

ORDER OF BUSINESS

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3.	Absence of Members	
4.	Public Question and Comments (if any)	
5.	Deputations (If any)	
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Decisions of the Local Pension Board

28 June 2023

Members Present:-

AGENDA ITEM 1

Geoffrey Alderman (Chair)

Hem Savla (Vice-Chair)

Stephen Ross
David Woodcock

Salar Rida
Deepani De Silva

Also in attendance

Alice Leach – Substitute Member
Councillor Simon Radford, Chair of Pension Fund Committee

Apologies for Absence

Councillor Humayune Khalick

1. ELECTION OF THE CHAIR

Nominations were sought for the position of the Chair, Geoffrey Alderman was nominated and duly elected as the Chair.

2. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting held on 28 June be agreed as a correct record.

The Chair welcomed Councillor Simon Radford to the meeting who was in attendance as an observer in his capacity at the new Chair of Pension Fund Committee.

3. ABSENCE OF MEMBERS

Apologies were received from Councillor Humayune Khalick.

4. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None.

5. PUBLIC QUESTION AND COMMENTS (IF ANY)

None.

6. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

7. MEMBERS' ITEMS (IF ANY)

None.

8. PENSION FUND ADMINISTRATION RISK REGISTER

The Board received the report. Board Members had the opportunity to consider the report and ask questions. Board Members were informed, in relation to PB001, that West Yorkshire Pension Fund would undertake a Disaster Recovery/ Business Continuity testing exercise in June and report the outcome to a future meeting. The Board noted that a new risk PB018 that been included as requested and further information would be provided later in the agenda. The Board requested for the risk velocity to be organised from highest to lowest. The Board also agreed to provide input and be consulted in the development of a revised user-friendly risk register.

Having considered the report, the Local Pension Board:

Resolved: That the Local Pension Board note the most recent administration risk register and provide input in the development of a revised risk register.

9. DATA IMPROVEMENT PLAN AND HISTORICAL LEAVERS

The Board received the report. Members noted the progress on the correcting of the member data and the historical leaver exercise. The Board was informed that the team had contacted employers and their payroll providers where historic leaver forms are still outstanding and would start to issue fines for non-compliance.

Having considered the report, the Local Pension Board:

Resolved: That the Local Pension Board note the progress on the correcting of the member data and the historical leaver exercise.

10. KNOWLEDGE AND UNDERSTANDING

The Board received the report. Board Members noted 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. Members noted the importance that the Board has appropriate training opportunities for it to fulfil its duties. Members provided positive feedback on the cost transparency training provided by Adam McPhail, the LBB Pensions Team Finance Manager.

Having considered the report, the Local Pension Board:

Resolved: The Local Pension Board note the training options available and that it agrees to continue to update the LBB Pensions Team monthly on any training undertaken.

11. ADMINISTRATION PERFORMANCE REPORT

The Board received the report. Board Members had the opportunity to consider the report and ask questions. Members noted that the report provided the Local Pension Board with the West Yorkshire Pension Fund pensions administration performance

report for May 2023, along with an update on the 2023 Annual Benefit Statements and relevant legislative matters. The Board was informed that additional staff had been recruited and trained and that automation was being explored to improve performance. The Board was informed that the review of AVC by Hymans Robertson was still ongoing and an update would hopefully come to the next meeting. Additionally, the Board was informed that while the government had revised the delivery of the Dashboard project until October 2026, but the Pensions team were still on track to deliver the Pension Dashboard by September 2024.

Members raised concerns that staff who had transferred into the pension at the beginning of April from the ending of some capita contracts with the Council had not received any information relation to their pension. Following discussions officers agreed to review the matter and report back to the next meeting.

Having considered the report, the Local Pension Board:

Resolved: That the Local Pension Board note West Yorkshire Pension Fund's performance levels along with the updates on other administration issues.

12. EXTERNAL AUDIT UPDATE

The Board received the report. Board Members noted the BDO, Fund's appointed external auditors for the 2020/21 and 2021/22 financial years, had confirmed that the quality reviews were now complete, and that the Pension Fund's 2020/21 Annual Accounts were ready to be signed off along with the Council's accounts. The Board also noted that the Draft 2022/23 Pension Fund accounts were published with the Main Council accounts before the statutory deadline on 31st May 2023. Members requested for the auditors to attend future meetings on advance of the accounts being signed off to answers questions from the Board.

Having considered the report, the Local Pension Board:

Resolved: The Local Pension Board note the update on the 2020/21 audit, and the plan for the 2021/22 audit.

13. DECISIONS MADE BY THE PENSION FUND COMMITTEE

The Board received the report. Members noted the matters that had been discussed by the Pension Fund Committee and the decisions that had been made. The Local Pension Board had the opportunity to consider the report.

Having considered the report, the Local Pension Board:

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

14. COMMITTEE WORK PROGRAMME

Resolved: That the Local Pension Board noted the work programme subject to correction to upcoming dates as follows:

26 September 2023

20 November 2023

11 March 2024

15 July 2024

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

None.

16. MOTION TO EXCLUDE THE PRESS AND PUBLIC

None.

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

None.

The meeting finished at 7.15 pm



Local Pension Board AGENDA ITEM 8

26 September 2023

Title	External Audit Update
Date of meeting	26 September 2023
Report of	Executive Director of Strategy and Resources (S151 officer)
Wards	All
Status	Public
Urgent	No
Appendices	None
Officer Contact Details	Adam McPhail, Finance Manager, 0208 359 7639 adam.mcphail@barnet.gov.uk

Summary

BDO are the Pension Fund's appointed external auditors for the 2020/21 and 2021/22 financial years. In line with International Standard on Auditing 260 (ISA 260) the Pension Fund's external auditors, BDO, should be provided with access to those charged with governance. BDO will be attending the meeting. This report is to update the Local Pension Board on the 2020/21 audit, and on the plan for the 2021/22 audit. This report also notifies the Local Pension Board of the publishing of the draft Pension Fund accounts.

Recommendations

1. That the Local Pension Board note the update on the 2020/21 audit, and the plan for the 2021/22 audit, and to identify matters that the Committee wish to bring to the attention of the auditor.

1. Reasons for the Recommendations

- 1.1 Under Section 151 of the Local Government Act 1972 - "...every local authority shall make arrangements for the proper administration of their financial affairs...". Additionally, in accordance with International Standard on Auditing (ISA) 260, the external auditor is required to issue detailed reports on matters arising from the audit of the council's accounts and pension fund accounts.

2020/21 External Audit Update

- 1.2 In 2021 BDO presented their audit plan for the pension fund which gave an approximate audit end date of October 2021. However, to date the 2020/21 audit report is still outstanding.
- 1.3 BDO have provided a number of updates at previous Local Pension Board and at Pension Fund Committees. Most notably:
- 2nd November 2022 Audit Committee-
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=11061&Ver=4>
- 22nd March 2023 Pension Fund Committee-
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=11055&Ver=4>
- 4th July 2023 Pension Fund Committee-
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=11480&Ver=4>
- 1.4 BDO assured us at both the March Local Pension Board meeting, and at the March Pension Fund Committee meeting that the completed audit report will be ready to be signed off in late April/early May.
- 1.5 To date officers have still not received the completed audit report.
- 1.6 BDO have provided an update to officers in early June 2023, stating that the Audit Partners quality reviews are now complete, and that the Pension Fund's 2020/21 Annual Accounts are ready to be signed off when the Council's accounts are. An update to officers in September 2023 confirmed this was still the case.
- 1.7 Representatives from BDO are expected to attend the meeting.

2021/22 External Audit Plan

- 1.8 Due to the delays in completing the 2020/21 audit, BDO have advised that an audit plan report is not yet available.
- 1.9 The draft 2021/22 accounts have been published. The deadline for the publication of the accounts was 30th September 2022.
- 1.10 BDO advised at the March 2023 Pension Fund Committee that a draft plan for the 2021/22 accounts audit had been presented to Senior Officers, but not agreed.

2022/23 Accounts

- 1.11 The Draft 2022/23 Pension Fund accounts were published with the Main Council accounts before the statutory deadline on 31st May 2023.
- 1.12 Officers do not expect any audit plan to be presented until the completion of the 2021/22 audit.

AVC Provider Issues

1.13	In the last Pension Board meeting officers advised that the data needed for the 2022/23 accounts from both AVC providers (Aviva and Prudential) had not been received.
1.14	Following chasing these requests both AVC providers have now sent through the required data.
2. Alternative Options Considered and Not Recommended	
2.1	None
3. Post Decision Implementation	
3.1	None- The external auditor will report to the Board following the conclusion of the audit.
4. Corporate Priorities, Performance and Other Considerations	
Corporate Plan	
4.1	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.
Corporate Performance / Outcome Measures	
4.2	Not applicable in the context of this report
Sustainability	
4.3	Not applicable in the context of this report
Corporate Parenting	
4.4	Not applicable in the context of this report.
Risk Management	
4.5	The external audit ISA 260 report highlights areas of good control and areas of weakness which need to be addressed. Failure to do so carries the risk of adverse financial and/or reputational consequences.
Insight	
4.6	Not applicable in the context of this report
Social Value	
4.7	Arrangements for proper administration of financial affairs and contributing to the Pension Fund ensures that contributing members have a secured income on retirement.
5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)	
5.1	This report sets out the framework for the assessment of the Pension Fund's financial reporting and management as well as value for money.
5.2	The external audit fees for 2021/22 are £35,789 (£36,170 for 2020/21).

- 5.3 In accordance with International Standard on Auditing (ISA) 260, the external auditor is required to issue detailed reports on matters arising from the audit of the Council’s accounts and Pension Fund accounts.
- 5.4 The ISA 260 report must be considered by “those charged with governance” before the external auditor can sign the accounts”.

6. Legal Implications and Constitution References

- 6.1 Under the terms of reference for the Local Pension Board, the role of the Board is to “ensure the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) for the London Borough of Barnet (LBB) = Pension Fund”.
- 6.2 Section 151 of the Local Government Act 1972 requires that “...every local authority shall make arrangements for the proper administration of their financial affairs”.
- 6.3 The Council is a public authority that is subject to the audit of its annual accounts by an external auditor. The Local Audit and Accountability Act 2014, Part 5 specifies the conduct of local audit. Part 3, regulation 9 of the Accounts and Audit Regulations 2015 requires that the statement of accounts must be considered by a committee or full council and approved by a resolution of that body. The accounts must then be signed by the person presiding at the meeting. The Section 151 officer must then reconfirm on behalf of the authority that they are satisfied that the statement of accounts presents a true and fair view of the financial position of the authority and its income and expenditure for that year.
- 6.4 The 2015 Regulations require that the final approved accounts are published not later than 30th September of the financial year immediately following the end of the financial year to which the statement relates. The audit did not commence until September 2021 and it was therefore not possible for it to be concluded in line with the statutory deadline. Article 7 of the Council’s Constitution details the functions of the Audit Committee and include “To review and approve the annual statement of accounts and consider the external auditor’s report to those charged with governance on issues arising from the audit of the accounts.”

7. Consultation

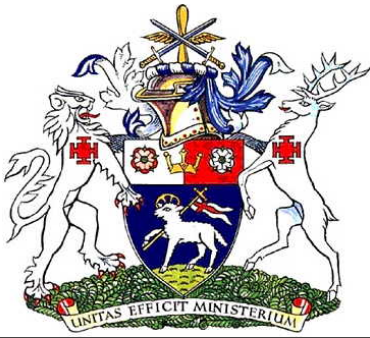
- 7.1 Not required

8. Equalities and Diversity

- 8.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to 1) eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; 2) advancing equality of opportunity between persons who share a relevant ‘protected characteristic’ and those who do not share it; and 3) fostering good relations between persons who share a relevant ‘protected characteristic’ and persons who do not share it. The ‘protected characteristics’ are; age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to parts 2) and 3) (above) of the public-sector equality.
- 8.2 Ensuring the long-term financial health of the Pension Fund will benefit everyone who contributes to it. Access to and participation in the Pension Fund is open to those with and those without protected characteristics, alike, provided that the criteria set out within the relevant Regulations are met.

9. Background Papers

9.1 None



AGENDA ITEM 9

Local Pension Board

Title	Pension Fund Administration Risk Register
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A – London Borough of Barnet Pension Fund – Pensions Administration Risk Register – September 2023
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341 – mark.fox@barnet.gov.uk

Summary

The Pensions Administration Risk Register is a standing agenda item for the Local Pension Board to be reviewed at each meeting.

Recommendations

1. That the Local Pension Board note the most recent administration risk register.
2. That the Board provide feedback on the updated format of the administration risk register.

1. Reasons for the Recommendations

- 1.1 It is important that the Council maintain the Pension Administration Risk Register to help protect members of the Local Government Pension Scheme (LGPS). The purpose of risk management is to identify potential problems before they occur, so that risk handling activities can be planned and invoked as required to mitigate adverse impacts.
- 1.2 As mentioned at the last Board meeting in June, the London Borough of Barnet Pensions Team (the “Pensions Team”) have been undertaking a review of the pension fund risk registers, to ensure that these documents can be more useful to the Pensions Team and Board and Pension Fund Committee members (who review the register annually) from an operational perspective.
- 1.3 The updated Pensions Administration Risk Register can be found in Appendix A. The Pensions Team would welcome feedback from the Board on the revised format, which we will also be presenting to the Committee.
- 1.4 The non-administration Risk Register will also be updated in the same format, and this will be presented to the Board at a future meeting.
- 1.5 Risk Velocity is defined as the time to impact (i.e., an estimate of the timeframe within which a risk may occur).
- 1.6 Risk Velocity is now included in the pensions administration risk register. There have been no updates to risk velocity since the last Board meeting.
- 1.7 Following the review of the pension administration risk register, the risk scores are now based on a four-point scale on the likelihood of the risk occurring and the impact caused should the risk occur. The risk score is calculated as likelihood multiplied by impact.
- 1.8 Once the risk score is calculated, and the risk evaluated, there are plotted on risk matrix (page 2 of the pensions administration risk register).
- 1.9 Prompt action will be taken on those risks that fall into the red zone. Action will also be considered for “yellow” risks, while “green” risks are regarded as acceptable, with sufficient mitigation in place.
- 1.10 Both likelihood and impact are based on a scale of four criteria (previously this was based on a scale of five). Details of the revised scaling is shown in the pensions administration risk register.
- 1.11 No new risks have been identified since the last Board meeting.

2. Alternative Options Considered and Not Recommended

- 2.1 Not applicable in the context of this report.

3. Post Decision Implementation

- 3.1 Not applicable in the context of this report.

4. Corporate Priorities, Performance and Other Considerations

Corporate Plan

- 4.1 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.
- 4.2 By monitoring the risk registers of the Barnet Pension Fund, good governance of the Pension Fund is maintained. This is because good governance ensures the smooth running of the Fund with the benefits will be equitably split between all employers, thus enabling funds to be directed to Council priorities as set out in the Corporate Plan.

Corporate Performance / Outcome Measures

- 4.3 Not applicable in the context of this report.

Sustainability

- 4.4 Not applicable in the context of this report.

Corporate Parenting

- 4.5 Not applicable in the context of this report.

Risk Management

- 4.6 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.

Insight

- 4.7 Not applicable in the context of this report.

Social Value

- 4.8 Not applicable in the context of this report.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

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

6. Legal Implications and Constitution References

- 6.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is London Borough of 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.
- 6.2 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.
- 6.3 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 to 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

7. Consultation

- 7.1 Not applicable in the context of this report.

8. Equalities and Diversity

- 8.1 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.
- 8.2 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.

