



HILLINGDON
LONDON

Pensions Board

Date: WEDNESDAY 17 February 2021
Time: 3:00 PM
Venue: VIRTUAL - a recording of the meeting will be made available online

This agenda is available online at

<https://archive.hillingdon.gov.uk/article/33749/Pension-Board-agenda-and-minutes>

Employer Representatives

Hayley Seabrook
Shane Woodhatch

Employee Representatives

Roger Hackett
Tony Noakes

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Terms of Reference of the Pensions Board is as follows:

1. The Pensions Board will meet at a frequency determined by the Board.
2. Reports to the Board will either reflect decisions taken by Pensions Committee or be reports for noting already seen by Pensions Committee.
3. The role of the Board will be to assist London Borough of Hillingdon Administering Authority as Scheme Manager: to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS;
4. To secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; and in such other matters as the LGPS regulations may specify.
5. To secure the effective and efficient governance and administration of the LGPS for the London Borough of Hillingdon Pension Fund.
6. To provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest. NB: Being a member of the LGPS is not seen as a conflict of interest.

Agenda

OPENING ITEMS

1. Apologies for absence
2. Election of temporary chairman for the meeting (representation rotated)
3. Declarations of Interest and any Conflicts of Interest
4. To approve the minutes of meeting held 25 November 2020
5. To confirm the items of business marked Part I will be considered in public and that items marked Part II will be considered in private

PART I

6. Pensions Board Terms of Reference
7. TPR Code of Practice 14 Compliance
8. Administration Update
9. Training Update and Log
10. Work Programme 2021
11. Annual Report of the Board

PART II

12. Administration Part II
13. Breaches Log
14. Review of Pension Committee Papers and governance decision making

Members of the board are reminded to bring their copy of the Pensions Committee report pack for 26 January 2021 to the meeting

Minutes

PENSIONS BOARD

25 November 2020

Meeting held virtually



	LIVE RECORDING COMMENCED	
	<p>Employer Representatives: Hayley Seabrook</p> <p>Employee Representatives: Roger Hackett and Tony Noakes</p> <p>Apology for Absence: None</p> <p>Also Present: Daniel Kanaris (AON Hewitt) and Cllr Martin Goddard</p> <p>LBH Officers Present: James Lake (Chief Accountant), Yvonne Thompson-Hoyte (Interim Pension Fund Manager), Tunde Adekoya (Pension Fund Accountant), Seby Carvalho (Pension Fund Technical Officer) and Olivia Richards (Pension Fund Administration)</p>	
	<p>ELECTION OF TEMPORARY CHAIR (<i>Agenda Item 2</i>)</p> <p>Hayley Seabrook was elected to chair this meeting. The chair will rotate throughout the year with equal distribution of employer and employee representation.</p>	
	<p>DECLARATIONS OF INTEREST AND ANY CONFLICTS OF INTEREST (<i>Agenda Item 3</i>)</p> <p>Hayley Seabrook declared her role within the London Borough of Hillingdon as the HR and Payroll Manager.</p>	
	<p>MINUTES OF THE MEETING HELD ON 09 SEPTEMBER 2020 (<i>Agenda Item 4</i>)</p> <p>Agreed as an accurate record.</p> <p>Matters Arising:</p> <ul style="list-style-type: none">• Officers confirmed that guidance has been issued on how to apply the £95k cap and that this had been agreed with the Director of Finance and the Head of HR. Officers confirmed that Members would receive a copy of the guidance that was sent to employers.• Officers requested that the employers' approach to managing instances of staff exits under the £95k cap be discussed as a part II item.• Officers confirmed that the documents requested in Item 6; the updated Governance and Compliance Statement has been	

