



Minutes of a meeting of the Local Pension Board held at County Hall, Glenfield on Monday, 26 October 2020.

PRESENT

Mrs. R. Page CC (in the Chair)

Cllr E. Pantling      Mr R. Shepherd  
Ms. R Gilbert        Ms. C. Fairchild

62. Minutes.

The minutes of the meeting held on 10 August 2020 were taken as read, confirmed and signed.

63. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 36.

64. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Mr. Shepherd CC declared a personal interest in agenda item (Government Proposals to Reform Local Government Exit Pay) as a member of Cabinet for Leicestershire County Council.

65. Urgent Items.

There were no items for consideration.

66. Governance Review.

The Board received a report from the Director of Corporate Resources regarding the Governance Review. A copy of the report marked 'Agenda Item 5' is filed with these minutes.

Arising from the discussion the following points were noted:-

- i) The Fund awaited further guidance from the LGPS Scheme Advisory Board regarding the Good Governance report prior to taking action on certain recommendations laid out.

- ii) The recommendation to remove 'local' from the Local Pension Committee was to attempt to reduce confusion between the Committee and the Board. 'Local' in the Board was due to the National LGPS Board, of which there was no equivalent for the Committee, so the distinction was unnecessary.
- iii) Pensions knowledge was a broad area and could take Members a few years to become fully conversant on the different topics. It was acknowledged that membership of elected councillors on the Board was often dependent on them being re-elected following a four-year term.
- iv) Members felt they were offered good training opportunities and that there was good practice undertaken as part of the Fund's Training Policy. It was further suggested consideration be given to simplification of process to allow quick take up of information available once first appointed to the Board.
- v) The Board agreed that a report should be taken to the Fund's Annual General Meeting setting out the Board's work throughout the year.

RESOLVED:

- a) That the report be noted and supported.
- b) That a report be brought in a year updating the Board on progress made towards recommendations.
- c) That an Annual Report of the Board be produced and added to the Agenda of Leicestershire Pension Fund's Annual General Meeting on the 14<sup>th</sup> December.

67. Pension Fund Annual Report and Accounts 2019/20.

The Board received a report from the Director of Corporate Resources regarding the Pension Fund Annual Report and Accounts 2019/20. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

RESOLVED:

That the report be noted and supported

68. Pension Fund Administration Report July to September 2020 - Quarter Two.

The Board received a report from the Director of Corporate Resources regarding administration of the Fund July to September 2020. A copy of the report marked 'Agenda Item 7' is filed with these minutes.

The Board noted that the Fund's response to Government's consultation on the Exit Cap had been approved by Committee and had been sent to the Ministry of Housing, Communities and Local Government. There remained a great deal of uncertainty regarding the regulations which the Board would be updated on when available.

The Board had no matters of concern that it wished to refer to the Local Pension Committee.

RESOLVED:

That the report be noted.

69. Pension Section - Employer Risk.

The Board received a report from the Director of Corporate Resources regarding Employer Risk. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

The Pension Manager advised the Board that there could be legitimate reasoning for an employer to request a rate review, for example financial pressure in the short-term. However, even if such a review did result in the reduction of its contributions, as it was a defined benefit pension scheme, the employer would ultimately need to pick up any deficit in the long term.

The Board were informed that one employer had contacted the Fund which the Pensions Manager would liaise with. Ultimately, the Fund was awaiting national guidance from the Scheme Advisory Board or CIPFA expected early 2021 on what would class as a trigger for a review.

The Board were pleased to note that no employer had asked for a contribution break as a result of COVID-19.

RESOLVED:

That the report be noted.

70. Risk Management and Internal Controls.

The Board received a report from the Director of Corporate Resources, the purpose of which was to detail any concerns relating to the risk management and internal controls of the Fund. A copy of the report is filed with these minutes, marked 'Agenda Item 9'.

The Pension Manager informed the Board that a risk had been added to address the concern over the gradual increase in transfer out activity. The risk related to a concern that members were tempted to achieve short term financial income with companies or private pension arrangements that had complex benefit structures. The Pensions Section was working closely with legal colleagues to protect scheme members benefits from potential scam activity.

The Board was assured that while scheme members were entitled to manage their pension however they wished, the Fund would always look to provide relevant advice and ensure members were confident with their transfer out before action was taken.

RESOLVED:

That the Board note the revised risk register of the Fund.

71. Pensions Section - Complaints Policy.

The Board considered a report of the Director of Corporate Resources regarding the Pensions Section Complaints Policy. The report marked 'Agenda Item 10', is filed with these minutes.

The Board supported the policy and were pleased to note that it would ensure complaints be handled in a consistent, appropriate and timely manner.

RESOLVED:

That the report be noted.

72. Date of the next meeting.

It was noted that the next meeting of the Board would be held on 8 February 2021 at 10am.

10.00 am - 12.00 pm  
26 October 2020

CHAIRMAN