9. Background Papers

9.1 None

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London Borough of Barnet Pension Fund Pension Administration Risk Register

Updated by: Mark Fox, Pensions Manager, London Borough of Barnet

Date Updated: August 2023

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Evaluating risks and Risk Matrix

The LBB Pension Fund evaluates the pension administration risks on a four-point scale on the likelihood of the risk occurring and the impact caused should the risk occur. Risks are evaluated with their controls in place. Risks are plotted on a risk matrix (see below) and prompt action will be taken on those risks that fall into the red zone. Action is considered for “yellow” risk, while “green” risks are regarded as acceptable.

Likelihood	4 – Almost Certain				
	3 - Likely		<u>18</u>		
	2 - Unlikely		<u>5, 6, 10, 14</u>	<u>2, 8, 11, 12, 13, 16, 17</u>	<u>15</u>
	1 - Rare		<u>4, 7, 9</u>	<u>1, 3</u>	
		1 - Trivial	2 - Medium	3 - Major	4 - Catastrophic
		Impact			




Risks

1. Operational disaster
2. Incomplete or inaccurate data
3. Maladministration
4. Excessive charges by suppliers
5. Failure to pay contributions
6. Failure of non-public sector employers
7. Failure to interpret rules correctly
8. Appropriate personnel in key roles
9. Conflicts of interest
10. Admission agreements not in place
11. Commercial viability of suppliers
12. Non-compliance with GDPR
13. Negative media exposure
14. Impact of staffing issues on admin
15. Cyber security breach
16. Risk of fraud
17. Effect of new pensions regulations
18. Failure to produce annual report and accounts within deadline

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Velocity

Risk Velocity is defined as the time to impact (i.e., an estimate of the timeframe within which a risk may occur). The Pensions Team use a traffic light system to classify how risk velocity measured:

1 , 12 , 13 , 15		- very rapid; within a couple of days
2 , 3 , 8 , 14 , 16		- risk may occur within a few days up to a couple of months
4 , 5 , 6 , 7 , 9 , 10 , 11 , 17 , 18		- a slow impact that may occur over several months or more

Risks

1. Operational disaster
2. Incomplete or inaccurate data
3. Maladministration
4. Excessive charges by suppliers
5. Failure to pay contributions
6. Failure of non-public sector employers
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8. Appropriate personnel in key roles
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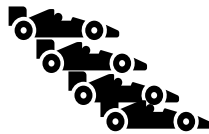




Risk Scores

The risk scores are calculated as Likelihood x Impact.

As the Impact tends to be fixed, it is the Likelihood that requires risk management.






London Borough of Barnet Pension Fund – Pension Administration Risk Register

Summary of Risks

Risk	Description	Current Risk Score	Lowest Possible Risk Score	Risk Velocity	Risk Owner	Date Risk Identified
ADM01 Operational disaster (Fire / flood etc)	An event occurs that would impact the ability to deliver all / parts of the pension service.	3	3		WYPF	August 2017
ADM02 Incomplete or inaccurate member data	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.	6	3		WYPF	August 2017
ADM03 Administration process failure/maladministration	Administration of the pension scheme should be in line with the Local Government Pension Scheme (LGPS) rules.	3	3		WYPF	August 2017
ADM04 Excessive charges by suppliers	The cost of running the pension scheme should not exceed the agreed budget.	2	2		David Spreckley	August 2017
ADM05 Employer's failing to pay contributions to the fund	If the fund does not receive the correct contributions from employers to fund pension liabilities, this could lead to a scheme deficit.	4	2		Adam McPhail	August 2017



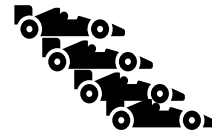

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Summary of Risks

Risk	Description	Current Risk Score	Lowest Possible Risk Score	Risk Velocity	Risk Owner	Date Risk Identified
ADM06 Failure of non-public sector employers	Should admitted bodies default on payments, the fund is left with additional pension liabilities.	4	2		Mark Fox	August 2017
ADM07 Failure to interpret rules or legislation correctly	The Board does not have the level of pension knowledge to perform their role effectively.	2	2		Jim Nokku	August 2017
ADM08 Appropriate personnel in place to perform in designated and key roles	WYPF does not comply with statutory obligations and is unable to evidence appropriate governance.	6	3		WYPF	August 2017
ADM09 Conflicts of interest	Decisions made may be influenced by other factors and may be subject to challenge.	2	2		Mark Fox	August 2017
ADM10 Admission agreements & bonds not arranged in good time	If a new employer is not admitted to the Fund in a timely manner, then employees will not be able to have access to their benefits.	4	2		Mark Fox	January 2019

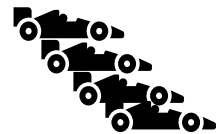



London Borough of Barnet Pension Fund – Pension Administration Risk Register

Summary of Risks

Risk	Description	Current Risk Score	Lowest Possible Risk Score	Risk Velocity	Risk Owner	Date Risk Identified
ADM11 Commercial viability of strategic suppliers	If the commercial viability of a strategic supplier declines this could lead to operational failings resulting in service disruption / reduction, failure to complete statutory duties and financial costs.	6	4		David Spreckley	March 2019
ADM12 Non-compliance with GDPR	Failure to adhere to GDPR may lead to the breach of GDPR regulations (e.g. breach of personal information), which will result in enforcement action from TPR and the ICO, resulting in financial and reputational impact on the Council.	6	2		Mark Fox	March 2019
ADM13 Negative media exposure and member experience	Negative media attention may lead to ineffective media management impacting on the reputation of the Council and impacting on staff morale.	6	2		Mark Fox	March 2019
ADM14 Impact of staffing issues on pensions administration	WYPF staff absence (due to both illness and leave) should be managed to ensure that the service levels are maintained so there is no detrimental effect on the payment of members benefits and general service levels.	4	2		Mark Fox	April 2020

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Summary of Risks

Risk	Description	Current Risk Score	Lowest Possible Risk Score	Risk Velocity	Risk Owner	Date Risk Identified
ADM15 Cyber security breach	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'.	8	4		David Spreckley	March 2019
ADM16 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.	6	3		Mark Fox	March 2019
ADM17 Effect of new pensions legislation and LGPS regulations	New pensions legislation or updates to the LGPS regulations can affect members pension benefits within the Fund.	6	3		Mark Fox	March 2019
ADM18 Failure to produce compliant annual report and accounts within deadline	The Accounts and Audit Regulations 2015 (2022 amendment) require audited accounts to be published on the 30 September after the year end. The risk of the Pension Fund Accounts not being published is that the Council Accounts will not be complete.	6	2		Mark Fox	April 2020

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM01 Operational disaster (Fire / flood etc)	Business Continuity	<ul style="list-style-type: none"> WYPF has Business Continuity Procedures and Disaster Recover Plans in place, which are reviewed and tested regularly. 	<ul style="list-style-type: none"> WYPF have advised that two further tests will take place in the summer of 2023. The LBB Pensions Team will review the reports when available. 	WYPF LBB	Oct 2023 Dec 2023
ADM02 Incomplete or inaccurate member data	Governance	<ul style="list-style-type: none"> Common and Conditional data analysis provided monthly by WYPF. Regular updates provided by WYPF on the Data Improvement Plan. 	<ul style="list-style-type: none"> WYPF to update the LBB Pensions Team when employers are not providing the relevant information, so appropriate action can be taken. The LBB Pensions Team continue to work with employers who still have unprocessed leavers. Regular updates provided by WYPF on progress on the data improvement plan. Employers to be reminded of their responsibilities at each employer forum meeting. Process for rectification historical records Documented 	WYPF Jim Nokku WYPF Mark Fox Mark Fox	Ongoing - Monthly March 2023 Sept 2023 Nov 2023 Sept 2023

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM03 Administration process failure / maladministration	Statutory Duty	<ul style="list-style-type: none"> Formal agreement in place with WYPF, including agreed SLA's. WYPF authority levels agreed with clear definition of delegated authorities and individual approval authorities. Scheme Event Calendar in place to ensure regulatory deadlines are achieved. WYPF staff training plans in place to ensure processing in accordance with LGPS requirements. Monthly reports by WYPF provided to LBB Pensions Manager. 	<ul style="list-style-type: none"> The LBB Pensions Team to review the latest WYPF ISO9001 and ISO27001 reports , when available, which details the controls in place at WYPF. WYPF to update the LBB Pensions Team on any errors or issues in the monthly report, or earlier, if deemed appropriate. 	LBB WYPF	Nov 2023 Ongoing - Monthly
ADM04 Excessive charges by suppliers	Finance	<ul style="list-style-type: none"> Pension scheme budget agreed annually. Periodic review of suppliers. 	<ul style="list-style-type: none"> LBB Pensions Team to review supplier charges – looking at budgets and value for money 	David Spreckley	Dec 2023

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM05 Employer's failing to pay contributions to the fund	Financial	<ul style="list-style-type: none"> Monthly reconciliation of contribution payments received by both the LBB Pensions Team and WYPF. Revised procedures have been implemented to improve the collection of strain cost invoices. 	<ul style="list-style-type: none"> The LBB Pensions Team check monthly that employers pay the correct contributions rates. New Admitted Bodies are asked to commence paying contributions(at a temporary rate) prior to the Admission Agreement being to avoid delays in payment. 	Adam McPhail Mark Fox	Ongoing – Monthly Ongoing – when applicable
ADM06 Failure of non-public sector employers	Financial	<ul style="list-style-type: none"> The LBB Pension Team monitor employer covenant and business strength. The LBB Pensions Team have access to a Hymans modeller, enabling the employer contribution rate to be calculated quicker. 	<ul style="list-style-type: none"> The LBB Pensions Team to ensure all admitted bodies have an appropriate bond/guarantee is in place. 	Mark Fox	Ongoing – when applicable

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM07 Failure to interpret rules or legislation correctly	Compliance	<ul style="list-style-type: none"> Up to date training log in place for Local Pensions Board to show completion of training undertaken. Training is a standing item at Local Pensions Board meetings, where training is reviewed, and further training needs can be identified. 	<ul style="list-style-type: none"> The LBB Pensions Team to update the training for undertaken by Board members monthly. The LBB Pensions Team to facilitate training requests received from Board members (either external or internal training). 	<p>Jim Nokku</p> <p>Jim Nokku</p>	<p>Ongoing – Monthly</p> <p>Ongoing – when applicable</p>
ADM08 Appropriate personnel in place to perform in designated and key roles	Compliance	<ul style="list-style-type: none"> WYPF 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. 	<ul style="list-style-type: none"> WYPF review the roles and responsibilities of relevant individuals to ensure they hold appropriate authorities, by annual appraisal reviews and setting of objectives LBB Pensions Team to obtain confirmation that WYPF staff in key positions have the appropriate experience and authority. 	<p>WYPF</p> <p>Mark Fox</p>	<p>Ongoing – at least annually</p> <p>Ongoing – at least annually</p>

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM09 Conflicts of interest	Compliance	<ul style="list-style-type: none"> All Pension Board members to declare any conflicts and potential conflicts before each meeting and recorded in the conflict-of-interest register. All pension board members to complete and renew relevant educational material. 	<ul style="list-style-type: none"> No further actions required; risk has reached its target score and is being tolerated with the existing controls and mitigations in place. 	Mark Fox	N/A
ADM10 Admission agreements & bonds not arranged in good time	Governance	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> LBB Pensions Team to review and update the Admissions, Bonds and Cessations process to make it less labour intensive and more efficient. 	Mark Fox	Ongoing - Monthly

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM11 Commercial viability of strategic suppliers	Business Continuity	<ul style="list-style-type: none"> Contract monitoring takes place monthly with quarterly reporting to Financial Performance and Contracts Committee. Contract register kept under review with checks on financial status of strategic suppliers. Contract management arrangements in place, including indicators to identify financial stress. 	<ul style="list-style-type: none"> In the unlikely event that WYPF go out of business and cease to provide third party admin services, the LBB Pensions Team will be able to tender for a new provider by using the This can be done by using the National LGPS Framework. 	David Spreckley	Ongoing – when applicable
ADM12 Non-compliance with GDPR	Statutory Duty	<ul style="list-style-type: none"> The LBB Pensions Team are required to undertake regular training on GDPR regulations and information security. WYPF staff must also complete GDPR awareness training. 	<ul style="list-style-type: none"> WYPF to confirm that staff have completed their GDPR training. WYPF to update LBB on any data breaches and actions taken to mitigate breach. The LBB Pensions Team to report any data breaches to the Council’s Data Protection Team. 	WYPF WYPF WYPF	Dec 2023 Ongoing – Monthly Ongoing – when applicable

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM13 Negative media exposure and member experience	Governance	<ul style="list-style-type: none"> External Communications team to liaise with S151 Officer should a media enquiry arises. WYPF to refer any media enquiries to the LBB Pensions Team for action. 	<ul style="list-style-type: none"> Press releases to be shared with Local Pension Board and Pension Fund Committee members prior to publication (if possible). Member experience to be measured by quarterly satisfaction surveys and feedback by WYPF. The LBB Pensions Team are reviewing engagement strategy to improve both member and employer communications. 	Mark Fox WYPF Mark Fox	Ongoing – when applicable Ongoing – Quarterly Nov 2023
ADM14 Impact of staffing issues on pensions administration	Business Continuity	<ul style="list-style-type: none"> WYPF have developed their own Business Continuity plan which considers staff absence. The LBB Pensions Team monitor service levels through regular reports and calls with WYPF. This information is also reported to the Local Pension Board. 	<ul style="list-style-type: none"> The LBB Pensions Team to continue to regularly monitor WYPF performance levels, complaints and resourcing levels. Should there be any issues, these will be raised with senior management at WYPF and Commercial Team at the LBB. 	Mark Fox Mark Fox	Ongoing – Monthly Ongoing - quarterly

London Borough of Barnet Pension Fund – Pension Administration Risk Register

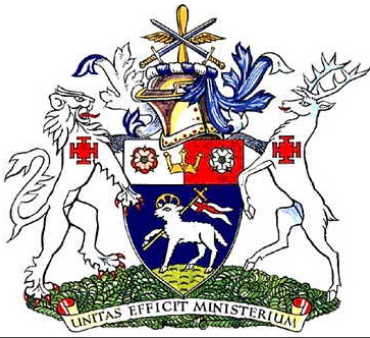
Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM15 Cyber security breach	Compliance	<ul style="list-style-type: none"> WYPF, as part of its Information Governance Toolkit, has adopted a Cyber Security policy which outlines how the Fund protects members' data from incidents of Cyber Crime and risk of hacking together with outlining the Fund's control mechanisms for its pension administration software system. 	<ul style="list-style-type: none"> The LBB Pensions Team to the updated WYPF Cyber Security Report when available. The LBB Pensions Team to check whether the WYPF policy is updated in line with the TPR cyber security principles. 	<p>Mark Fox</p> <p>Mark Fox</p>	<p>Dec 2023</p> <p>Dec 2023</p>
ADM16 Risk of fraud by paying pensions to ineligible individuals or fraudulent arrangements	Governance	<ul style="list-style-type: none"> WYPF run annual pensioner existence exercises. Pension transfer documentation includes the "pension scam" literature from TPR. WYPF administration processes to ensure proper checks on the receiving arrangement before making payment. 	<ul style="list-style-type: none"> WYPF to regularly update the LBB Pensions Team the results of the pensioner existence exercise. The LBB Pensions Team to review all transfer payments every six months. WYPF have confirmed that they will be signing up to TPR Pensions Pledge, which is a new initiative to raise awareness of the risks of scams. 	<p>WYPF</p> <p>Mark Fox</p> <p>WYPF</p>	<p>Ongoing – monthly</p> <p>Ongoing – Biannually</p> <p>Nov 2023</p>

London Borough of Barnet Pension Fund – Pension Administration Risk Register

Risk Details

Risk	Nature of Risk	Controls in Place	Actions to mitigate risk	Action Owner	Action Completion Date
ADM17 Effect of new pensions legislation and LGPS regulations	Statutory Duty	<ul style="list-style-type: none"> The LBB Pensions Team to monitor and review updates to pensions legislation to determine the impact on members benefits. The LBB will work with other stakeholders and bodies ensure relevant communication is sent to appropriate parties. 	<ul style="list-style-type: none"> WYPF to provide updates of any new relevant regulations that will affect the Barnet Fund through monthly reports and regular meetings. The LBB Pensions Team to attend quarterly meetings of the London Pension Officers Group (LPOG) to share best practice on LGPS regulations. 	WYPF Mark Fox	Ongoing – when applicable Ongoing - Quarterly
ADM18 Failure to produce compliant annual report and accounts within deadline	Statutory Duty	<ul style="list-style-type: none"> The LBB Pensions Team will ensure all working papers and data is in place when preparing the accounts, so that when the audit commences, the process is more efficient. The LBB Pensions Team to agree an audit program with the Auditors and ensure that this is adhered to. 	<ul style="list-style-type: none"> The Auditors and the LBB Pensions Team to maintain regular communication throughout the audit. Ensure that the Auditors are employing suitably qualified staff to undertake the audit. 	Adam McPhail Adam McPhail	Ongoing – when applicable Ongoing – when applicable



Local Pension Board AGENDA ITEM 10

Title	Data Improvement Plan and Historical Leavers
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	None
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341 – mark.fox@barnet.gov.uk

Summary

This paper provides the Local Pension Board with an update on the data improvement plan and historical leaver exercise.