	<p>uploaded to the website. A link will be circulated to Members.</p>	
	<p>EXCLUSION OF PRESS AND PUBLIC (<i>Agenda Item 5</i>)</p> <p>That Agenda Items 10, 11, 12 and 13 be considered in private.</p> <p>Roger Hackett – Employee Representative enquired as to why the appointment to the vacancy on the Board (item 13) was in Part II of the Agenda. He further expressed that the public would be interested in the in the appointment of a new Board member along with the terms of Reference of the Board. Officers explained that the reason for this will be expanded on in part II of the meeting.</p>	
	<p>TPR CODE OF PRACTICE 14 COMPLIANCE (<i>Agenda Item 6</i>)</p> <p>James Lake – Chief Accountant presented the updated TPR Code of Practice Compliance checklist.</p> <p>The Board were provided with an update on the items that were partially compliant at the last meeting and explaining what actions the Fund is implementing to bring these up to fully compliant.</p> <p>Members requested for item K6 ‘A list of core documents recording policy about the administration of the Fund’ to be added onto an additional webpage on the Hillingdon website.</p> <p>Members and Officers discussed the next steps once the Fund is fully compliant. Daniel, the Funds Governance Advisor mentioned the good governance project which is in addition to the TPR Code of Practice. This has two different paths of reviewing the Fund. The Pension Regulator Code of Practice, which is ultimately a tick box exercise of whether a Fund is complaint or not. The Good Governance review is more subjective and reviews the Fund in greater depth. The Pension Regulator will also be replacing the current Code of Practice at some point in the future. It currently is public sector specific, so once replaced it will cover a broader spectrum encompassing the private sector too.</p> <p>Members asked of the time frame in which the code of practice needs to be reviewed. Officers advised that they review this quarterly to track compliance. But in terms of a full policy review, this would be reviewed every three years or if there was a change to warrant such a review to take place.</p> <p>Resolved: The Pension Board noted the compliance checklist.</p>	
	<p>ADMINISTRATION UPDATE (<i>Agenda Item 7</i>)</p> <p>Yvonne Thompson-Hoyte – Interim Pension Fund Manager presented the administration update to the Board.</p> <p>The Board were advised there was a steady increase in the uptake of Member Self Service (MSS) particularly among the active members and that this would continue to be promoted.</p> <p>The Board also heard that the KPI reporting data to the end of October</p>	

	<p>continued to show decline especially in the areas of death grant notifications down from 68% to 58%. It was further explained that Officers met with SCC and that SCC cited resourcing issues with members of staff being on leave and also reviewing of the current processes as the reason for the decline. SCC advised that improvements to the reporting would be seen from December 2020.</p> <p>Officers confirmed that the Annual Scheme Return had been completed and submitted to the TPR. It was also reported that the results of the scheme data score exercise had been received with improvements achieved in both the scheme specific and common data areas since 2019. Regarding the conditional data report Officers believe there was more improvements to be made especially in the areas of addresses and that there were two major improvements schemes planned for January 2021 focusing on address tracing and pensioners mortality tracing to support this.</p> <p>Members questioned the backlog other schemes were facing and whether this affected the Fund. Officers discussed with members that they have requested a more enhanced report to enable Officers to have a clearer view and that further discussion would take place in part II of the meeting.</p> <p>Members mentioned the common score and the scheme specific score were Red and Amber on the criteria used by Aquila Hayward. These are reported as part of the Fund’s annual return and asked Officers on how to improve this situation. Officers explained that the data improved project that will be taking place in January 2021 will provide improvement. This will be explained further in part II of the meeting.</p> <p>In response to a query raised regarding the progress on the GMP exercise, Officers explained that the Mercer, who is doing this project, had completed as much as they could and were awaiting a final data cut from HMRC to complete the final phase.</p> <p>Members expressed concern about the amount of current exercises that Officers were undertaking but felt reassured that Officers are engaging with external bodies for assistance.</p> <p>Resolved: The Pensions Board note the administration update.</p>	
	<p>TRAINING UPDATE AND LOG (<i>Agenda Item 8</i>)</p> <p>James Lake – Chief Accountant, explained that Board Members have a statutory duty to undertake requisite training to enable them to competently dispense their duties.</p> <p>The Board were presented with a log of the current training each of them had completed. Members were asked to comment on their own training needs to enable Officers to assist by way of providing training courses to meet the needs of members.</p> <p>It was noted the areas that needed to be improved upon being the CIPFA knowledge and the self-assessment.</p>	

	<p>Members raised a query relating to the conflicts of interest training. If members complete this training via the toolkit, would further training on this subject be required? Officers explained that the TPR toolkit gives general examples, however a more specific tailored training focused on the Fund and potential conflicts would be of great benefit.</p> <p>Roger Hackett – Employee Representative pointed out that an area of training was not shown to have been completed, referring to an AON webinar on Cyber Security. Officers explained that this was due to the timing of the training taking place and the report going to print. It was confirmed that this would be added to the log for the next Board meeting.</p> <p>Resolved: The Pensions Board agreed to complete the areas of training shown to be outstanding by the next Pension Board Meeting in February.</p>	
	<p>WORK PROGRAMME 2020 (<i>Agenda item 9</i>)</p> <p>James Lake – Chief Accountant presented to the members the future work program. Officers asked for input from board members as to whether there are any specific requirements or additional areas they would like added to the work program. Members requested for more information relating to the McCloud ruling and the £95k exit cap and for an administration update at each meeting. Officers agreed that these items will be added to the work program with the administration update being added to each subsequent meeting.</p> <p>Future meeting dates for the Pension Committee have been circulated so the board will be able to arrange future meeting dates for 2021.</p> <p>Resolved: The Pensions Board noted and agreed the future work program.</p>	
	<p>LIVE RECORDING ENDED</p>	
	<p>INTERNAL CONTROLS AND CYBER SECURITY UPDATE (<i>Agenda item 10</i>)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	<p>BREACHES LOG (<i>Agenda Item 11</i>)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the</i></p>	

