

## Wiltshire Pension Fund Committee

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**MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 28 JULY 2022 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.**

**Present:**

Cllr Richard Britton (Chairman), Cllr George Jeans, Cllr Gordon King, Cllr Christopher Newbury, Cllr Kevin Small, Mike Pankiewicz, Tracy Adams and Cllr Vijay Manro (Substitute)

**Also Present:**

Cllr Nick Botterill

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147 **Apologies**

Apologies were received from Councillors Jonathan Seed and Steve Heyes.

Councillor Heyes was substituted by Councillor Vijay Manro.

148 **Minutes of the Previous Meeting**

The public minutes of the meeting held on 26 May 2022 were presented for consideration, and it was,

**Resolved:**

**To approve and sign the minutes as a true and correct record.**

149 **Declarations of Interest**

There were no declarations.

150 **Chairman's Announcements**

There were no announcements.

151 **Review of Actions**

The Committee reviewed the update on ongoing actions as detailed in the agenda.

It was,

**Resolved:**

**To note the action log.**

152 **Review of the Minutes of the Local Pension Board**

The Committee received the public minutes of the Local Pension Board meeting on 5 May 2022, and reviewed the recommendations of that meeting, which related to the Headlines and Monitoring and Key Financial Control items of the agenda.

Further detail was sought on the review of the level of council recharge to the fund. It was stated Fund officers had met with Finance to cost services received from the council and had provided comment. A report would be taken to the Committee with details of any new charge.

It was then,

**Resolved:**

**To note the minutes of the Local Pension Board.**

153 **Public Participation**

No questions or statements were received.

154 **Headlines and Monitoring (HAM) Report**

The Committee considered the report presented by Jennifer Devine, Head of Wiltshire Pension Fund, Richard Bullen, Fund Governance & Performance Manager and Andy Cunningham, Pension Administrative Lead, which provided information highlighting key issues and developments to enable the Committee to fulfil its monitoring role.

Details were provided regarding investment performance with a 2.6% reduction for the quarter to the end of March 2022, with a challenging second quarter predicted due to global events. Further updates would be provided at the meeting on 5 September 2022.

There was discussion of the auditing of accounts which was behind schedule due to national resourcing issues with Deloitte. It was requested the Treasurer of the Pension Fund be contacted on behalf of the Committee for clarification on the situation and any plans to improve the service.

Details were sought on expectations of reasonable and adequate investment returns during a short and medium period of higher inflation. The importance of cashflow management during that period was highlighted.

The Committee also discussed the Pensions dashboard and impact of the McCloud case, with it currently being stated there would be more of an administrative than cost impact for the Fund, with historical data being collected for any future need to make corrections.

There was discussion of key performance indicators, how the data was being generated, and ongoing monitoring of current as well as historical information. It was also noted that reporting arrangement to the Committee would be reviewed to ensure the required information was received in the most appropriate manner and timescale.

The Committee also reviewed the risk register, and sought clarification on the rating of risks relating to disruptions due to the Evolve programme to replace the SAP system used for payroll and other financial administration.

At the conclusion of discussion, it was,

**Resolved:**

**To approve the changes to the Risk Register and accept the recommendations for changes submitted by the Board.**

155 **Business Plan 2022-2023**

A report was received from the Head of Wiltshire Pension Fund on the progress toward actions set out in the Fund Business Plan for 2022/23.

It was then,

**Resolved:**

**To note the progress against actions set out in the Business Plan.**

156 **Key Financial Controls**

A report was received regarding significant issues in relation to the Fund's Key Financial Controls.

It was stated the draft accounts and working papers had been provided to auditors ahead of deadlines, although due to delays with the council accounts being audited there had not been signoff for the previous two years.

There was discussion of the ongoing payroll reconciliation to correct discrepancies between the SAP Payroll records and Altair pension administration system, with concern raised that the number identified had increased.

There was discussion of the growing backlog of unallocated transfers in, i.e. where the money had been received but had not been credited to the member's account on Altair, also an action identified by SWAP during the internal audit. In these cases the member would receive their benefits in due course but the Annual Benefit Statements being sent out would be incorrect at this time. Officers confirmed that this matter would be addressed as a priority.

There was also discussion of running costs.