Recommendations

1. That the Local Pension Board note the progress on the correcting of the member data and the historical leaver exercise.

1. Reasons for the Recommendations

- 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), continue to correct and update data where it is found to be missing or incorrect, so they can accurately calculate benefits and conform with the data quality requirements of The Pensions Regulator (TPR).
- 1.3 In addition, WYPF and The London Borough of Barnet Pensions Team (“the Pensions Team”) are jointly working on processing a large number of historical leavers that have not yet been processed.
- 1.4 WYPF produced a data improvement plan in March 2021 (“the plan”) to get the data up to the required levels. The Pensions Team continue to monitor and work with WYPF on the Data Improvement Plan to correct the issues inherited.
- 1.5 This will be a long process and whilst much progress has been made to date, 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 WYPF continue to provide monthly data quality update reports to the Pensions Team showing progress in updating data issues.
- 1.7 Initially, there were initially **c28,500** data items that needed to be reviewed and updated. As of 22 August, this number had reduced to **c7,000**. This number has risen slightly (up c250 items of data) from the last report as WYPF identify data issues resulting from the Annual Benefit Statement process and process historical leavers but should start to reduce again over the next few months as the next areas of data correction are completed by WYPF.
- 1.8 WYPF had previously identified ten areas of data with the largest number of issues that need correcting, and it was agreed with the Pensions Team which of these areas would be worked on first. The next area of data correction that WYPF will be concentrating on relates to Guaranteed Minimum Pensions (GMPs). WYPF continue to work on these areas (originally hoped to be completed by the end of August. This accounts for nearly 2,000 items of data that are currently outstanding. An update will be provided at the meeting.
- 1.9 Following the completion of the GMP work, WYPF will then work on tracing and updating addresses and postcodes. This is likely to start around November 2023. There are c850 members where there is either an incorrect or no address held for members.

TPR Data Scores

- 1.10 WYPF also provide 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.
- 1.11 Although these data scores show the presence of data held on members’ records, they unfortunately are not measure on the quality of data. 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.

1.12 A summary of progress since January 2023 of the TPR data scores is shown below (with February 2021 being the first data score being produced for the Fund by WYPF):

Month	TPR score - common	TPR score - conditional
February 2021	95.79%	41.27%
January 2023	96.56%	79.65%
February 2023	96.56%	85.14%
March 2023	96.60%	87.22%
April 2023	96.57%	87.03%
May 2023	96.58%	86.94%
June 2023	96.58%	86.94%
July 2023	96.49%	87.12%
August 2023	96.47%	86.52%

1.13 The common data score is at the acceptable level for TPR. Conditional data does not have a score level set by TPR. WYPF are aiming to get the conditional data score up to at least 90% by the end of the year.

Historical Leavers

1.14 WYPF initially inherited **c1,500** "historic leavers. Following the initial work undertaken by WYPF in 2021 when processing Annual Benefit Statements for the first time, this number increased to **c1,950**.

1.15 As of 11 August, this number had reduced to **400**, of which **219** are leavers who left before 1 November 2020 when WYPF took over the administration of the Fund.

1.16 The Pensions Team continue to work with employers and their payroll providers where historic leaver forms are still outstanding. We have issued fines over the last couple of months to a small number of employers and this seems to have had an effect as we have subsequently received the historic leavers details from these employers.

1.17 The Pensions Team continue to work with the council's payroll provider to get the Councils historic leavers processed. The number has now reduced to **170**. These leavers tend to be more complex and we are spending more time checking salary and service data before the forms can be submitted to WYPF.

2. Alternative Options Considered and Not Recommended

2.1 Not applicable in the context of this report.

3. Post Decision Implementation

Not applicable in the context of this report.

4. Corporate Priorities, Performance and Other Considerations

Corporate Plan

- 4.1 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.

Corporate Performance / Outcome Measures

- 4.2 Not applicable in the context of this report.

Sustainability

- 4.3 Not applicable in the context of this report.

Corporate Parenting

- 4.4 Not applicable in the context of this report.

Risk Management

- 4.5 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.

Insight

- 4.6 Not applicable in the context of this report.

Social Value

- 4.7 Not applicable in the context of this report.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

- 5.1 Not applicable in the context of this report.

6. Legal Implications and Constitution References

- 6.1 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.
- 6.2 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 to ensure the effective and efficient governance and administration.
- ensure the Pension Fund’s strategy and policy documents are maintained in accordance with the LPS 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

7. Consultation

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

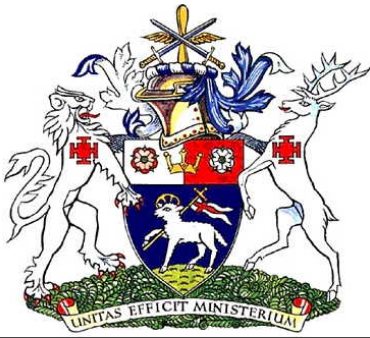
8. Equalities and Diversity

8.1 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.

8.2 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.

9. Background Papers

9.1 None



Local Pension Board AGENDA ITEM 11

Title	Administration Performance Report and update on other administration and legislative matters
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A– West Yorkshire Pension Fund (WYPF) Monthly Report (for July 2023) Appendix B – Percentage of My Portal registrations per employer
Officer Contact Details	Mark Fox, Pensions Manager – 0208 359 3341 – mark.fox@barnet.gov.uk
Summary	
This paper provides the Local Pension Board with the West Yorkshire Pension Fund (WYPF) pensions administration performance report for July 2023, along with an update on the 2023 Annual Benefit Statements and relevant administration and legislative matters.	
Recommendations	
<ol style="list-style-type: none"> 1. That the Local Pension Board note West Yorkshire Pension Fund’s performance levels along with the updates on other administration and legislative issues. 	

1. Reasons for the Recommendations

- 1.1 The efficient delivery of benefits is reliant upon effective administrative procedures being in place. It is important that this information is reviewed regularly 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 May 2023.

WYPF Performance

- 1.3 In July, WYPF processed **2,013** cases with **91.7%** cases being completed within the agreed Key Performance Indicators (KPIs) targets. The number of processed cases is significantly higher than in previous months mainly due to the updating of members records to enable annual benefits statements to be issued.
- 1.4 The performance against the KPIs target continues to be above 90%, which the LBB Pensions Team (“the Pensions Team”) regard as satisfactory. WYPF have recruited six new administrators, which should hopefully mean that over the next few months (once they have been fully trained) will improve their performance to around 95% or over. The Pensions Team will continue to monitor WYPF over the next few months, to ensure that their performance levels do not drop whilst training the new staff.
- 1.5 Different work types have different target completion periods and different SLAs, usually depending on the nature/priority of the item of work. For most work types, the SLAs have been met. The processes that failed to meet the SLA are shown in the “Performance Section” in the report in Appendix A.
- 1.6 Workloads remain high at WYPF and have increased since the last Board meeting. This is common at this time of the year, following the production of Annual Benefit Statements, which leads to an increase in requests from Fund members.
- 1.7 The LBB Pensions Team speak to WYPF weekly to monitor WYPF performance and raise specific issues that need to be resolved.
- 1.8 The number of complaints received by WYPF remain very low, as does the number of Internal Dispute Resolution Procedure (IDRP) cases received. There are currently no stage 1 IDRP cases in progress and one stage 2 cases. A complaint from The Pensions Ombudsman (TPO) has recently been received by the Pensions Team.
- 1.9 The Pension Fund has no offered compensation to any members since the last Board meeting. Compensation is offered where the Pensions Team decides that a member has suffered “distress and inconvenience” in relation to their pension. The amounts of compensation are determined in line the Pension Ombudsman “Redress for non-financial injustice” document, which suggest the compensation that should be offered depending on the level of distress and inconvenience suffered by the member.

WYPF member portal

- 1.10 The number of members who have registered for the WYPF “Member Portal” continues to increase. The figures in the WYPF report equate to 42% of all active members, 29% of all deferred members and 40% of all pensioners.
- 1.11 The number of active and deferred members registering continues to improve, mainly because of annual and deferred benefit statements being issued over the summer.

- 1.12 As part of the Pensions Team review of the engagement and communication strategy for the Fund, we will be working to increase the number of registrations. Improving active registrations. The target is for active member registrations to be at 50% by the end of March 2024.
- 1.13 Appendix B sets out the number of registrations for active members per employer as of 30 May 2023.

AVC Provider review

- 1.14 Hymans Robertson are undertaking a review of AVC providers to the Fund. Unfortunately, this is still ongoing having taken longer than anticipated due to issues contracting through a Framework available to us. The Pensions Team will provide a verbal update at the meeting.

2023 Annual Benefit Statements (ABS)

- 1.15 The 2023 Annual Benefit Statements (ABS's) for active members and Deferred Benefit Statements (DBS's) for deferred members have a deadline for being produced and issued of 31 August 2023. At this date, **98.4%** of ABS's had been produced and **100%** of DBSs.
- 1.16 This is an improvement from 2022, when 97.1% of ABS's were issued by the 31 August deadline.
- 1.17 As of 31 August 2023, there were **99** ABS's still to be issued, of which 16 are where WYPF are waiting for the employer to respond to a pay or service query. WYPF are working with employers to ensure that these statements are issued as soon as possible.
- 1.18 The remaining 83 members are where WYPF are working on linking their pension records and ABS's will be issued when this work is complete.

Automation of Pension Processes by WYPF

- 1.19 WYPF are in the process of automating calculations. Whilst the pension administration system has been programmed to calculate members benefits correctly, automation means that once a leaver form or other form is received by WYPF, the whole process will run automatically (ie calculation, production of documentation and updates to the system).
- 1.20 The automation of a process is thoroughly tested by WYPF IT and Admin Teams before they are signed off and "go live".
- 1.21 WYPF have recently completed the automation of the following processes on their administration system:
- Linking estimates – where members can link their current record with previous Barnet service.
 - Linking actual – when a member confirms that they want to link previous Barnet benefits.
- 1.22 The following processes are now being automated by WYPF:
- Deferred Benefit calculation – when a member leaves the Fund.
 - Flexible Retirement – when a member decides to take their pension but continue working at the same time.
- 1.23 Updates will be provided to the Board at future meetings.

Pensions Dashboard

- 1.24 The Department for Work and Pensions (DWP) announced a delay to the Pensions Dashboard Programme in March, which was described as a “reset”.
- 1.25 The Government has set an ultimate deadline of 31 October 2026, although it is hoped that dashboards will be accessible to the public earlier than this.
- 1.26 WYPF have now chosen their ISP provider for Pensions Dashboard, subject to the final checks.

“McCloud” ruling

- 1.27 The McCloud remedy regulations, that would extend the Local Government Pension Scheme (LGPS) statutory underpin protection to younger members of the Fund are due take effect from 1 October 2023.
- 1.28 On 17 August 2023, the Government laid regulations which come into force on 14 September 2023. These regulations address how various pension tax issues, such as the annual allowance should be dealt with if benefits are being recalculated due to the McCloud remedy.
- 1.29 WYPF are working with their system provider to ensure that the calculations have been programmed and are ready for a live date.

Finance Update

- 1.30 Between April 2023 and July 2023, the fund has received £24.8m of contribution payments into the funds bank account.
- 1.31 The monthly contribution returns received from employers for the same period only total £24.3m, meaning that £0.5m of the contributions received relate to employers who have not submitted returns or have sent in returns which do not reconcile to the amounts received.
- 1.32 The Pensions Team continue to chase these employers to obtain missing or incomplete monthly returns.
- 1.33 For the contributions reconciled with the monthly returns, this is split as follows:
 - Employer Contributions – £18.6m
 - Employee Contributions - £4.8m
 - Employee Additional Contributions - £0.017m
 - Employer Deficit Contributions - £0.9m

Pension Fund Engagement Strategy

- 1.34 The Pensions Team continue the review of the pension fund’s engagement strategy which will also include an update of the Fund’s Communication Policy.
- 1.35 The review is looking at ways of improving engagement with the pension fund for both members and employers.
- 1.36 The Pensions Team are arranging a “Pensions Myth Busting” session for Council staff in October, where we will be discussing anything pensions related. We have asked staff for any questions that they would like to be answered, rather than the Pensions Team talking about what we think staff will want to know. We have received a small number of responses at the

time of writing this paper. Depending on the success of this session, The Pensions Team may run further sessions in the future, both to Council staff and staff of other employers as well.

- 1.37 After this session, we will also be offering staff individual 1-2-1 sessions, where we can assist on any personal pension issues or questions they may have.
- 1.38 The Pensions Team have also produced a video explaining the 2023 Annual Benefit Statement for staff. A link to this video will be sent to Board members in due course.
- 1.39 The 1 October celebrates the international day of the older person, and the Council are running a "Silver Week" (up to 7 October) with activities and opportunities to showcase what Barnet has to offer and to celebrate our older residents and staff. The Pensions Team have been asked to present a couple of sessions during this week aimed at staff nearing or thinking of retirement. We will also be offering 1-2-1 sessions with these staff to discuss retirement issues and options.
- 1.40 The Pensions Team have also sent questionnaires to all Fund employers as we are keen to hear what they would like in terms of engagement. A few forms have been returned and we will shortly review the responses and use this to improve our engagement strategy and to update our Communication Policy.
- 1.41 We will continue to update the Board on progress at future meetings and we will also provide the Board with the updated Communication Policy.

TPR Code of Practice

- 1.42 Following a consultation launched in 2021, TPR has issued a draft new single Code of Practice (the "Single Code"), which sets out the proposed new governance standards for pension schemes. The Single Code is a consolidation of 10 previous codes of practice.
- 1.43 The Single Code will be applicable to public sector schemes (replacing the old Code of Practice 14).
- 1.44 The Single Code sets out TPR's expectations for compliance with the law. It is not legally binding, but the courts and TPR may take compliance with the Single Code into consideration in deciding whether a statutory requirement has been met.
- 1.45 In practice, therefore, compliance with the Single Code is likely to be seen as mandatory. In due course, Board members will need to familiarise themselves with the Single Code and review that the existing internal controls and procedures are in line with the Single Code.
- 1.46 The final Single Code has still yet to be published by TPR. When it is, the Pensions Team will review the Single Code and provide further updates and training to the Board.

