scheduled for the year.</p>
17. Review of Performance for the Committee	<p>It is important that Pension Scheme advisors performance are monitored and scrutinised.</p> <p>This is done annually.</p>	<p>None.</p> <p>The Committee challenged some comments made within the Officers report.</p>

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.

5.4.3 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.

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:

[\(Public Pack\)Agenda Document for Pension Fund Committee, 11/07/2022 19:00 \(moderngov.co.uk\)](#)

Some papers were exempt. If you would like to review exempt papers, please contact David Spreckley who can supply copies.

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London Borough of Barnet
Local Pensions Board - Work Programme
September 2022 – September 2023

Title of Report	Overview of decision	Report Of	Issue Type (Non key/Key/Urgent)
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
Data Improvement Plan	To review progress against Plan	Finance Director	Non-key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key
AVC Review	To note outcome of review undertaken of Prudential as AVC provider	Finance Director	Non-key
Annual Report of Scheme Auditor	To receive the annual report of the Scheme Auditor relating to the accounts to 31 March 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
TPR Code of Practice	To review the requirements of the new combined TPR Code of Practice.	Finance Director	Non-Key

Subject	Decision requested	Report Of	Contributing Officer(s)
Review of Administration Strategy, IDRPs and Breaches Policy.	To review the key administration processes in place.	Finance Director	Non-Key
March 2023			
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Data Improvement Plan	To review progress against Plan	Finance Director	Non-key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-key
Administration Performance Report	To monitor the performance of the pension administration service	Finance Director	Non-Key
Scheme Risk Register	To review the scheme risk register.	Finance Director	Non-Key
Annual Report of the Local Pension Board	To approve the annual report of the Local Pension Board to Full Council	Finance Director	Non-Key
June 2023			
Administration Performance Report	To monitor the performance of the pension administration service.	Finance Director	Non-Key
Data Improvement Plan	To review progress against Plan	Finance Director	Non-key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-key
Administration Risk Register	To review the administration risk register.	Finance Director	Non-Key

Subject	Decision requested	Report Of	Contributing Officer(s)
External Audit Plan	To consider the external auditors plan for the 2022-23 Pension Fund Accounts	Finance Director	Non-Key
September 2023			
Review of Administration Strategy, IDRP and Breaches Policy.	To review the key administration processes in place.	Finance Director	Non-Key
Data Improvement Plan	To review progress against Plan	Finance Director	Non-key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-key
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