It was then,

**Resolved:**

**To note the Key Financial Controls update.**

157 **Fund Annual Report and Accounts**

The Head of Wiltshire Pension Fund, Jennifer Devine, presented the draft Fund Annual Report and accounts. Details were provided on updated communications materials and strategies to engage members and stakeholders.

The Committee discussed the report, and requested an explanation be included setting out why the report would be published although the accounts were at present unaudited, due to ongoing issues with the auditing of the council accounts separate to the Fund and nationwide audit resourcing issues.

At the conclusion of discussion, it was,

**Resolved:**

- 1) **To approve the proposed publication of the unaudited annual report and accounts 2021/2022 and summary documents, and authorise officers to make any necessary minor amendments following the conclusion of the audit after consultation with the Chairman of the Wiltshire Pension Fund Committee;**
- 2) **To approve the going concern statement in Appendix 1**

158 **Pensions Administration Strategy**

The Pensions Administration Lead, Andy Cunningham, presented a report on proposed revisions to the Pensions Administration Strategy. This included a service level agreement to apply to all employers in the Fund, who had been consulted as part of the review of the strategy.

At the end of discussion, it was,

**Resolved:**

**To approve the revised Pensions Administration Strategy.**

159 **Employer Charging Policy**

The Pensions Administration Lead, Andy Cunningham, presented proposed changes to the Fund's Employer Charging Policy. Details of costs were provided in the appendix to the report.

In response to queries it was confirmed the policy would be provided to employers alongside the updated administration strategy.

It was then,

**Resolved:**

**To approve the revised Employer Charging Policy.**

160 **Pension Payroll Database Reconciliation**

The Pensions Administration Lead, Andy Cunningham, presented a report on the ongoing pensioner payroll database reconciliation project.

The number of cases had been updated, and the intention was to appoint an outside provider to work through the remaining material cases.

The Committee sought details that though there had been an increase in cases, officers were confident the level of cases was now correct. It was stated that identification of errors was now a more known process, and the tender for the outside provider included the possibility of some further cases being identified.

At the end of discussion, it was,

**Resolved:**

**To note the update on the project.**

161 **Committee Forward Work Plan**

The forward work plan was received, and it was,

**Resolved:**

**To note the committee forward work plan.**

162 **Date of Next Meeting**

The date of the next meeting was confirmed as 5 September 2022.

163 **Urgent Items**

There were no urgent items.

164 **Exclusion of the Public**

It was,

**Resolved:**

**To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Minute Numbers 165-169 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.**

165 **Minutes of the Previous Meeting**

The Part II private minutes of the meeting held on 26 May 2022 were presented for consideration, and it was,

**Resolved:**

**To approve and sign the minutes as a true and correct record.**

166 **Review of Local Pension Board Minutes**

The Committee received the Part II private minutes of the Local Pension Board meeting on 5 May 2022.

It was then,

**Resolved:**

**To note the minutes of the Local Pension Board.**

167 **Cyber Security Review**

A report was received on the Cyber Security Review requested by the Committee. A workshop had been held on 21 July 2022 to identify how cyber security could affect Pension Funds, and assessing compliance with the Pension Regulator's guidance.

The Committee discussed the report, how compliance could be achieved, and the need for ongoing discussions with the council's IT services.

It was then,

**Resolved:**

**To note the progress of the review and to receive an additional report at a future meeting.**

168 **Investment Management Fees and Costs for 2021/22**

A report was received setting out the Fund investment management annual fees and costs for 2021/22.

The Committee sought additional details on the process by which fees were calculated and reviewed, and of any ongoing costs.

It was then,

**Resolved:**

**To note the Fund investment management fees and costs for 2021/22.**

169 **Brunel Governance Update**

A verbal update was received from Jennifer Devine, Head of Wiltshire Pension Fund and the Chairman.

Details were provided of recent discussions with the Brunel Oversight Board and future development of a five year strategy.

(Duration of meeting: 10.00 am - 12.20 pm)

The Officer who has produced these minutes is Kieran Elliott of Democratic Services, direct line 01225 718504, e-mail [kieran.elliott@wiltshire.gov.uk](mailto:kieran.elliott@wiltshire.gov.uk)

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