Re and Capita CSG – Estates staff transition back to the Council

- 1.47 Staff employed by Re (a joint enterprise between Capita and the Council) and CSG Estates staff transitioned back to the Council on 1 April 2023 and 1 September 2023 respectively.
- 1.48 As part of the transition process for both Re and CSG, the Pensions Team ran several webinars to staff who were not previously part of the Barnet Pension Fund and also offered 1-2-1 sessions for these members of staff who wished to discuss their individual pension needs.
- 1.49 Following the Re transition, there was, unfortunately, a delay in these staff receiving their "welcome letters" from WYPF, which confirm their membership of the Fund. It was hoped that these letters would have been sent to staff by the end of May, but this was delayed until the beginning of July.

1.50	The reason for this delay was due to WYPF working with Barnet Payroll to correct the data queries arising from the April 2023 monthly contribution schedule (the first schedule to include ex-Re staff). The queries related to both ex-Re and staff already in the LGPS. All the data queries had to be resolved, before WYPF could upload the data onto their admin system, after which the “welcome letters” were sent.
1.51	The Pensions Team are working with both WYPF and Barnet Payroll to ensure that the delays incurred for ex-Re staff do not occur for the CSG – Estates staff.
1.52	An update will be provided to the Board at the next meeting.
2. Alternative Options Considered and Not Recommended	
2.1	Not applicable in the context of this report.
3. Post Decision Implementation	
3.1	Not applicable in the context of this report.
4. Corporate Priorities, Performance and Other Considerations	
Corporate Plan	
4.1	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.
Corporate Performance / Outcome Measures	
4.2	Not applicable in the context of this report.
Sustainability	
4.3	Not applicable in the context of this report.
Corporate Parenting	
4.4	Not applicable in the context of this report.
Risk Management	
4.5	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.
Insight	
4.6	Not applicable in the context of this report.
Social Value	
4.7	Not applicable in the context of this report.
5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)	
5.1	Not applicable in the context of this report.

6. Legal Implications and Constitution References

6.1 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.

- Under the terms of reference for the Local Pension Board, the role of the Board includes 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 to 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.

7. Consultation

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

8. Equalities and Diversity

8.1 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.

8.2 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.

9. Background Papers

9.1 None

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Monthly Report

July 2023

LB Barnet Pension Fund

Prepared by:

Lisa Darvill

Client Relationship Manager

Tel: 01274 432540

Mobile: 07582 100320

Email: lisa.darvill@wypf.org.uk

West Yorkshire Pension Fund

Aldermanbury House

4 Godwin Street

Bradford

BD1 2ST

www.wypf.org.uk

Follow WYPF on Twitter www.twitter.com/wypf_lgps

Follow WYPF on Facebook www.facebook.com/westyorkshirepensionfund



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1. Performance summary

Work completed

KPI's for the period - 01.07.23 to 31.07.23							
WORKTYPE	TOTAL CASES JUNE	TOTAL CASES JULY	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIMUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN (Days)
AVC In-house (General)	5	2	20	2	85	100	6.5
Change of Address	53	30	20	28	85	93.33	2.9
Change of Bank Details	17	10	20	10	85	100	3
Death Grant to Set Up	0	2	10	2	85	100	9
Death In Retirement	27	28	10	26	85	92.86	8.43
Death on Deferred	1	0					
Deferred Benefits Into Payment Actual	60	36	10	35	90	97.22	3.61
Deferred Benefits Into Payment Quote	58	67	35	60	85	89.55	32.09
Deferred Benefits Set Up on Leaving	63	109	20	84	85	77.06	59.76
Dependant Pension To Set Up	10	5	5	5	90	100	4.8
Divorce Quote	7	3	40	3	85	100	8.33
DWP request for information	1	0					
General Payroll Changes	12	12	20	12	85	100	2.33
Initial letter Death in Retirement	27	28	10	26	85	92.86	4.71
Initial letter Death on Deferred	1	0					
Interfund Linking In Actual	4	13	35	3	85	23.08	121.54
Interfund Linking In Quote	19	16	35	15	85	93.75	14.06
Interfund Out Actual	5	11	35	11	85	100	8
Interfund Out Quote	6	11	35	10	85	90.91	10.55
Life Certificate	15	9	10	8	85	88.89	9

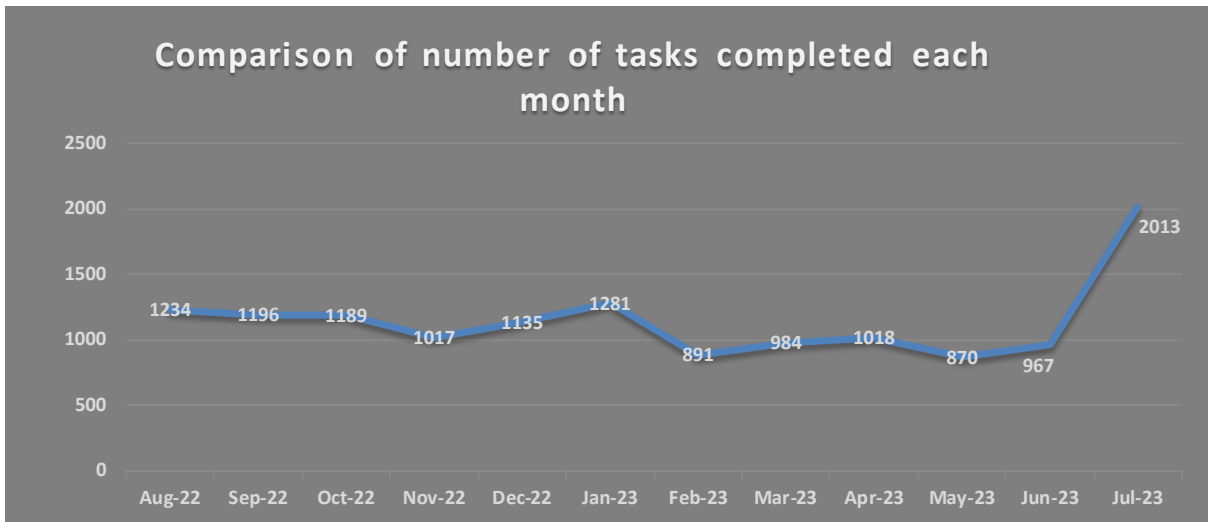
Monthly Posting	124	179	10	174	95	97.21	2.13
NI adjustment to Pension at State Pension Age	1	0					
Pension Estimate	23	10	10	7	90	70	18.4
Pension Saving Statement	0	1	20	1	100	100	1
Phone Call Received	213	193	3	187	95	96.89	1.72
Refund Actual	24	17	10	17	90	100	2.65
Refund Quote	23	40	35	40	85	100	3.93
Retirement Actual	15	27	10	27	90	100	3.74
Transfer Out Payment	1	0					
Transfer Out Quote	16	21	35	20	85	95.24	29.81
Update Member Details	136	1133	20	974	100	85.97	15.51
Totals	967 91.52%	2013				91.72%	

Comment - The KPI for Deferred Benefits Set Up on Leaving was not met this month due to the Team processing older cases as they continue to work through the outstanding cases.

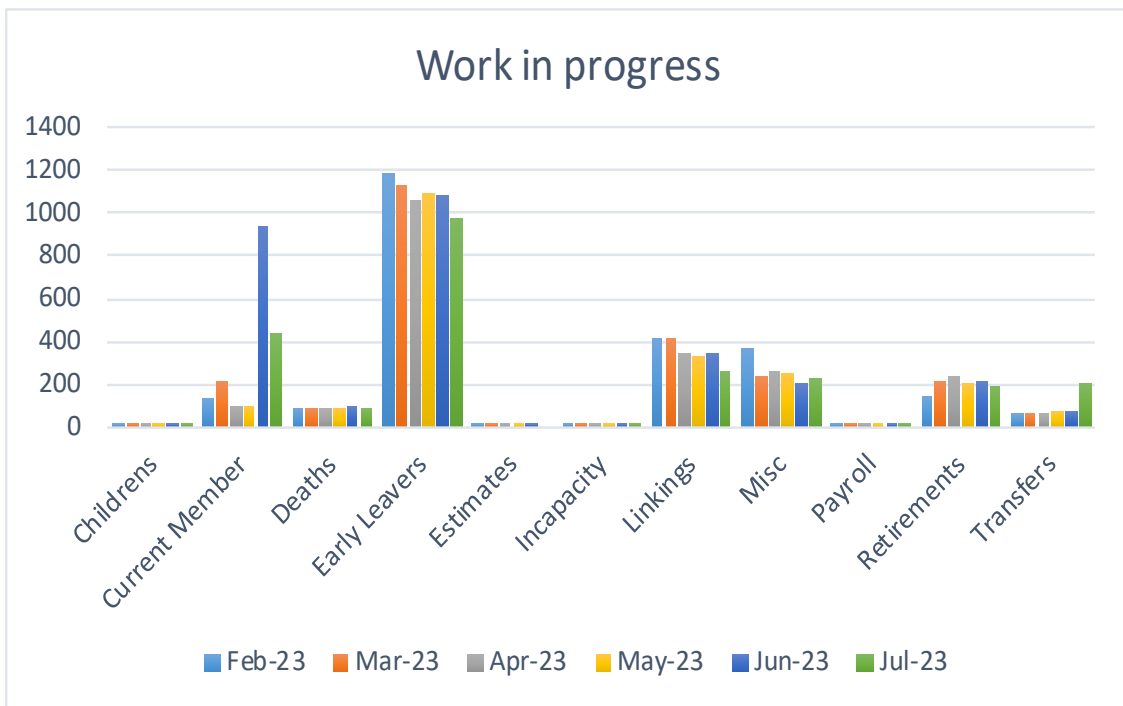
Comment - The KPI for Interfund Linking In Actual was not met this month due to staff processing older cases as they continue to work through the outstanding cases.

Comment - The KPI for Pension Estimate was not met this month due to one estimate request that was received had a potential date of retirement beyond six months. Estimates with a potential date of retirement in the near future have been prioritised. Requests for estimates were also received from members who had recently TUPE transferred and there were delays in getting the correct pay information from the previous employer.

Comment - The KPI for Update Member Details was not met this month due to a large number of hour changes being received from one employer. The forms which did not meet were processed just outside the target days.

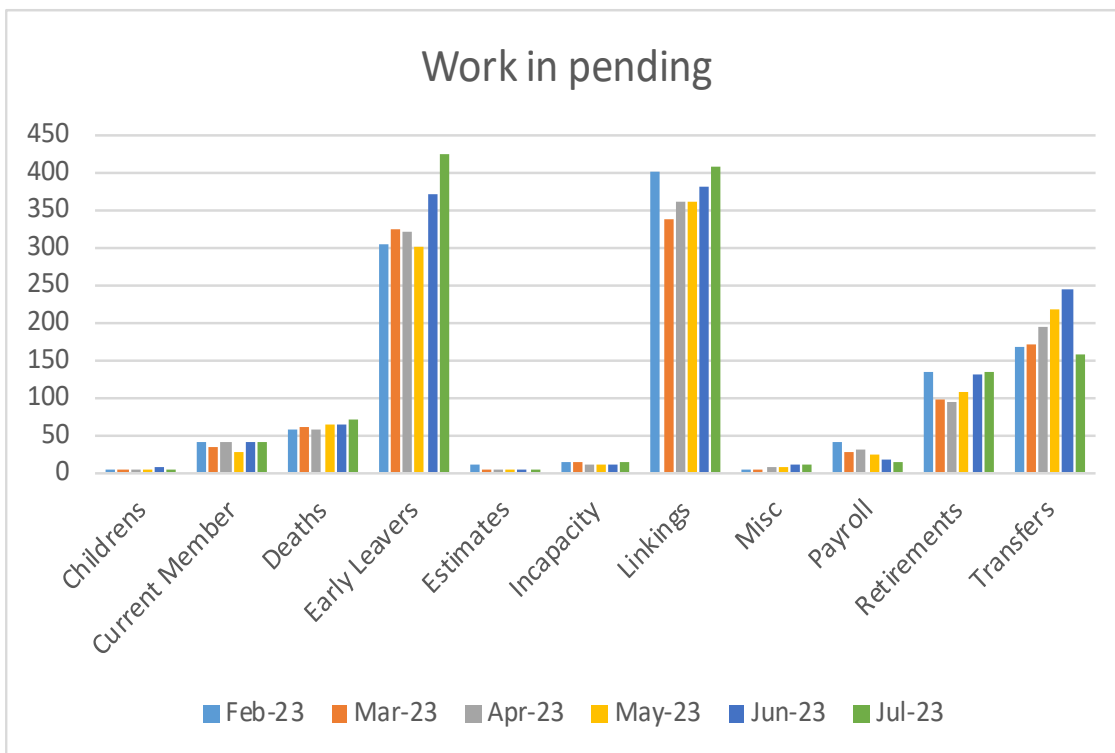


2. Work in progress



	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Childrens	2	2	2	3	5	7
Current Member	137	211	94	100	942	439
Deaths	89	87	87	84	93	84
Early Leavers	1182	1130	1058	1097	1083	972

Estimates	1	3	6	5	7	0
Incapacity	2	4	9	9	6	7
Linkings	416	408	344	335	342	261
Misc	361	241	258	246	207	222
Payroll	17	20	13	19	16	15
Retirements	147	216	236	208	214	188
Transfers	57	67	59	77	68	205



	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Childrens	2	4	4	5	8	3
Current Member	41	33	42	28	41	42
Deaths	59	62	59	64	65	71
Early Leavers	305	324	321	302	369	423
Estimates	11	3	2	4	2	1
Incapacity	14	15	11	10	12	13
Linkings	402	338	361	360	382	406
Misc	2	5	9	9	10	12

Payroll	40	29	30	25	16	15
Retirements	133	96	94	109	130	134
Transfers	169	171	195	216	244	158

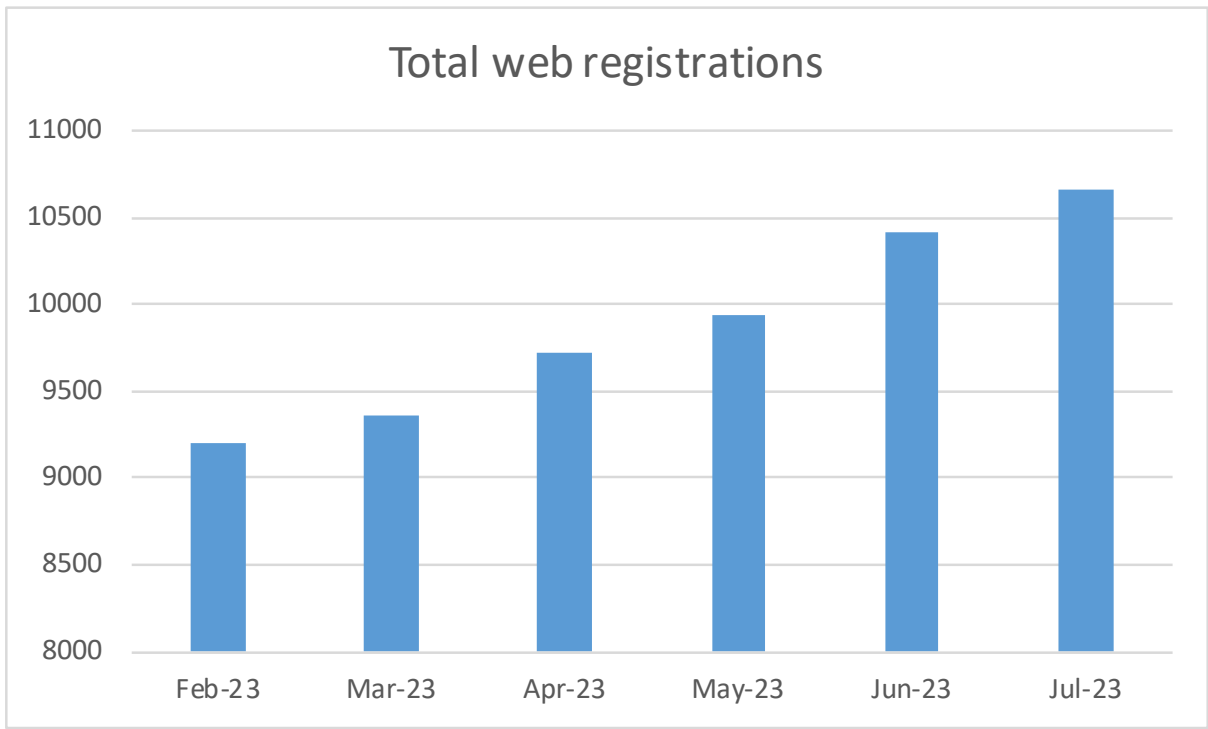
The tables above show processes grouped together and each group consists of a number of processes as shown below.

