

## Wiltshire Pension Fund Committee

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**MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 6 OCTOBER 2022 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.**

**Present:**

Cllr Richard Britton (Chairman), Cllr Steve Heyes (Vice-Chairman), Cllr Gordon King, Mike Pankiewicz and Claire Anthony

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184 **Apologies**

Apologies were received from Councillors George Jeans and Jonathan Seed, and Tracy Adams.

185 **Minutes of Previous Meetings**

The minutes of the meeting held on 5 September 2022 were presented for consideration, and it was,

**Resolved:**

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

186 **Declarations of Interest**

There were no declarations.

187 **Chairman's Announcements**

It was agreed to take an additional item at Item 21 in respect of an audit report on the pension payroll reconciliation.

The Brunel Investor Day took place on 28 September 2022.

188 **Review of Actions Arising From Previous Meetings**

The Committee reviewed the list of actions arising from previous meetings, including to monitor Brunel's reaction to the proposed audit of savings.

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

The minutes and recommendations of the meeting of the Local Pension Board on 18 August 2022 were received and noted. Recommendations would be considered against the relevant agenda items, as detailed in the agenda papers.

190 **Public Participation**

There were no statements or questions submitted.

191 **Headlines and Monitoring (HAM)**

Jennifer Devine, Head of Wiltshire Pension, supported by other officers presented the Headlines and Monitoring Report.

Progress against high priority Business Plan actions were reviewed as set out in the report. Details were provided the signing of a contract with Hymans to outsource backlogs, identified as a priority action in the review by Aon. Bids had also been received for outsourcing of work to complete the pensions reconciliation project.

An update was also provided on investments in light of the volatile situation arising from impacts on gilts. Members had been provided a news article to assure them of the lack of impact for their benefits. The Committee discussed and debated liability driven investment.

Administrative updates were also provided, with delays to the process of employers transferring to the I-connect system due to changing payroll systems. The risk register was also reviewed, including additional risks regarding energy stability and cost of living, and the Committee discussed key performance indicators and developing a further plan to achieve greater progress against these, which would need to be reviewed by the Local Pension Board and Committee.

At the conclusion of discussion, it was,

**Resolved:**

- 1) **To note the updates received.**
- 2) **To approve the changes to the Risk Register set out in the report and as recommended by the Local Pension Board and officers.**

192 **Business Plan 2022-2023**

Jennifer Devine, Head of Wiltshire Pension Fund, presented an update on Business Plan actions as set out in the agenda.

In response to queries it was confirmed work on the backlogs should begin shortly, and that work to ensure compliance with the good governance review was proceeding.

A further update would be provided to the Committee at its meeting in December 2022.

At the conclusion of discussion, it was,

**Resolved:**

**To note the update on the Business Plan.**

193 **Key Financial Controls**

Christopher Moore, Pension Fund Accounting and Investment Officer, presented a report on Key Financial Controls as detailed in the agenda.

The progress in implementation of the council's Evolve project was explained, with no additional concerns for the Fund's administration, with a replanning phase taking place which might lead to a delay. Details were also provided on the Fund's running costs, inflationary pressures and the impact of any pay award.

The Treasurer to the Fund, Andy Brown, provided details of the signing off of the council's 2021/22 accounts, which meant the Fund's accounts could also not be signed off. The council continued to work with auditors to address the issue.

Details were also provided about the ongoing work to resolve discrepancies between payroll systems.

At the conclusion of discussion, it was,

**Resolved:**

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

194 **AVC Performance Review**

Liam Robson, Pension Fund Accounting and Investment Officer, presented a report providing an overview of additional voluntary contribution (AVC) activity in 2021/22.

It was stated that about 3% of members took up the option, which was similar to other Funds, with a valuation summary provided in the report for 31 March 2022.

It was then,

**Resolved:**

**To note the update regarding the level of service being provided by Prudential and valuation of the AVC accounts.**

195 **Pension Payroll Database Reconciliation**

A report was received updating the Committee on the ongoing reconciliation project between the pension administration system, Altair, and the pensioner payroll system (SAP).

Further updates would be discussed under Part II and discussion of an audit report from South West Audit Partnership.

196 **Committee Forward Work Plan**

The Forward Work Plan was received for consideration.

Comments were received on changes to be made to the risk register, and the review of the annual reports and accounts.

**Resolved:**

**To note the Forward Work Plan.**

197 **Date of Next Meeting**

The next meetings of the Committee would take place on 17 November and 14 December 2022.

198 **Urgent Items**

There were no urgent items.

199 **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 200-204 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.**

200 **Urgent Items**

An update was received regarding the Pensions Payroll Reconciliation Project, and a report from the internal auditors SWAP.

The complexity of the reconciliation project, addressing errors built up between discrepancies of the systems over many years, was highlighted. It was confirmed that all remaining cases with a difference of >£5 per month between the two systems would be resolved by outsourcing to an external provider.

The Committee discussed the report, noting the concerns raised by SWAP around measurable deadlines and monitoring among other matters. They noted

that previous updates to the Committee and Board had identified many of these issues, and noted the actions taken to fully resolve the project that had been set out.

It was agreed that quarterly reports would continue to be received at present, and then within the Headlines and Monitoring Report.

201 **Minutes of Previous Meetings**

The Part II minutes of the meeting held on 5 September 2022 were received, and it was,

**Resolved:**

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

202 **Local Pension Board Minutes**

The Committee received and noted the Part II minutes of the Local Pension Board meeting held on 18 August 2022.

203 **Cyber Security Review**

A presentation and report was received from AON, providing Cyber Assessment Reports for both Wiltshire Council and Heywood Pensions Technologies

The methodology of the assessment was set out, identifying gaps, strengths and weaknesses against best practice. In general, the council was found to have a reasonable level of cyber maturity, with a number of risks identified at a medium level, along with proposed resolutions. No concerns had been raised regarding Heywood Pensions Technologies.

The Committee discussed the presentation and report, which had been prompted following a report from the internal auditors. To assist in the clarification of risks identified at a medium level with the Wiltshire Council report the Committee raised questions with both the Aon Consultants and the Deputy Chief Executive of Wiltshire Council, who was also present at the meeting. The assurance received concerning the progress made was welcomed. However, it was agreed that further discussions would be needed about what further progress could be made -. Based on the outcome of those discussions, the Committee could then determine what, if any additional risk mitigation steps it should take to ensure that it was compliant with the Pension Regulator's guidance.

Additionally, officers agreed to co-ordinate the receipt of questions from members after the meeting, so that a responses could be provided by Aon in time for the Committee meeting in December.

At the conclusion of discussion, it was,

**Resolved:**

- 1) To note the update, and receive a formal response from the council at the next administration focused meeting.
- 2) For members to submit any supplementary questions to officers, relating to Aon's reports.

204 **Brunel Governance Update**

The Head of Wiltshire Pension Fund, Jennifer Devine, updated the Committee regarding the Brunel Pensions Partnership governance. The Committee discussed the responses to issues raised by the Shareholder Group, potential increases to budget, and reviewing fee savings.

(Duration of meeting: 10.00 am - 12.45 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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