	<i>schedule to the Act).</i>	
	<p>PENSIONS BOARD VACANCY AND TERMS OF REFERENCE (Agenda Item 12)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	<p>REVIEW OF PENSION COMMITTEE PAPERS AND GOVERNANCE DECISION MAKING (Agenda item 13)</p> <p><i>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed ‘information relating to the financial or business affairs of any particular person (including the authority holding that information)’ (paragraph 3 of the schedule to the Act).</i></p>	
	The meeting, which commenced at 3 pm, closed at 5:12 pm.	

Meeting	Local Pension Board
Contact Officers	James Lake - Finance Yvonne Thompson-Hoyte - Finance
Papers with this report	1. Current Terms of Reference 2. SAB Terms of Reference Model Template.

RECOMMENDATIONS

That the Board:

- 1. Consider the Option for the Appointment of a Chairman for one year to the Board**
- 2. Consider the Options for changes to the terms of reference of the Board.**

Term of Office of the Chairman

The Pensions Board currently elects a temporary Chairman to oversee the proceedings at the start of each meeting. At the September 2020 Board, members asked officers to investigate whether the terms of reference could be updated to enable the Board to elect a chair for one year, allowing for continuity and more efficient operation of the board meetings.

Officers reported back to the Board in November 2020 indicating that this should be possible within the existing terms of reference as the length of office of the Chairman was not specified. This was however postponed on the advice of the Corporate Director of Finance to allow for a vacancy which had arisen of the Board to be filled.

Officers have since sought further advice from Democratic Services, who has advised that the approved Terms of Reference do not address the appointing of a Chairman, however, it following normal convention for local authority meetings (even though these are not official committee meetings), the Board may wish to agree to appoint someone as Chairman for a particular period of time.

The process for this is by way of a member "nominating" another member and then someone else "seconding" that same person to be Chairman - then seeking other nominations should others wish to chair. If there are no further nominations, then a vote can take place to agree the Chairman and have it recorded in the minutes.

Terms of Reference of Reference (ToR) of the Board.

The Board also requested that officers explore whether the detailed ToR of the Board could be removed from the constitution and be revised in line with the model template provided by the Scheme Advisory Board.

Democratic Services indicated that the ToR on the pension fund website was slightly different to the one in the approved Council Constitution. This has been corrected and the current version is set out below in the Appendix A.

With regards to changes to the ToR, reference was made to previous advice that was given for consideration along with some possible options to achieve the desired outcome as outlined below.

Lines of thinking for the Board in discussing any updates to their Terms of Reference, could be:

- 1) Looking at the model template, would the Council really need to adopt these changes or such detailed changes?
- 2) Can any new ToR be distilled into a shorter version focussing on the key aspects?
- 3) Ensuring any new ToR are consistent with those ToR of other bodies set out in the Council's Constitution.

A proposal from officers considering the above. would be to keep in the existing ToR (or amend slightly as required in relation to key aspects, e.g. Chairmanship) and add a new delegation into it, something like 'The Board may agree a more detailed code of practice within the parameters of these Terms of Reference, as to how it operates to comply with SAB guidelines'. The Board could then subsequently agree a 'code of practice' instead setting out much more detail about how it operates, e.g. training etc.

The Board is requested to consider the above options.

FINANCIAL IMPLICATIONS

None

LEGAL IMPLICATIONS

Included within the body of the report.

Appendix - Approved Terms of Reference of the Pensions Board from the Council's Constitution.

8.07 Pensions Board

(a) Information

The Pensions Board is not a decision making body, rather it has a compliance and scrutiny role to ensure the Pensions Committee effectively and efficiently complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator. Additionally the Pension Board will help ensure that the London Borough of Hillingdon Pension Fund is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

(b) Membership

The membership of the Board must be equally split between employer and scheme member representatives with relevant experience and the capacity to represent.