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	Previous month	Current month
Active	4,068	4,154
Pensioner	3,698	3,751
Deferred	2,641	2,751
Total number	10,407	10,656



4. Administration update

a) New Academies/Schools

Completed 0

Ongoing 0

New enquiries this month - 0

b) New Admission Bodies

Completed 1

Ongoing 6

New enquiries this month – 0

Ongoing

Name	Start date	Current position	Last action taken	Date completed
Innovate (Blessed Dominic)	01/09/2019	Contact forms issued to employer – 23/11/2022. Contacts set up – 09/12/2022. Contacts set up but new employer process not with Finance. PFR new employer process set up – 14/02/2023. Finance new employer process completed – 23/02/2023. Awaiting contribution postings. Members records have been updated.	Hymans require 2022 valuation data to be submitted. Contribution postings are now up to date – 25/07/2023. Data to be submitted to Hymans.	

Innovate (St James)	01/08/2019	Admission agreement with school for signing as per meeting with Mark – 13/09/2022. We have not received any contributions. Still outstanding as per Mark at meeting – 27/10/2022. E-mailed Richard Clarke (Finance) to confirm that we should move forward with getting contributions in and posted for this employer – 06/12/2022. Chased up – 17/01/2023. Data to be provided to Hymans as at 31/03/2022. Can't proceed yet as contributions not posted. Finance chasing up missing contributions from 01/09/2019 to 31/03/2020. Posting process for September 2019 has now come through and this has been ok'd for Finance to proceed with postings – 28/02/2023. The Finance Team queried with the employer on 08/06/2023 as we have received two identical January 2020 returns so this may have been uploaded twice by accident. Query responded to and postings are now being updated. They are currently updated to March 2020.	Monthly postings are now up to date – 18/07/2023. Data to be submitted to Hymans.	
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	Still ongoing as per Mark Fox at June 2023 meeting. To be referred to a PFR. Employer record updated to 'Did not proceed' – 26/07/2023.	26/07/2023

		agreements and then we can conclude our processes on these. Meeting held with Mark Fox and Signature – 28/07/2022. The company has gone out of business and admissions therefore appear unlikely to proceed. Last email from Mark Fox to Signature 11/08/2022. Mark Fox has referred this case to the lawyers.		
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. Agreed with Mark Fox at December meeting to proceed with new employer process. New employer contacts set up on employer record – 12/01/2023. Forms still with employer. Last e-mail from employer confirming request has been passed onto their payroll – 27/01/2023. Requested to provide data to Hymans as at 31/03/2022 at February 2023 meeting but authorised contact not yet set up so new employer process not yet passed to Finance for postings to proceed. The PFR confirmed on 06/03/2023 that he is chasing this up as we have received no response.	Mark Fox at June 2023 meeting confirmed they are nearly there with the admission signing. Mark to arrange further meeting with the employer.	
Olive Dining (Holly Park School)	01/04/2023	Mark Fox emailed forms to employer for completion – 04/05/2023. New employer set up on UPM.	Employer has provided details of employees involved – 26/07/2023.	

Olive Dining (Danegrove School)	01/05/2023	Mark Fox has sent employer forms. He has requested confirmation of the member's involved – 20/06/2023.	Employer has provided details of employees involved – 26/07/2023.	
LBL After School Club (Manorside Primary)	01/09/2023	Provisional employer requested – 10/07/2023.		

c) Employers ceasing participation

Completed 1
Ongoing 8

Name	Date ceased	Current position	Last action taken	Date completed
Caterlink (Totteridge)	23/03/2020	Caterlink have submitted contributions. Queried with Finance – 13/09/2022 – chased up 19/10/2022. New employer process set up 06/12/2022. Contact forms sent – 07/12/2022. Contribution postings now complete. Leaver notifications requested – 24/01/2023. Leaver notifications received and leaver processes with Service Centre – 28/02/2023. Retirement quote being worked on in Service Centre – 03/04/2023.	Data submitted to Hymans – 04/05/2023. Last query responded to – 01/06/2023. Gav at Hymans confirmed that the cessation valuation should be concluded by the end of June 2023. Mark confirmed at meeting that cessation report has been received – 11/07/2023.	11/07/2023
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. Leaver notifications received.	Three leavers till outstanding: 1. Linking outstanding to another post where a leaver	

		Three members are involved. 1. Has a retirement quote but has not yet responded. 2. Linking quote on another record. 3. Pay figure requested – 21/07/2022. Referred to Service Centre – 05/01/2023. Confirmation that further information requested from employer for two of these leavers – 09/01/2023. Copy of e-mails sent to Mark Fox.	notification has not yet been received. 2. Linking quote offered and deadline has now passed. 3. Pay figure requested but not received. These have been referred to the PFR to chase up – 05/06/2023.	
Atlas Cleaning (Claremont)	31/03/2022	End of contract. Leaver notifications requested – 12/07/2022. Chased up 05/09/2022. Issue raised re additional contributions deducted – 17/10/2022. Chased up – 24/11/2022. Agreed at December 2022 meeting to refer back to Service Centre to arrange to refund the additional contributions. Further e-mails with Mark Fox regarding the additional contributions – 16/03/2023. Mark confirmed at the meeting on 10/05/2023 that this should be shortly concluded.	Mark Fox confirmed at June 2023 meeting that he has to go back to the employer to discuss this further.	
City and County Healthcare Group	08/06/2022	Last member left and data submitted to Hymans – 17/04/2023.	Revised data sent to Hymans as included pensioner that had not been updated to new employer – 29/06/2023.	
Grasvenor Avenue Academy	31/08/2022	Academy closed. 19 leavers outstanding. 5 for which we don't have leaver notifications.	Employer Relations Team have contacted the employer	

		Requested from EPM – 14/11/2022. Response received 28/11/2022 – EPM are querying that they cannot locate some of the members on the portal. Request to Service Centre Manager for leavers to be prioritised – 05/12/2022.	with outstanding queries – 26/05/2023. Outstanding cases to be reviewed with the PFR. Some cases are being held up by outstanding linkings.	
Alliance in Partnership (Osidge)	31/07/2022	Final member was sent a retirement quote – 18/04/2023. Agreed at June 2023 meeting to leave it to the end of the month and if the member has not claimed benefits to submit data based on standard benefits. Member was a redundancy retirement so cannot be deferred.	Data with BW but currently on hold due to benefit being unclaimed.	
Capita RE	31/03/2023	Contract ending. Members transferring back to LB Barnet. Spreadsheet sent to Mark Fox – 16/02/2023. Discussed further with Mark Fox and Finance / Employer Relations to ensure that these records will be transferred back to LB Barnet from 01/04/2023. Records updated back to LB Barnet – 27/04/2023. CARE pension values need to be updated plus there are outstanding leavers. E-mail to Mark on 11/05/2023 detailing these cases.	Chased up leavers for completion with processes in place – 07/06/2023. <ol style="list-style-type: none"> 1. Query on pay 2. Deferred process, query on APC 3. Query on pay 4. Deferred process completed 	
Caterlink – Holly Park School	31/03/2023	End of contract. Mark Fox is querying with the school if admission is to be requested from new contractor – 26/04/2023. New	Data submitted to Hymans – 11/07/2023.	

		contractor is Olive Dining. Cessation data to be submitted – 05/06/2023.		
Enigma Group	19/07/2023	Only active member left on 19/07/2023.	Cessation process set up – 17/07/2023.	

d) Other employer work

None

e) Internal Dispute Resolution Procedure (IDRP)

Stage 1

Completed 2

Ongoing 0

Date of appeal	Reason for appeal	Current position /outcome	Last action taken	Decision due	Date decision letter sent
19/04/2023	LTA tax charges	Appeal turned down.	Report requested from Service Centre – 25/04/2023. Report not received to date – to be chased up – 01/06/2023. Service Centre report now received.		01/08/2023
11/05/2023	Appeal against failure to perform due diligence in allowing a transfer out to proceed.	Appeal turned down.	Service Centre report received – 18/05/2023.		17/07/2023

Stage 2

Completed 0

Ongoing 1

Date of appeal	Reason for appeal	Current position/outcome	Last action taken	Decision due	Date decision letter sent
24/07/2023	Appeal against failure to perform due diligence in allowing a transfer out to proceed.		Referred to LB Barnet – 01/08/2023.		

f) TPAS/Pensions Ombudsman

Date application received	Details of complaint	Current position / outcome	Date completed
07/06/2023	Appeal against not being allowed to transfer out.	Response sent 08/06/2023, opposing the allegations as the transfer request was received by WYPF more than 5 years after leaving. However, acknowledged there had been errors and omissions by the previous administrator.	

g) Compensation cases – July to September 2023

None

h) Member issues

None

i) Employer issues

None

5. Membership numbers

Membership status	ACTIVES	DEFS	PENS	BENS	PRESERVED REFUND	LVRS OPTIONS PENDING
Numbers	9,879	9,433	8,381	1,019	1,384	389
Change from last month (+ / -)	+179	+29	+38	-3	+9	-42

6. Management overview

a) Staffing update



Finance – Recruitment for the Senior Finance Officer post has now been completed and it went to a Finance Officer in the Team. There are now two Finance Officer posts vacant and these will be recruited to shortly.

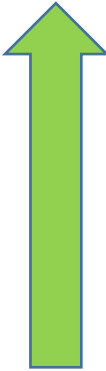
Service Centre – Six new Pension Officers have been appointed and they will start in September.





Employer Relations Team – There is one vacancy in the Employer Relations Team for a Pension Fund Representative which is an additional post within the Team. The job has been advertised and has recently closed. The applications will be reviewed and shortlisting for interviews will start soon.


Technical Team - There is one vacancy in the Technical Team for a Technical Advisor which is an additional post. The post will be advertised in September due to annual leave in the Team.

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.	Drop three has been received from Civica and is a large drop in the series. It is currently being worked on and the UPM Team are looking at what needs to be done and developing an implementation programme. LGA have done a communication document for background training and information on McCloud. This has been taken forward with a view to sending it out.	The UPM Team are still working on Drop two & three but an internal solution is in place to ensure we can deliver McCloud if needed.		Regulations to be introduced from 1 st October 2023 as per current proposal.
Phase 3 (Monthly postings)	Move all the functionality onto the front end website to enable Employers to process the data.	The IT Team are currently working with Bradford IT on updating some underlying servers to resolve some security and technical issues that will allow MP3 to move forward. Internal status update meetings are being undertaken on a regular basis with Senior Management. Once the issues have been resolved a further penetration test can be done.	The third penetration test is due to be done as the previous issues have now been resolved. The Senior Management Team continue to meet to ensure this project keeps moving forward.		2023/2024
Pensions Dashboard	Will enable individuals to access their pension information online, securely and all in one place.	We have evaluated all the tender responses and these have been through Senior Management and the Technical Team for scoring the bidders. There is a clear preferred bidder which	Bravura have been chosen as the ISP provider for Pensions Dashboard, subject to the final checks. We are still waiting for the new staging dates from DWP & PDP. WYPF have had three		

		<p>will be confirmed at the end of July. We have had two meetings with TPR and DWP regarding the Pensions Dashboard reset. These have been very productive meetings on how PDP can launch late and avoid a 'crunch' of providers looking to join the eco PDP system. We were in agreement with the legislative change which has been implemented and we expect to receive the revised dates from TPR in a scheduled meeting pre-Summer recess but this may be subject to change. We have seen PDP with 74 other providers in relation to connectivity scheduling, connection and data required to be provided through the eco system as this is subject to amendment. We have also raised with the LGA the significant changes on how AVCs will be handled through the PDP. The LGA are currently surveying all AVC providers in the UK. We have reviewed the data quality requirements and WYPF/Bradford's current providers to be able to provide certain data i.e. postcodes. We are working with Norfolk and their framework to procure some specialist provision to improve/affirm our data quality. This should be available by the end of the year.</p>	<p>meetings with TPR and DWP attended one of the meetings. They are happy we are where we should be with Pensions Dashboard. A new technical lead has been appointed for PDP and details will be announced shortly.</p>		<p>2022/2023</p>
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Key Performance Indicators (KPIs)	<p>The KPI indicators have been developed in order to provide funds with the ability to self-assess against best practice benchmarks.</p>	<p>A further meeting has been requested with IT to ascertain what further development is necessary to complete the KPI review and ensure the accuracy of the KPI reports.</p>	<p>IT may not be available to develop the remaining stage to stage reporting of the KPIs until at least MP3 has gone live. Further discussions are underway regarding introducing a retirement quote and linkings measure and clarifying and measuring outstanding work.</p>		<p>2022/2023</p>
Data Improvement Plan	<p>Data falls into 2 categories: Common & Scheme Specific (also known as Conditional)</p>	<p>The IT Team are currently working on the data quality for PDP and will look at other areas of data improvement in the next few months.</p>	<p>The issues with some of the historic GMP data we have on members records will be looked at in August by IT, Service Centre & Senior Management Team. This should help to improve the data quality and the data scores for each Fund.</p>		<p>As per Data Improvement Plan</p>
Website	<p>WYPF's website has not been redesigned since the introduction of the CARE scheme in 2014. Change is needed to improve: member journeys, brand identity, diversity of media and accessibility.</p>	<p>Development has commenced on an Umbraco 10 project, the long-term support version which will be supported for updates through to 2025. Scope agreed and design underway.</p> <p>Working on API connection between the front and back-end systems.</p>	<p>Main website – Initial design concepts produced and undergoing internal review for stage 2 drafting.</p> <p>Portals –In-house API functionality has been implemented to the portal, this houses any future Portal-UPM connection. We are currently accessing a data dump based on a backup of an existing UPM database. This means data is now accessible via the portal, a big milestone in our project. Registration</p>	 	<p>Site live by the end of the calendar year (2023)</p> <p>Portals live by the end of the calendar year (2023)</p>

			methods have been reworked, allowing for more flexibility when it comes to multi-factor authentication. Await support from Civica regards the Civica built APIs still.		
Automation	UPM Automation is the project to automate some of the work currently being done manually by administrators within the Service Centre.	We will have completed the first two phases by the end of July and we will publish the results once they are completed. We will then confirm the next 2 areas to be automated based on capacity in the Team to take this forward.	The UPM Team are on track to automate two areas every two months. A final report will be shared by the end of August on the first two processes that were automated.		Ongoing

8. Regulatory update

[LGPC Bulletin 240 - July 2023 \(lgpslibrary.org\)](#) has now been published, please take a few minutes to read the bulletins.

SAB

Code of transparency roadshows

The SAB is running a series of free, in person training sessions on investment cost transparency. The training is aimed at local pension board and committee members, as well as administering authority officers. Session dates and locations are listed below. Click on the location for a link to the booking page on the LGA's website.

