

## Local Pension Board

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### MINUTES OF THE LOCAL PENSION BOARD MEETING HELD ON 22 MAY 2024 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

#### **Present:**

Mark Spilsbury (Chairman), Marlene Corbey, James Nicholson and  
George Simmonds (Vice-Chairman)

#### **Also Present:**

Cllr Richard Britton, Cllr George Jeans and Cllr Vijay Manro

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#### 25 **Membership**

The Chairman confirmed that Full Council on 20 February 2024 had ratified the appointment of Karl Read as a new member of the Board.

#### 26 **Attendance of non-members of the Board**

The Chairman welcomed Cllr Richard Britton – Chairman of the Wiltshire Pension Fund Committee, Cllr George Jeans (Wiltshire Council) and Cllr Vijay Manro (Swindon Borough Council) – Members of the Wiltshire Pension Fund Committee, to the meeting.

#### 27 **Apologies**

Apologies for absence were received from:

- Karl Read
- Laura Fisher
- Mike Pankiewicz

#### 28 **Minutes and Action Tracking**

The Part I (public) minutes of the previous meeting held on 13 February 2024 was considered alongside the Board's action log.

#### **Resolved:**

**The Board approved and signed the Part I (public) minutes of the previous meeting held on 13 February 2024 as a true and correct record, and the Board's action log was noted.**

#### 29 **Declarations of Interest**

There were no declarations of interest.

30 **Chairman's Announcements**

The Chairman reported that the Local Pension Board insurance had been renewed with the premium remaining the same.

31 **Public Participation**

There were no statements or questions submitted.

32 **Minutes and Key Decisions of the Wiltshire Pension Fund Committee**

The Part I (public) minutes of the Wiltshire Pension Fund Committee meetings held on 29 February 2024 and 28 March 2024 were considered.

**Resolved:**

**The Board noted the Part I (public) minutes from the meetings of the Wiltshire Pension Fund Committee held on 29 February 2024 and 28 March 2024.**

33 **Headlines & Monitoring (HAM) Report**

The Board considered the report of Jennifer Devine - Head of Wiltshire Pension Fund which provided information highlighting key issues and developments to enable the Board to fulfil its monitoring role.

The report detailed updates in the following areas:

- Headlines
- Scheme, Regulatory, Legal and Fund Update
- TPR General Code of Practice Update
- Risk Register
- Administration KPI update – 1 January 2024 to 31 March 2024.
  - 1) McCloud and Dashboard Update
- Audit Update
  - 1) SWAP audit KPI actions 2023/24
- Training Plan 2024/25

The Fund Governance Manager commented on a new corporate approach to risk management. He indicated that the Pension Fund's risk register has a more operationally focused using a red, amber and green risk rating approach, whereas the new corporate register is adopting a 5 categories approach. It was suggested that officers prepare a detailed report highlighted the differences between the current risk register in operation within the Fund and the new corporate risk management system.

In response to questions on the current risk register changes reported within the meeting pack, officers explained that the reason for the Fund Governance risk rating change from amber to red was in part due to the protracted procurement of the Fund's strategic procurements of actuarial and investment management consulting services. It was noted that 2 of the 3 contracts had now been agreed.

Officers confirmed that they could supply KPI reporting for each quarterly report in respect of the KPI Improvement plan progress as requested by the Board. Officers were confident that the backlog would be managed appropriately, and figures would start to improve. Officers will report further about the onboarding process to i-connect at the next meeting.

Officers confirmed that the SWAP KPI audit actions would be completed by the new deadline set of 30 June. In addition, officers would be able to suggest appropriate training for members with 4 training courses a year being the optimum number. Virtual attendance would also be available.

**Resolved:**

- a) to note the Fund updates**
- b) to endorse the risk register in Appendix 2 & the summary of risk changes since the last review, as a true and fair view of the risks currently being experienced by the Fund and to recommend that endorsement to the Committee:**
- c) To note the progress concerning the KPI audit recommendations**
- d) For officers to update members at each quarterly meeting in relation to progress against the KPI Improvement Plan**
- e) For Board members to approve and adopt the training plan for 2024/25 for themselves and for the Board to recommend that this training plan be approved by the Pensions Committee**
- f) To agree that officers produce a paper detailing the current risk management system in operation within the Fund, the new 'corporate' risk management system, the perceived issues if the Fund is required to fully adopt this new process, and the desired way forward favoured by officers, in the context of the legal standing of the Fund. The report, which should include recommendations on the way forward, should be submitted for decision to the next appropriate meeting of the Wiltshire Pension Fund Committee.**

**34 Key Financial Controls (Budget outturn 2023/24)**

The Board considered the report of Christopher Moore – Pension Fund Accounting and Investment Officer, which highlighted the significant issues in relation to the Fund's key financial controls.