Council has determined that membership shall be 2 employer and 2 employee representatives with no Councillors automatically appointed to sit on the Board. Applications for the employer representatives will be invited from a) the Council (Members will be entitled to apply for this position should they so wish) and b) all other employer bodies contributing to the fund - and then selected at interview by the Chairman and one other Member of the Pensions Committee and a Senior Officer, on the basis of capacity and/or experience. Term of Office to be indefinite.

(c) Terms of Reference

1. The Pensions Board will meet at a frequency determined by the Board.
2. Reports to the Board will either reflect decisions taken by Pensions Committee or be reports for noting already seen by Pensions Committee.
3. The role of the Board will be to assist London Borough of Hillingdon Administering Authority as Scheme Manager: to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS;
4. To secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; and in such other matters as the LGPS regulations may specify.
5. To secure the effective and efficient governance and administration of the LGPS for the London Borough of Hillingdon Pension Fund.
6. To provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest. NB: Being a member of the LGPS is not seen as a conflict of interest.

LOCAL PENSION BOARD OF [INSERT ADMINISTERING AUTHORITY] TERMS OF REFERENCE¹

Introduction

1. This document sets out the terms of reference of the Local Pension Board of [INSERT ADMINISTERING AUTHORITY] (the 'Administering Authority') a scheme manager as defined under Section 4 of the Public Service Pensions Act 2013. The Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of that Act and under regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).
2. The Board is established by the Administering Authority and operates independently of the Committee. Relevant information about its creation and operation are contained in these Terms of Reference.
3. The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the constitution, standing orders or scheme of delegation of the Administering Authority apply to the Board unless expressly included in this document.
4. Except where approval has been granted under regulation 106(2) of the Regulations the Board shall be constituted separately from any committee or sub-committee constituted under Section 101 of the Local Government Act 1972 with delegated authority to execute the function of the Administering Authority.

Interpretation

5. The following terms have the meanings as outlined below:

'the Act'	The Public Service Pensions Act 2013.
'the Code'	means the Pension Regulator's Code of Practice No 14 governance and administration of public service pension schemes.
'the Committee'	means the committee who has delegated decision making powers for the Fund in accordance with Section 101 of the Local Government Act 1972 ² .

¹ This is a sample Terms of Reference for a local pension board in England and Wales, it must be modified before being used. Options included in this template are not exhaustive but considered by the Shadow Scheme Advisory Board to be potential options. Administering Authorities may choose to go further than the information included in this document. Administering Authorities must read this in conjunction with relevant legislation and the Shadow Scheme Advisory Board's guidance on Local Pension Boards. Footnotes have been added throughout the document to direct the reader to further information; these should be removed when modifying the Terms of Reference for the Local Pension Board.

'the Fund'	means the Fund managed and administered by the Administering Authority ³ .
'the Guidance'	means the guidance on the creation and operation of local pension boards issued by the Shadow Scheme Advisory Board.
'the Regulations'	means the Local Government Pension Scheme Regulations 2013 (as amended from time to time), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended from time to time) including any earlier regulations as defined in these regulations to the extent they remain applicable and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended from time to time).
'Relevant legislation'	means relevant overriding legislation as well as the Pension Regulator's Codes of Practice as they apply to the Administering Authority and the Board notwithstanding that the Codes of Practice are not legislation.
'the Scheme'	means the Local Government Pension Scheme in England and Wales.

Statement of purpose

6. The purpose of the Board is to assist⁴ the Administering Authority in its role as a scheme manager of the Scheme. Such assistance is to:
- (a) secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and;
 - (b) to ensure the effective and efficient governance and administration of the Scheme.

² Where a Section 101 Pension Committee isn't the delegated structure used by the Administering Authority relevant amendments will need to be made to this interpretation and references in this document to 'the Committee'.

³ Where an Administering Authority administers more than one Fund appropriate amendments will need to be made.

⁴ Please see paragraph 3.28 of the Guidance for more information on what assisting the Administering Authority means.

Duties of the Board

7. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should be subject to and abide by the code of conduct for Board members⁵.

Establishment

8. The Board is established on [INSERT DATE] subsequent to approval by [APPROVING COMMITTEE OR COUNCIL MEETING] on [DATE] of the recommendation to establish contained in [INSERT REPORT REFERENCE]. Subsequent to its establishment, the Board may establish sub-committees.

Membership⁶

9. The Board shall consist of [INSERT NUMBER⁷] voting members, as follows:

[INSERT NUMBER] Member Representatives; and

[INSERT NUMBER] Employer Representatives.
10. There shall be an equal number of Member and Employer Representatives.
11. There shall also be [INSERT NUMBER⁸] other representatives who are not entitled to vote.