12 Sept [Wolverhampton](#)

13 Sept [Leeds](#)

21 September [Edinburgh](#)

26 Sept [Cardiff](#)

SAB plans to run two additional sessions in September or October 2023 – one in London and one online. If you are interested in attending either of these two sessions, please [contact the SAB secretariat](#). We will notify you when they are available to book.

The sessions will provide:

- an explanation of the purpose and background of SAB's ground-breaking code of transparency
- a case study from an L G P S fund on how investment cost information has been used
- a troubleshooting session on how to use the online reporting system – for officers only
- a facilitated discussion on the information that fund officers should be receiving and how this information should be reported to pension boards and committees – for officers only.

If you are asked for a purchase order number when you book, please use SAB 2023.

LGPS England & Wales

SCAPE discount rate and actuarial factors – second batch

On 3 July 2023, Rachel Abbey emailed administering authorities to let them know that DLUHC has cleared a second batch of actuarial factors for use.

The factors in the second batch that have been cleared for use, their effective dates and the impact on calculations are summarised below:

1. **Non-Club transfer in factors: tables x-209 to x-216.** The new factors are in force from 3 July 2023. Any cases on hold can now be processed using the new factors. Any interfund cases where the transfer value of final salary benefits will be used to buy additional pension in the CARE scheme can now be processed. Both the transfer out payment and the transfer in calculation should be based on the new factors.

2. **Non-Club transfer in with final salary link: table x-217.** The new factors are in force from 3 July 2023. If a member elects to complete a non-Club transfer with a final salary link where there is no guarantee on or after 30 March 2023, the new factors apply. If you supplied a guaranteed quotation before 30 March 2023, and the member replies within the guarantee period, use the old factors.

3. **Early retirement: table x-401.** The new factors are in force from 3 July 2023. If a member's early retirement date is 3 July 2023 later, the new factors apply. The new factors are lower than the ones in force before 3 July 2023. Any early retirement benefits already quoted will increase as a result of the change.

4. **Late retirement: table x-402.** The new factors are in force from 1 September 2023. A longer lead-in time has been allowed for these factors:

- to allow time for software changes to be made, and
- because some members' benefits may be lower using the new factors. LGPS benefits are increased for late retirement after Normal Pension Age (NPA):
- benefits built up before 1 April 2014 are increased if they are taken after age 65
- benefits built up from 1 April 2014 are increased if they are taken after State Pension Age, or after age 65 if this is later.

SCAPE discount rate and actuarial factors – third batch

On 28 July 2023, Rachel Abbey emailed administering authorities to let them know that DLUHC has cleared the third batch of actuarial factors for use.

The factors in the third batch that have been cleared for use, their effective dates and the impact on calculations are summarised below:

1. **Trivial commutation factors: tables x-501 to x-503.** The new factors are in force from 28 July 2023. Where a quotation was provided before 28 July 2023 and the nominated date was before 28 July 2023, use the old factors. In all other cases, use the new factors

2. **Inverse commutation factors: tables x-504 and x-505.** If you have already provided a quotation and the retirement date was before 28 July 2023, use the old factors. In all other cases, use the new factors.

3. Scheme pays (Annual allowance) factors: table x-603. For a deferred or active member, if the election date was before 28 July 2023, use the old factors. If the election date is 28 July 2023 or later, use the new factors. If the member is over their Normal Pension Age (NPA), or if they make a Scheme 10 pays election when their retirement figures are already being processed, use the Lifetime Allowance factors – see 4 below. The relevant date for Annual allowance purposes is the ‘day coincident with the end of the pension input period’. For Annual allowance cases, it is not the relevant date which determines which factors are used, it is the Scheme pays election date.

4. Factors for calculating Lifetime allowance debit: tables x-609 and x-610. The Government has announced that no Lifetime allowance charges will apply in 2023/24 and the Lifetime allowance will be abolished completely from 6 April 2024. The LTA factors are still required as they are used to calculate certain Annual Allowance Scheme pays debits.

Change in early retirement factors – resources updated

We have updated the following resources to reflect the new early retirement factors that are in force from 3 July 2023:

- [Taking your pension](http://www.lgpsmember.org) page of the LGPS member website www.lgpsmember.org
- Retirement planning guide for members – version 1.5 published
- Full guide for councillors - version 2.4 published

You can find the latest versions of our guides on the [Administrator guides and documents](http://www.lgpsregs.org) page of www.lgpsregs.org.

Action: WYPF have updated the member guides and websites to reflect the new early retirement factors.

Pensions dashboards

Pensions Dashboards Amendment Regulations 2023

The Department for Work and Pensions (DWP) has laid the [Pensions Dashboards \(Amendment\) Regulations 2023](#) [SI2023/858]. A revised staging timetable will be set out in guidance and all schemes in scope will need to connect by 31 October 2026. The staging timetable will indicate when schemes are scheduled to connect, based on their size and type.

Staging dates – TPR expectations

The Pensions Regulator (TPR) has updated its [‘Failing to comply with dashboards duties’ guidance](#). The purpose of the updates is to outline what schemes will need to do to demonstrate that they have had regard to the staging timetable. The staging timetable will be set out in connection guidance.

TPR expects schemes to do the following to show that they ‘have regard to the connection guidance’:

- Connect to dashboards by the connection deadline of 31 October 2026 that is set out in legislation. Failure to do so could result in regulatory action by TPR.
- A revised staging timetable will be set out in guidance which will indicate when schemes are scheduled to connect. All trustees and scheme managers must have regard to this guidance. Failure to do so will be a breach.
- Although the timelines in guidance will not be mandatory, schemes will be expected to demonstrate how they have had regard to the guidance. Amongst other considerations, this means that scheme managers:
 - should not make decisions about connection until they have engaged with the guidance
 - must be able to demonstrate that they have adequate governance and processes for making such decisions. The reasoning for the decisions should be clearly considered and documented, as should how relevant risks are identified, evaluated and managed
 - should make sure that they have access to all the relevant information before making decisions and acting on them. This includes engaging with those who are supporting them to develop a practical delivery plan. Clear and accurate audit trails need to be kept to demonstrate the decisions made, the reasons for them and the actions taken.
- A phased approach to staging enables a controlled and well-planned connection, reduces the risk of provider capacity constraints and means savers can realise the benefits of pension dashboards as early as possible.
- Continuing to prepare for dashboards by engaging with those who will support them with their dashboards duties, such as integrated service providers and administrators to:
 - assess the potential impact of these changes on their schemes
 - agree a practical delivery plan, and
 - continue activity on getting to grips with member data.

PASA updates data accuracy guidance

The Pensions Administration Standards Association (PASA) has published an updated version of its [dashboards data accuracy guidance](#).

As we reported in [Bulletin 227](#), the guidance was originally published in July 2022. The updated guidance reflects the dashboards reset. PASA encourages schemes to continue to review their data and take action to ensure that key matching data is both present and accurate.

Training

Annual governance conference 2024

Our annual governance conference retains its popular lunchtime to lunchtime schedule. It will take place on Thursday 18 and Friday 19 January 2024 at the

Principal Hotel in York. We are finalising the programme and securing speakers. Booking will open in July 2023.

If you would like to be notified when bookings open or if you have any questions about the conference, please email elaine.english@local.gov.uk

Fundamentals training 2023

Our Fundamentals training for 2023 is now open for booking.

Fundamentals is a three-day training course predominately aimed at elected members and others who attend pension committees and local pension boards. Past delegates have also included trade union and employer representatives, and officers who support committees and boards. The course provides a scheme overview and covers current issues in relation to administration, investments and governance of the L G P S. All sessions are delivered by experts in their field. See the course programme for full details – the timings shown only apply to the in-person sessions.

We are running the in-person training in two locations - London and Manchester, and online.

We have listened to feedback and will be delivering each day of the online sessions over two days. You only need to complete one booking per day – this will automatically book you on both of the half days. It is not possible to book for a half day. The online sessions will be delivered using Zoom.

Attending all three days will help delegates meet the relevant requirement for knowledge, skills and understanding either required in statute or encouraged by relevant guidance.

Cost

In person - £280 plus VAT per session. The price is inclusive of lunch and refreshments.

Online - £240 plus VAT per session.

We recommend early booking as places are limited. You can book online through the [LGA events page](#). We are unable to take manual bookings. Please find links to the individual sessions below. Day one

- 5 October – Manchester, Piccadilly Hotel
- 12 October – Westminster, LGA offices
- 19/26 October – online. Day two
- 2 November - Westminster, LGA offices
- 8 November - Manchester, Piccadilly Hotel
- 16/23 November – online. Day three
- 5 December - Westminster, LGA offices

- 13 December - Manchester, Piccadilly Hotel
- 11/19 December – online.

Legislation

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	45.5%
Alma Primary	27.3%
Archer Academy	45.9%
Ark Pioneer Academy	33.3%
Ashmole Trust	37.2%
Barnet And Southgate College	37.6%
Barnet Education And Learning Service Ltd (BELS)	70.4%
Barnet Education Arts Trust (BEAT)	100%
Barnet Homes	58.1%
Barnet Homes (Brooksons)	42.9%
Barnfield Primary School	39.5%
Bishop Douglass Catholic High School	35.9%
Broadfields Academy	31.5%
Brookland Infant and Nursery School	36.4%
Brookland Junior School	31.0%
Capita CSG	57.1%
Capita RE	50.0%
Capita Shared Services Limited	69.8%
Caterlink (The Compton School)	76.5%
Caterlink - Holly Park School	75.0%
Childs Hill Primary Academy	34.1%
Christ Church C E Primary School	47.8%
Christs College	39.0%
Claremont Primary	38.2%
Colindale Primary School	34.3%
Copthall Academy	31.3%
Danegrove School	19.7%
Deansbrook Jun School	31.1%
Dollis Primary School	20.4%
East Barnet School	22.2%
Edgware Primary School	35.7%
Finchley Catholic High School	31.6%
Friern Barnet School	42.7%
Grasvenor Avenue Infant School	70.5%
Greenwich Leisure Limited	21.4%
HCL - Copthall School	50.0%
Hasmonean Schools MAT	51.6%
Hendon School	30.2%
Henrietta Barnet School	48.0%
Hyde School	23.1%
ISS	21.4%
Independent Jewish Day School	31.6%

J.B Riney	50.0%
JCoSS	100%
Kisharon Academy	49.5%
London Academy	41.9%
London Borough of Barnet	27.1%
London Borough of Barnet (Schools)	39.7%
Mapledown School	33.4%
Martin Primary School	17.1%
Mathilda Marks Kennedy Trust	33.7%
Menorah Foundation School	50.0%
Menorah High School for Girls	56.3%
Middlesex University	38.5%
Mill Hill County High	46.6%
Monken Hadley School	38.9%
Monkfrith Primary School	52.9%
NSL Ltd	41.5%
Oak Hill Academy	72.7%
Oak Lodge School	40.0%
Oakleigh School and Acorn Assessment Centre	34.8%
Olive Dining (Archer Academy)	32.7%
Osidge G.M. Primary School	33.3%
Parkfield School	22.0%
Pavilion Study Centre	55.6%
Queen Elizabeth Girls School	17.7%
Queen Elizabeth Boys School	40.0%
Queenswell Federation	61.3%
Rimon Jewish Primary School	63.5%
Rosh Pinah Primary School	20.0%
Sacks Morasha Jewish Primary School	34.3%
Saracens Academy	55.6%
St Andrew The Apostle School	100%
St Andrew's C of E Voluntary Aided Primary School	17.8%
St James' Catholic High School	25.5%
St Johns N20 School	36.4%
St Mary & St John Primary School	31.1%
St Mary's CEP School	44.0%
St Michael's Catholic Grammar School	27.6%
St Pauls C of E Primary School	45.0%
Summerside Primary Academy	44.7%
Sunnyfields Primary School	25.0%
Tenon (St Michaels School)	30.0%
The Compton School (Middlesex Learning Trust)	41.2%
The Totteridge Academy	100%
Underhill Infant School	46.0%

Wessex Gardens Primary School	30.6%
Whitefield Trust School	32.9%
Woodcroft School	26.7%
Woodhouse College	35.5%
Wren Academy	28.3%
Your Choice Barnet	44.1%

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AGENDA ITEM 12

Local Pensions Board

26 September 2023

Title	LGPS Investment Consultation
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A – LGPS Investment Consultation – Summary and Questions Appendix B – Barnet’s six recommendations
Officer Contact Details	David Spreckley, Head of Pensions and Treasury – 020 8359 6264 – david.spreckley@barnet.gov.uk

Summary

On 11 July 2023 the Government released an important consultation about Local Government Pension Scheme (LGPS) investment. This consultation is likely to steer how both the (centralised) pooling and local agendas evolve for the LGPS over the next decade or so. The consultation covers:

- Pooling
- Local Investment
- Investment towards Private Equity

The full consultation can be viewed here:

[Local Government Pension Scheme \(England and Wales\): Next steps on investments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/local-government-pension-scheme-england-and-wales-next-steps-on-investments)

The consultation is open for 12-weeks and closed on 2 October 2023.

Barnet Council plan to make a response to this consultation and this paper sets out the key themes that will underpin our response.

Recommendations

1. That Local Pension Board members consider this paper and whether they would like to feed in any specific points for Barnet Council to consider within its response

2. The Local Pension Board may also consider whether it wishes to make its own specific response to the Consultation.

1. Reasons for the Recommendations

1.1 David Spreckley, Head of Pensions and Treasury and Councillor Simon Radford (Pension Fund Committee Chair) have considered the key points that Barnet should cover in our consultation response. This thinking has been summarised as six specific recommendations that we believe would improve outcomes for Barnet Residents and local tax payers.