The Pension Fund Accounting and Investment Officer reported that the full Wiltshire Council Accounts for 2019/20, 2020/21 and 2021/22 continued to be delayed due to the Wiltshire Council figures, however, work is complete for the

accounts and annual report for 2022/23. He explained that the work to reconcile and correct discrepancies between the Altair pension admin system and SAP payroll records is almost complete. The Board noted that a small discrepancy in the final payroll on SAP is fully resolved in the April 2024 payroll.

In response to questions and comments, officers confirmed that there is no impact on the Pension Fund accounts following Deloitte's qualification and they will be signed off as qualified. In relation to late payments, officers explained that the majority of late payments were from the same employer and received within 1 to 2 days of the deadline. Regular reviews take place and officers consider there to be no red flags associated with the late payments.

**Resolved:**

**The Board agreed to use the report to monitor progress against resolving the issues which have been identified.**

35 **Low Volume Performance Report**

The Board considered a report of Jennifer Devine – Head of Wiltshire Pension Fund and Richard Bullen – Fund Governance Manager which provided an update on the Fund's performance measures for 2023/24 for eight areas identified in the report. The aim of this report being to fulfil any outstanding compliance obligations of the Fund for the scheme year, where those measures are not reported elsewhere during the year.

The report provided individual commentary for each of the low volume performance measures, as detailed below:

- a. ICO Data Protection breach log
- b. tPR breach log
- c. Freedom of Information (FOI) log
- d. Subject Access Request (SAR) log
- e. Informal Complaints log
- f. Formal Complaints log
- g. Internal Dispute Resolution Procedures (IDRPs) log
- h. Pension Ombudsman log

In response to questions, the Fund Governance Manager suggested that discussions about one ICO breach affecting a scheme employer continue outside of the meeting with James Nicholson (Board Member). He also confirmed that he considered and determines all complaints received and provided the resolution, as detailed in the appendix to the report.

**Resolved:**

**That the findings of the low volume performance measures being monitored by officers on behalf of the fund be noted.**

36 **Draft LPB Annual Report 2023/24**

The Board received the Draft Local Pension Board Annual Report for 2023/24 prepared by Richard Bullen – Fund Governance Manager.

The Chairman highlighted that he had prepared the introduction to the Annual Report and thanked the Fund Governance Manager, for his work in producing the remainder of the report.

Officers explained that the Annual Report covered the Board's activities for the previous 12 months and looked forward to the proposed work plan for the forthcoming year. It was noted that all recommendations made to the Pension Fund Committee and Fund Officers were adopted with the exception of a recommendation made on 13 February 2024. This recommendation, in respect of a request to receive a written report on Oracle testing from the Administering Authority for the benefit of the Committee was not considered by the Committee, on the grounds that the scheduling of their meeting date and the timing of Oracle's implementation "go live" date. Instead, a verbal update was received by the Committee from the Administering Authority's Deputy Chief Executive.

**Resolved:**

**To approve the draft LPB Annual Report.**

37 **Integrated Payroll System Update and Immediate Payments Updates**

**a. Integrated Payroll System Update**

The Board considered a report of Jennifer Devine – Head of Wiltshire Pension Fund and Mark Briggs – Operations Manager which provided updates on the integrated payroll system and the Council's migration of the Payroll service from SAP to Oracle.

James Franklin – Pension Administration Lead introduced the report and was pleased to inform the Board that payments were successfully made on 25 April 2024 to all pensioners and dependants, with Altair and Oracle now being fully aligned. The report highlighted a number of issues experienced by members with the April 2024 payments. The Board asked for a further update on these issues at the next meeting.

**Resolved:**

- 1. To note the progress concerning the Evolve migration and the Integrated Payroll System.**
- 2. That officers provide an update on issues raised in this report, to the next meeting of the Board.**

**b. Immediate Payments Update**

The considered a report of Jennifer Devine – Head of Wiltshire Pension Fund and James Franklin – Pension Administration Lead which provided an update on the impact to the Fund of immediate payments and payroll to scheme members following the Council's migration of the payroll service from SAP to Oracle.