1.2 The recommendations are founded from the following key principles:

- We believe sustainable outperformance (relative to market) can be achieved through scale and also through looking at emerging smaller opportunities
- The constituent we owe our primary Fiduciary Duty to is the people of Barnet
- There is a “levelling up” dividend which may flow through in the immediate area where levelling up investment is made

1.3 Our six recommendations are:

1. Regulations modified to encourage greater collaborations between the Pools and Funds so the big opportunities and best assets can be accessed – we think this will increase the overall level of pooled assets
2. The ability to allow for a ‘Levelling Up’ dividend in decision making where Local Taxpayers and / or employers benefit from the investment collaterally – we think this will increase and accelerate investment towards Levelling Up initiatives
3. Encourage investment in smaller Private opportunities as well as large – Funds are adept in discovering high value Private Assets locally. Encouraging and utilising this network of expertise, in collaboration with pools where possible, will help drive value for our taxpayers and increase investments towards Private Assets overall
4. Made explicit that Funds can rely on the Pools’ due diligence – this will reduce our overall governance expense and help us build a closer relationship with our Pool. We would further recommend that Pool’s obtain their own independent due diligence
5. Government commission a review on the potential for concentration risk from greater consolidation to fewer Fund managers - with greater concentration comes potential risk, we think this needs to be properly explored and understood as it may inform the extent of ultimate pooling

<p>6. That the governance burden is supported by investment in centralised reporting tools (which could be co-ordinated by a Pool) – this will transform governance within Funds and allow clearer comparison between funds</p> <p>1.4 Officers and the Pension Fund Committee Chair are seeking to engage with broader stakeholders on these points and we look forward to hearing the Board’s views (note that Consultation response needs to be submitted on 2 October and so if Board members have specific points to raise then we recommend feeding these to Officers as soon as possible).</p> <p>1.5 A summary of the consultation and the relevant questions and a short slide deck covering our six recommendations are included as Appendix 1 and 2.</p>
<p>2. Alternative Options Considered and Not Recommended</p>
<p>2.1 Not applicable in the context of this report.</p>
<p>3. Post Decision Implementation</p>
<p>3.1 Pending the views expressed by the Board, the collated response to the Consultation will be submitted on 2 October.</p>
<p>4. Corporate Priorities, Performance and Other Considerations</p>
<p>Corporate Plan</p> <p>4.1 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. Awareness of changes to LGPS investment legislation and regulations is therefore essential for the Board.</p> <p>Corporate Performance / Outcome Measures</p> <p>4.2 Not applicable in the context of this report.</p> <p>Sustainability</p> <p>4.3 Not applicable in the context of this report.</p> <p>Corporate Parenting</p> <p>4.4 Not applicable in the context of this report.</p> <p>Risk Management</p> <p>4.5 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.</p> <p>4.6 The regulatory framework around LGPS investment is key to overall risk management.</p> <p>Insight</p> <p>4.7 Not applicable in the context of this report.</p> <p>Social Value</p> <p>4.8 Not applicable in the context of this report.</p>

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)	
5.1	Effective investment management is key to the sustainability of the Pension Fund.
6. Legal Implications and Constitution References	
6.1	<p>Under the Council’s Constitution, the terms of reference of the Local Pension Board includes the following responsibilities:</p> <ul style="list-style-type: none"> • to ensure compliance with LGPS Government regulations. • to ensure compliance with the requirements imposed by the Pensions Regulator. • such other matters as the LGPS regulations may specify to ensure the effective and efficient governance and administration. • to ensure the Pension Fund’s strategy and policy documents are maintained in accordance with the LGPS Regulations. • to ensure the Pension Fund’s internal Risk Register is reviewed at least annually. • To review the Pension Fund’s performance in complying with the requirements of the LGPS Regulations.
7. Consultation	
7.1	Not applicable in the context of this report.
8. Equalities and Diversity	
8.1	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.
8.2	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.
9. Background Papers	

9.1 None

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LGPS Investment Consultation Summary

August 2023

Caring for **people**, our **places** and the **planet**

Pooling Consultation Summary (1 / 8)

Chapter 2: Asset pooling in the LGPS

The Local Government Pension Scheme (LGPS) underwent investment management reform in 2015, leading to the creation of eight asset pools for pooling LGPS assets. Operational for over four years, these pools have achieved substantial savings and expertise in private markets and infrastructure investment. However, progress in consolidating assets varies across the scheme. To maximize benefits, the government aims to increase scale, governance, and transparency. As of March 2022, £145 billion (39%) of assets have been transferred to the pools, and a further £114 billion (31%) is under pool management. Accelerating asset consolidation is a key priority to achieve savings and efficiencies.

Driving greater scale through fewer pools is a key focus for the Local Government Pension Scheme (LGPS). The long-term goal is to transfer all assets, including less liquid ones, to the pools, though this may take time to minimize costs. Ultimately, the aim is to have around 5 pools with £50-75 billion, or even £100 billion, in directly invested assets through mergers. This scale would provide better

bargaining power with asset managers, access to a wider range of opportunities like private markets, and the ability to build internal capacity. Growing in-house investment management within the pools is also a goal to reduce costs. Collaboration and specialization among pools are encouraged to enhance benefits and limit duplication.

Question 1: Do you consider that there are alternative approaches, opportunities or barriers within LGPS administering authorities' or investment pools' structures that should be considered to support the delivery of excellent value for money and outstanding net performance?

The government proposes a timetable for the transition of Local Government Pension Scheme (LGPS) assets to the pools. Currently, funds state their pooling intentions in their Investment Strategy Statement (ISS), but there is no set deadline for transition. The government suggests that all listed assets should be transitioned to the pool by 31 March 2025, with consideration for illiquid investments as they offer higher returns and savings. Funds must work with their pool to explore all opportunities available and provide a rationale for assets not intended to be pooled by 2025.

Pooling Consultation Summary (2/8)

The government seeks views on including this transition timetable in statutory guidance on ISS and providing fuller guidance on requirements for pooling. Progress against the plan will be reported annually.

Question 2: Do you agree with the proposal to set a deadline in guidance requiring administering authorities to transition listed assets to their LGPS pool by March 2025?

The Local Government Pension Scheme (LGPS) aims to achieve greater scale and cost efficiencies through pooling of assets. Administering authorities are responsible for setting investment strategies, but the expectation was for pools to handle external manager selection and strategy implementation to reduce costs. However, approaches vary, with some funds fully delegating decisions to the pool, while others maintain more control. The government emphasizes the need for effective governance and decision-making to achieve pooling benefits. Strong partnerships, effective delegation, and strategy alignment between funds and pools lead to higher gains. Encouraging full participation, the government seeks to maximize pooling benefits for all funds.

To improve governance in the Local Government Pension Scheme (LGPS) pooling, administering authorities will retain responsibility for setting investment strategies. Revised guidance proposes stronger delegation of manager selection and strategy implementation to the pools. Pools should act as a unified entity, advising on investment decisions and swiftly implementing strategies on behalf of partner funds. The government discourages inter-pool competition but encourages collaboration. Funds are urged to invest via existing sub-funds within the pool to avoid excessive duplication. Governance structures should be efficient in making decisions within their remit. The government seeks to accelerate pooling benefits through better cooperation and effective decision-making processes.

Question 3: Should government revise guidance so as to set out fully how funds and pools should interact, and promote a model of pooling which includes the characteristics described above?

Pooling Consultation Summary (3/8)

Pensions expertise is essential for decision-making in the Local Government Pension Scheme (LGPS), but current structures face challenges with turnover and lack of specific knowledge among committee members. To address this, the government proposes that each administering authority sets a training policy for committee members and regularly reports on the training undertaken. This aims to improve expertise levels and decision-making in the LGPS.

Question 4: Should guidance include a requirement for administering authorities to have a training policy for pensions committee members and to report against the policy?

The current reporting on Local Government Pension Scheme (LGPS) assets lacks detailed information, with only overall asset values and limited data on pooled and non-pooled assets, costs, and performance. Annual reports by funds and the Scheme Advisory Board (SAB) vary in detail, and the SAB report lacks data on asset pooling progress.

The government emphasizes the importance of transparency and seeks views on increasing transparency regarding asset allocation, pooling progress, returns, and savings in the LGPS. Additionally, a recent consultation on climate-related risks reporting is pending. The aim is to provide a more comprehensive and transparent view of LGPS assets and progress in pooling.

The government proposes implementing a single standard set of data on investments across annual reports and LGPS statistics to enhance transparency and accountability. This data would include information on broad asset classes, such as equities, bonds, private equity, private debt, and property. The proposal aims to define categories for pooled assets and assets under pool management, clarifying their definitions. The requirements to report on asset allocation and pooling data will be set out in revised guidance. Additionally, funds will be required to include commentary on the progress of asset transfers in their annual reports. The government welcomes views on introducing a consistent regime for reporting returns achieved by assets invested in each class.

Pooling Consultation Summary (4/8)

Question 5: Do you agree with the proposals regarding reporting? Should there be an additional requirement for funds to report net returns for each asset class against a consistent benchmark, and if so how should this requirement operate?

The Scheme Advisory Board (SAB) aims to improve the Scheme Annual Report by consolidating data from fund reports. The government supports a standardized set of data for clearer asset allocation and pooling progress. The SAB plans to include a table categorizing assets by type and pooled status, enhancing transparency in future reports.

Question 6: Do you agree with the proposals for the Scheme Annual Report?

The Secretary of State has the power to issue directions to Local Government Pension Scheme (LGPS) funds if they breach statutory guidance. No directions have been issued so far. The government expects compliance with the guidance, and non-compliance may lead to considering issuing a direction.

The Secretary of State also has authority to make regulations on LGPS pension funds' administration, management, and winding-up under the Public Service Pensions Act 2013, with consultation and Treasury consent.

Chapter 3: LGPS investments and levelling up

The government aims to level up opportunities and boost productivity across the UK through the Local Government Pension Scheme (LGPS). With £364 billion in assets, projected to reach £500 billion by 2030, the LGPS is a major institutional investor. The government encourages the LGPS to invest in infrastructure, housing, regeneration, and SME finance nationwide, not just locally. An ambition is set for LGPS funds to allocate up to 5% of assets to projects supporting local areas. Collaboration with asset pools is required to publish plans for increasing local investments.

The government aims to promote levelling up and reduce regional disparities in the UK. The Local Government Pension Scheme (LGPS) can play a key role in this by investing in projects that contribute to levelling up and support local areas.

Pooling Consultation Summary (5/8)

The proposed definition for levelling up investment is that it must make a measurable contribution to the levelling up missions identified in the LUWP and support any local area in the UK. Examples of such investments include renewable energy projects, supporting SMEs, and investing in local development. Funds must ensure their plans align with their existing investment strategy and funding strategy statements.

Definition:

To help LGPS funds make their plans, the government proposes that an investment would meet the levelling up requirement if

- it makes a measurable contribution to one of the levelling up missions set out in the [LUWP](#); and
- it supports any local area within the United Kingdom.

Question 7: Do you agree with the proposed definition of levelling up investments?

The government aims to promote levelling up while ensuring LGPS funds' fiduciary duty to pay pensions is not compromised. LGPS funds can invest up to 5% of assets in projects supporting levelling up, contributing to economic growth and societal benefits. Private markets are essential for such investments, and LGPS asset pools can facilitate investment in levelling up projects, ensuring efficient use of resources. Some pools have already created investment vehicles for this purpose. The government encourages the development of expertise in local investments within pools and proposes allowing funds to invest through their pool in another pool's investment vehicle to expand investment options.

Question 8: Do you agree that funds should be able to invest through their own pool in another pool's investment vehicle?

The government proposes requiring LGPS funds to publish a plan detailing how they will invest up to 5% of their assets in projects supporting levelling up across the UK. The plan should include the current level of levelling up investments, a timeline to reach the 5% allocation, and the fund's collaboration approach with their pool.

Pooling Consultation Summary (6/8)

Funds will have flexibility in deciding the appropriate level and types of investment. The plan should align with the investment and funding strategy statements and be reviewed at least every 3 years.

Question 9: Do you agree with the proposed requirements for the levelling up plan to be published by funds?

By incorporating these elements into the plans, funds will not only fulfill their obligation to invest 5% in levelling up projects but also showcase their commitment to responsible and effective investment strategies that support economic development and social progress.

The government proposes that funds publish a plan on investing up to 5% of their assets in levelling up projects and report annually on their progress. The plan should consider current investment levels, future allocations, and collaboration with LGPS pools. Annual reports should include the percentage of AUM invested in levelling up, details of investments made through pools and independently, and an explanation of changes and progress.

Guidance on this requirement and reporting will be provided through revised guidance on investment strategy statements and pooling.

Question 10: Do you agree with the proposed reporting requirements on levelling up investments?

Chapter 4: Investment opportunities in private equity

The government's capital markets strategy aims to reform the pensions landscape, making more capital available to support UK companies and boost pension savers' incomes. The Local Government Pension Scheme (LGPS) is encouraged to invest up to 10% of its assets in high-growth companies through private equity, like venture capital and growth equity, to improve pension returns. The ambition is to drive business investment, benefit the UK economy, and incentivize companies to grow and list in the UK. Each fund will decide on their investment approach, and funds are expected to collaborate with pools to explore opportunities. The government seeks feedback on facilitating LGPS investments in UK growth equity and venture capital.

Pooling Consultation Summary (7/8)

Question 11: Do you agree that funds should have an ambition to invest 10% of their funds into private equity as part of a diversified but ambitious investment portfolio? Are there barriers to investment in growth equity and venture capital for the LGPS which could be removed?

The British Business Bank (BBB) is a government-owned economic development bank that aims to improve finance markets for smaller businesses, promoting their growth and contributing to the UK economy. One of its strategic objectives is to support UK innovation by enhancing equity finance markets for promising businesses. The BBB's expertise in venture capital and growth equity makes it the largest domestic investor in UK venture capital. The government encourages collaboration between the BBB and the Local Government Pension Scheme (LGPS), particularly the pools, to explore investment opportunities and remove any existing barriers that inhibit such collaborations.

Question 12: Do you agree that LGPS should be supported to collaborate with the British Business Bank and to capitalise on the Bank's expertise?

Chapter 5: Improving the provision of investment consultancy services to the LGPS

Chapter 5 discusses the background of the investigation into the supply and acquisition of investment consultancy services and fiduciary management services to pension funds, including the LGPS. The investigation found low engagement by trustees, a lack of clear and comparable information for assessing value for money, and an incumbency advantage for investment consultants. The CMA made the Investment Consultancy and Fiduciary Management Market Investigation Order 2019 to address these issues. LGPS administering authorities are exempt from certain requirements of the Order, but they must set strategic objectives for investment consultancy received outside LGPS pool companies and review them regularly.

The Department for Levelling Up Housing and Communities (DLUHC) plans to implement the requirements of the Competition and Markets Authority (CMA) Order for the LGPS regarding the provision of investment consultancy services.

Pooling Consultation Summary (8/8)

Administering authorities must set strategic objectives for investment consultancy providers, review them regularly, and ensure compliance with the Order. The proposal includes defining investment consultancy services, requiring strategic objectives, and amending the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 to incorporate the changes. The aim is to improve governance, transparency, and value for money in the LGPS investment processes.

Question 13: Do you agree with the proposed implementation of the Order through amendments to the 2016 Regulations and guidance?

Chapter 6: Updating the LGPS definition of investments

The Government intends to amend the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 to address an issue identified by the Joint Committee on Statutory Instruments. The amendment aims to align regulation 3(1)(b) with regulation 3(4) by adding the word "partnership." This change clarifies that the definition of investments includes contributions to a limited partnership in an unquoted securities investment partnership, ensuring consistency and removing ambiguity in the regulations.

Question 14: Do you agree with the proposed amendment to the definition of investments?

Chapter 7: Public sector equality duty

The Department for Levelling Up Housing and Communities ensures its policies and proposals consider equalities impact. An initial assessment indicates that the proposed reforms in chapters 2 to 6, including pooling, investment, venture capital, and changes to investment definition, will not adversely affect groups with protected characteristics, potentially benefiting those in deprived areas.

Question 15: Do you consider that there are any particular groups with protected characteristics who would either benefit or be disadvantaged by any of the proposals? If so please provide relevant data or evidence.

Summary of questions

	Greater Collaboration	Levelling Up Dividend	Autonomy to explore Small Scale opportunities	Rely on Pool's Due Diligence	Concentration Risk	Investment in reporting tools
Chapter 2: Asset pooling in the LGPS						
Question 1: Do you consider that there are alternative approaches, opportunities or barriers within LGPS administering authorities' or investment pools' structures that should be considered to support the delivery of excellent value for money and outstanding net performance?	X		X	X	X	X
Question 2: Do you agree with the proposal to set a deadline in guidance requiring administering authorities to transition listed assets to their LGPS pool by March 2025?						
Question 3: Should government revise guidance so as to set out fully how funds and pools should interact, and promote a model of pooling which includes the characteristics described above?	X		X		X	
Question 4: Should guidance include a requirement for administering authorities to have a training policy for pensions committee members and to report against the policy?						
Question 5: Do you agree with the proposals regarding reporting? Should there be an additional requirement for funds to report net returns for each asset class against a consistent benchmark, and if so how should this requirement operate?						X
Question 6: Do you agree with the proposals for the Scheme Annual Report?						
Chapter 3: LGPS investments and levelling up						
Question 7: Do you agree with the proposed definition of levelling up investments?				X		
Question 8: Do you agree that funds should be able to invest through their own pool in another pool's investment vehicle?	X					
Question 9: Do you agree with the proposed requirements for the levelling up plan to be published by funds?				X		
Question 10: Do you agree with the proposed reporting requirements on levelling up investments?						X

Summary of questions

	Greater Collaboration	Levelling Up Dividend	Autonomy to explore Small Scale opportunities	Rely on Pool's Due Diligence	Concentration Risk	Investment in reporting tools
Chapter 4: Investment opportunities in private equity						
Question 11: Do you agree that funds should have an ambition to invest 10% of their funds into private equity as part of a diversified but ambitious investment portfolio? Are there barriers to investment in growth equity and venture capital for the LGPS which could be removed?	X			X		
Question 12: Do you agree that LGPS should be supported to collaborate with the British Business Bank and to capitalise on the Bank's expertise?						X
Chapter 5: Improving the provision of investment consultancy services to the LGPS						
Question 13: Do you agree with the proposed implementation of the Order through amendments to the 2016 Regulations and guidance?						
Chapter 6: Updating the LGPS definition of investments						
Question 14: Do you have any comments on the proposed amendment to the definition of investments?						
Chapter 7: Public sector equality duty						

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LGPS Investment Consultation

Like many Administering Authorities we have given significant consideration to the LGPS Investment Framework [consultation](#). This short document sets out six key recommendations which will form the substance of Barnet's response.*

We believe that if these recommendations are implemented, then the LGPS Investment Framework will move to benefit LGPS Funds, Local Residents and the UK more generally.