The Pension Administration Lead explained that during the migration 47 Fund members received two payments totalling £228,257.81. Officers have recovered a substantial amount of the overpayments whilst £76,266.87 was currently still outstanding, and the Council's debt recovery process would now be followed.

The Board expressed its concern in relation to the amount still outstanding and the Fund members not engaging with the recovery process. It was suggested that a further update report be provided by officers for considered by the Board at its next meeting.

**Resolved:**

- 1. To endorse the proposal to discuss the options available and pass these onto the Pension Fund Committee.**
- 2. That officers provide a detailed update report on the progress being made to recover overpayments to the next meeting of the Local Pension Board.**

**38 Responsible Investment update**

The Board considered a report of Jennifer Devine – Head of Wiltshire Pension Fund which provided an update on responsible investment issues.

Christopher Moore – Pension Fund Accounting and Investment Officer introduced the report and referred to the progress against actions in the Plan 2023/24, the future publication of the Fund's Climate and Nature Report 2024, and the responsible investment road map for 2024/25 detailed in the report.

The Chair thanked officers for an excellent report and congratulated them on progress being made in this area.

The Pension Fund Accounting and Investment Officer confirmed what determined whether an investment issue is considered by the Local Pension Board of the Pension Fund Committee.

**Resolved:**

**To note the report and that it is used as a basis for monitoring the progress being made towards implementing the responsible investment policy.**

**39 Employer Covenant Risk Policy**

The Board considered the report of Matt Allen – Employer Funding and Risk Lead, providing details of a new Employer Covenant Risk Policy.

The Employer Funding and Risk Lead introduced the report explaining that the new Policy was also considered by the Pension Fund Committee on 28 March 2024 and was approved subject to the Local Pension Board reviewing and approving the Policy. He explained that this is the first policy on employer covenant risk management and that Fund actuaries Hymans Robertson and Fund employers had been consulted on the Policy. The new policy aims set out the Fund's approach to assessing employer covenant risks and the impact of employer risks within the funding strategy. The report highlighted the key sections of the new policy.

The Board noted the limited feedback from the consultation process and questioned whether employers and academies appreciated the potential of the corporate responsibility in adopting the new policy. Officers indicated that there may be a lack of understanding at this stage.

**Resolved:**

**To approve the Employer Covenant Risk Policy.**

40 **Urgent Items**

There were no urgent items.

41 **Date of Next Meeting and Forward Plan**

The next ordinary meeting of the Board will be held on 15 August 2024.

The Board also considered the new Scheme Year's Forward Work Plan.

**Resolved:**

**The Board noted the date of the next meeting and the Scheme Year Forward Plan.**

42 **Exclusion of the Public**

The Board considered the recommendation to exclude the public.

**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 Item Numbers 19-24 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 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.**

**43 Minutes and Key Decisions of the Wiltshire Pension Fund Committee**

The Part II (private) minutes from the meetings of the Wiltshire Pension Fund Committee held on 29 February 2024 and 28 March 2024 were considered.

**Resolved:**

**The Board noted the Part II (private) minutes of the Wiltshire Pension Fund Committee meetings held on 29 February 2024 and 28 March 2024.**

**44 Procurement update**

The Board received a verbal update from Richard Bullen – Fund Governance Manager on the procurement of strategic service providers.

**Resolved:**

**That the update be noted.**

**45 Brunel Governance Update**

The Board received a verbal update on the report from Christopher Moore – Pension Fund Accounting and Investment Officer about the ongoing Brunel governance arrangements.

**Resolved:**

**To note the update.**

**46 SBC Update**

The Board received a verbal update from Matt Allen – Employer Funding and Risk Lead, about the submission and reconciliation of Swindon Borough Council contributions during 2023/24.

**Resolved:**

**That the update be noted.**

**47 LPB Minutes**

The Part II (private) minutes of the Local Pension Board meeting held on 13 February 2024 were considered.

**Resolved:**



**The Board approved and signed the Part II (private) minutes of the Local Pension Board meeting held on 13 February 2024 as a true and correct record.**

48 **Urgent Items**

There were no urgent Part II items.

(Duration of meeting: 10.00 am - 12.00 pm)

The Officer who has produced these minutes is Stuart Figini of Democratic Services, direct line 01225 718221, e-mail [stuart.figini@wiltshire.gov.uk](mailto:stuart.figini@wiltshire.gov.uk)

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