If you would like to discuss the thinking behind these recommendations, please contact:

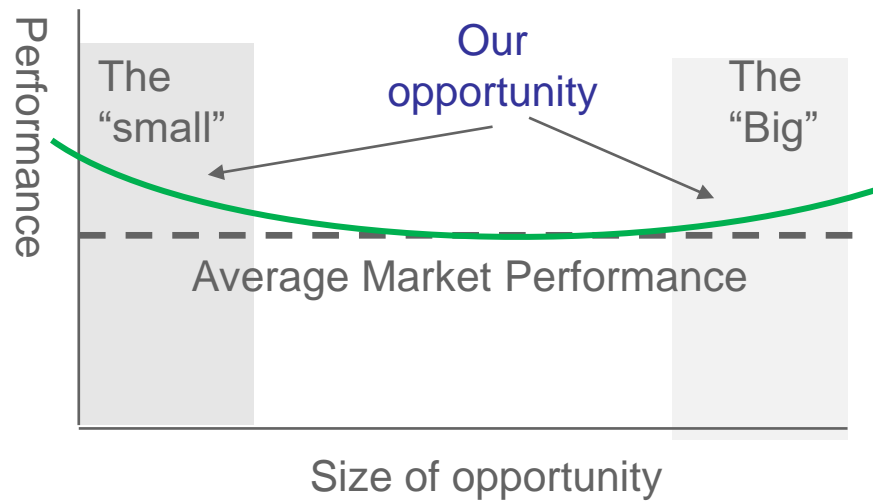
david.spreckley@barnet.gov.uk (Head of Pensions and Treasury)

cllr.s.radford@barnet.gov.uk (Chair of Barnet's Pension Fund Committee)

*recommendations draft pending further discussion with key stakeholders and Barnet's Pension Fund Committee

The principles underpinning our thinking

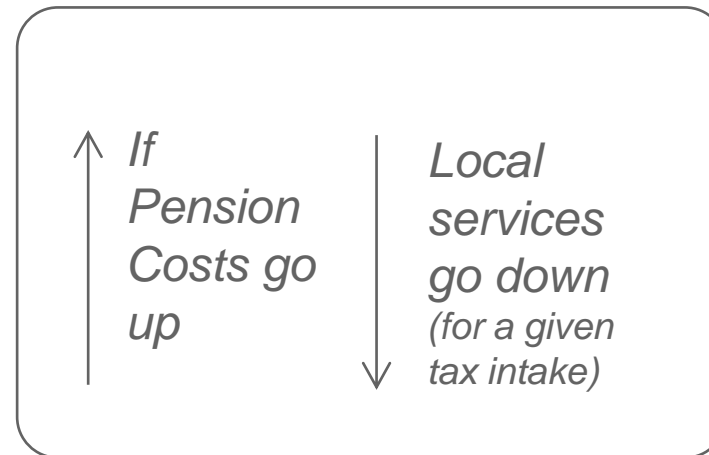
Outperformance achieved from both large and small-scale opportunities



We believe sustainable outperformance against market can be achieved through both large-scale investments (e.g. Large Infrastructure) and small-scale investments (e.g. Venture)

*note a Fund may allocate a large proportion of assets to “small” scale investments

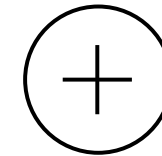
Our primary Fiduciary Duty is to Local Residents



The constituent who stands to benefit / suffer the most from out / under performance of the Fund are local taxpayers and users of local services. This is therefore the group we owe our primary Fiduciary Duty towards

There is a Local “Dividend” received through local infrastructure investment

Investment Return



Local Dividend

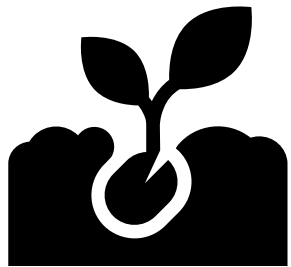
Local investment may create a return (financial or non-financial) that benefits the local community in addition to the financial return made by the initial investors

Caring for **people**, our **places** and the **planet**

Evolving the LGPS Investment Framework to improve outcomes for Barnet



Regulations modified to encourage greater collaborations between the Pools and Funds so the big opportunities and best assets can be accessed – we think this will increase the overall level of pooled assets



The ability to allow for a ‘Levelling Up’ dividend in decision making where Local Taxpayers and / or employers benefit from the investment collaterally – we think this will increase and accelerate investment towards Levelling Up initiatives



Encourage investment in smaller Private opportunities as well as large – Funds are adept in discovering high value Private Assets locally. Encouraging and utilising this network of expertise, in collaboration with pools where possible, will help drive value for our taxpayers and increase investments towards Private Assets overall

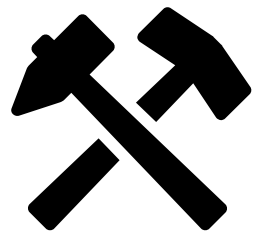
Suggested actions to improve governance



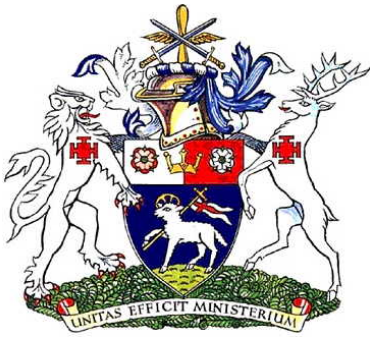
Made explicit that Funds can rely on the Pools' due diligence – this will reduce our overall governance expense and help us build a closer relationship with our Pool. We would further recommend that Pool's obtain their own independent due diligence



Government commission a review on the potential for concentration risk from greater consolidation to fewer Fund managers - with greater concentration comes potential risk, we think this needs to be properly explored and understood as it may inform the extent of ultimate pooling



That the governance burden is supported by investment in centralised reporting tools (which could be co-ordinated by a Pool) – this will transform governance within Funds and allow clearer comparison between funds



Local Pensions Board

26 September 2023

Title	Decisions made by the Pension Fund Committee
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	None
Officer Contact Details	David Spreckley, Head of Pensions and Treasury – 020 8359 6264 – david.spreckley@barnet.gov.uk

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.

Recommendations

1. 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. Reasons for the Recommendations	
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 Local Government Pension Scheme (LGPS) for the London Borough of Barnet (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 on 28 June 2023 there has been one meetings of the Pension Fund Committee where formal minutes have been published: Meeting 4 July 2023 A link to the agenda pack and formal Minutes for the 4 July 2023 meeting is provided in Section 9 – It is important that the Board reviews the agenda packs and formal minutes from this meeting to allow proper scrutiny to be made.
2. Alternative Options Considered and Not Recommended	
2.1	Not applicable in the context of this report.
3. Post Decision Implementation	
3.1	Not applicable in the context of this report.

4. Corporate Priorities, Performance and Other Considerations	
Corporate Plan	
4.1	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.
4.2	By monitoring the decisions of the Pension Fund Committee of the Barnet Pension Fund, good governance of the Pension Fund is maintained. This is because good governance ensures the smooth running of the Fund with the benefits will be equitably split between all employers, thus enabling funds to be directed to Council priorities as set out in the Corporate Plan.
Corporate Performance / Outcome Measures	
4.3	Not applicable in the context of this report.
Sustainability	

4.4 Not applicable in the context of this report.

Corporate Parenting

4.5 Not applicable in the context of this report.

Risk Management

4.6 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.

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

Insight

4.8 Not applicable in the context of this report.

Social Value

4.9 Not applicable in the context of this report.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

5.1 Failure to provide proper scrutiny over Pension Committee decisions creates risk. Risks that are not mitigated or managed can have a significant negative financial impact on the Fund.

6. Legal Implications and Constitution References

6.1 The Pensions Regulator requires that Local Pensions Board members have a duty to keep their knowledge and understanding up-to-date and to document their training. Monitoring is an essential element of the appointment and re-appointment process.

6.2 Under the Council's Constitution, the terms of reference of the Local Pension Board includes the following responsibilities:

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

7. Consultation

7.1 Not applicable in the context of this report.

8. Equalities and Diversity

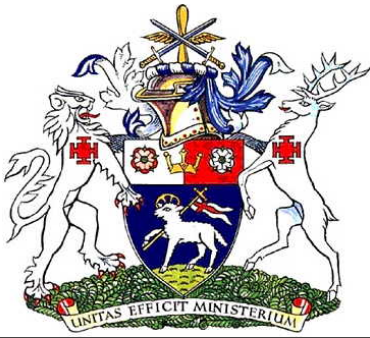
- 8.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected 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.
- 8.2 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.

9. Background Papers

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

4 July 2023

[Agenda for Pension Fund Committee on Tuesday 4th July, 2023, 6.00 pm \(moderngov.co.uk\)](#)



Local Pensions Board

Title	Knowledge and Understanding
Date of meeting	26 September 2023
Report of	Executive Director of Strategy & Resources (S151 Officer)
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A - Mandatory and Primary training opportunities available to Members of the Local Pensions Board and Pension Fund Committee
Officer Contact Details	Jim Nokku, Senior Pensions Officer - 0208 359 6437 – jim.nokku@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.

Recommendations

1. That the Local Pensions Board note the training options available as set out in Appendix A.

1. Reasons for the Recommendations

- 1.1 The London Borough of Barnet Pension Fund is governed by the Pension Fund Committee. The Local Pension Board is an oversight body with no direct decision-making powers. The 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.
- 1.2 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](#).
- 1.3 Issues surrounding the Pension Fund are complex and financially significant to the Council. To make effective decisions it is important that Committee and Board members feel empowered to ask the right questions of Officers and advisors.
- 1.4 As a Board member, you must:
 - be conversant with (i.e., 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.
- 1.5 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 - and '*recommended*' training, which will further develop both Committee and Board members' skills. It is also expected that Board Members complete The Pensions Regulator toolkit.
- 1.6 The mandatory and primary training opportunities available to Board and Committee members are shown in Appendix A.
- 1.7 It has been agreed previously by the Board that the Barnet Pensions Team would monitor training undertaken by Board members. The Pensions Team will contact Board members every two months requesting training details. This will ensure that the training log can be kept up to date.
- 1.8 The next request for details of training undertaken will be sent at the beginning of November for the months of September and October.
- 1.9 At the last Board meeting on 28 June 2023, it was asked if the Pensions Team were aware of any training on pensions cost transparency being offered. Adam McPhail from the Pensions Team presented at an LGA workshop event in July. The Scheme Advisory Board (SAB) are running another virtual workshop on 28 September, which can be booked [here](#). Board members may wish to read the Pensions & Lifetime Savings Association (PLSA) booklet on cost transparency at the link [here](#).

2. Alternative Options Considered and Not Recommended

- 2.1 Not applicable in the context of this report.

3. Post Decision Implementation

- 3.1 That Board members will update the LBB Pensions Team with any training undertaken and that training requirements will be reviewed annually.

4. Corporate Priorities, Performance and Other Considerations

Corporate Plan

- 4.1 Good knowledge and understanding of the Pension Fund will improve overall governance and operational effectiveness of the Pension Fund and contributes to the aims of the Council's Corporate Plan.

Corporate Performance / Outcome Measures

- 4.2 Not applicable in the context of this report.

Sustainability

- 4.3 Not applicable in the context of this report.

Corporate Parenting

- 4.4 Not applicable in the context of this report.

Risk Management

- 4.5 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.
- 4.6 The Board relies on its service providers and good performance from these will help to avoid problems.

Insight

- 4.7 Not applicable in the context of this report.

Social Value

- 4.8 Not applicable in the context of this report.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

- 5.1 Provision of Hymans' LGPS Online Learning Academy (LOLA) portal has a modest annual license fee.

6. Legal Implications and Constitution References

- 6.1 The Pensions Regulator requires that Local Pensions Board members have a duty to keep their knowledge and understanding up-to-date and to document their training. Monitoring is an essential element of the appointment and re-appointment process.
- 6.2 Under the Council's Constitution, the terms of reference of the Local Pension Board includes the following responsibilities:
- to ensure compliance with LGPS Government regulations.
 - to ensure compliance with the requirements imposed by the Pensions Regulator.
 - such other matters as the LGPS regulations may specify to ensure the effective and efficient governance and administration.

- to ensure the Pension Fund’s strategy and policy documents are maintained in accordance with the LGPS Regulations.
- to ensure the Pension Fund’s internal Risk Register is reviewed at least annually.
- to review the Pension Fund’s performance in complying with the requirements of the LGPS Regulations.

7. Consultation

7.1 Not applicable in the context of this report.

8. Equalities and Diversity

8.1 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.

8.2 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.

9. Background Papers

9.1 None

APPENDIX A

MANDATORY AND PRIMARY TRAINING OPPORTUNITIES AVAILABLE TO MEMBERS OF THE LOCAL PENSIONS FUND AND PENSION FUND COMMITTEE

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 per year	Recommended	Recommended
Sustainability Training Day (completed)	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 per year	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 per week. (c10 per year.)	Recommended	Recommended
Total (First 12-months)			19 hours Mandatory 23.5 hours Recommended	3.5 hours Mandatory 30 hours Recommended

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London Borough of Barnet

Local Pensions Board - Work Programme

September 2023 – July 2024

Contact: Georgina Wills
Email: Georgina.wills@barnet.gov.uk

Title of Report	Overview of decision	Report Of	Issue Type (Non key/Key/Urgent)
28 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
External Audit Plan	To consider the external auditors plan for the 2022-23 Pension Fund Accounts	Finance Director	Non-Key
26 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

Subject	Decision requested	Report Of	Contributing Officer(s)
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
20 November 2023			
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
Annual Report of Scheme Auditor	To receive the annual report of the Scheme Auditor relating to the accounts to 31 March 2023.	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 Risk Register	Administration Risk	Finance Director	Non-Key
11 March 2024			
Administration Performance Report.	To monitor the performance of the pension administration service and priorities for the new administrator	Finance Director	Non-Key

Subject	Decision requested	Report Of	Contributing Officer(s)
Data Improvement Plan	To review progress against Plan	Finance Director	Non-Key
Administration Risk Register	Administration Risk	Finance Director	Non-Key
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-Key
External Audit Update	To note the Audit Update	Finance Director	Non-Key
15 July 2024			
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
Administration Risk Register	Administration Risk	Finance Director	Non-Key
Decisions made by the Pension Fund Committee	To approve the Pension Fund Committees decision making processes.	Finance Director	Non-Key
Training Plan	To consider Training Needs and record Training undertaken	Finance Director	Non-Key