Member representatives

12. Member representatives shall either be scheme members⁹ or have capacity to represent scheme members of the Fund.
13. Member representatives should be able to demonstrate their capacity¹⁰ to attend and complete the necessary preparation for meetings and participate in training as required.
14. Substitutes [SHALL/SHALL NOT] be appointed. Where appointed substitutes should be named and must undertake the same training as full members.
15. A total of [INSERT NUMBER] member representatives shall be appointed¹¹ from the following sources:

⁵ See paragraphs 7.9 to 7.11 of the Guidance for more information on a Code of Conduct for Boards.

⁶ When determining the size of the Board consideration should be given to items noted in paragraphs 5.7 to 5.12 of the Guidance.

⁷ An equal number of member and employer representatives (minimum of 4 in total) shall be appointed as members of the Board.

⁸ This is optional. Delete paragraph 11 if no 'other representatives' are to be appointed as members (or as independent Chair) of the Board.

⁹ Active, deferred or pensioner members

¹⁰ See paragraphs 5.16 to 5.20 of the Guidance which outlines what 'capacity' in this context means.

¹¹ See paragraphs 5.25 to 5.28 of the Guidance for further information on the process for appointing member representatives.

- a) [INSERT NUMBER] member representatives shall be appointed by the recognised trade unions representing employees who are scheme members of the Fund.
- b) [INSERT NUMBER] member representatives shall be appointed by [INSERT NAME OF MEMBER FORUM] where that body is independent of the Administering Authority and open to and representative of all scheme members of the Fund.
- c) [INSERT NUMBER] member representatives shall be appointed following a transparent recruitment process which should be open to all Fund members and be approved by the Administering Authority.

Employer representatives

- 16. Employer representatives shall be office holders or senior employees of employers of the Fund or have experience of representing scheme employers in a similar capacity. No officer or elected member of the Administering Authority who is responsible for the discharge of any function of the Administering Authority under the Regulations may serve as a member of the Board.
- 17. Employer representatives should be able to demonstrate their capacity¹² to attend and complete the necessary preparation for meetings and participate in training as required.
- 18. Substitutes [SHALL/SHALL NOT] be appointed. Where appointed substitutes should be named and must undertake the same training as full members.
- 19. A total of [INSERT NUMBER] employer representatives shall be appointed¹³ to the Board from any of the following sources:
 - a) [INSERT NUMBER] employer representatives shall be appointed by [INSERT NAME OF EMPLOYER FORUM] where that body is open to and representative of all employers in the Fund.
 - b) [INSERT NUMBER] employer representatives shall be appointed following a transparent recruitment process which should be open to all employers in the Fund and be approved by the Administering Authority.
 - c) [INSERT NUMBER] employer representatives shall be appointed by the Administering Authority where all employers will have been asked to submit their interest in undertaking the role of employer representative on the Board.

¹² See paragraphs 5.16 to 5.20 of the Guidance which outlines what 'capacity' in this context means.

¹³ See paragraphs 5.25 to 5.28 of the Guidance for further information on the process for appointing employer representatives.

Other members¹⁴

20. [INSERT NUMBER] other members shall be appointed to the Board by the agreement of both the Administering Authority and the Board.

21. Other members do not have voting rights on the Board.

Appointment of chair¹⁵

22. Subject to the meeting arrangements in paragraphs 35 to 37 below a chair shall be appointed for the Board using one of the processes listed below *[retain/delete as appropriate]*:

- a) *A chair to be appointed by the employer and member representatives of the Board from amongst their own number or on a rotating basis with the term of office shared between an employer and a member representative on an equal basis.*
- b) *An independent chair to be appointed by the Administering Authority but shall count as an 'other' member under paragraphs 20-21 above. In this respect the term independent means having no pre-existing employment, financial or other material interest in either the Administering Authority or any scheme employer in the Fund or not being a member of the Fund. The appointment of the chair shall be subject to the passing of a motion to confirm by a majority of the employer and member representatives of the Board.*

Duties of chair

23. The chair of the Board:

- (a) Shall ensure the Board delivers its purpose as set out in these Terms of Reference,
- (b) Shall ensure that meetings are productive and effective and that opportunity is provided for the views of all members to be expressed and considered, and
- (c) Shall seek to reach consensus and ensure that decisions are properly put to a vote when it cannot be reached. Instances of a failure to reach a consensus position will be recorded and published.

Notification of appointments

24. When appointments to the Board have been made the Administering Authority shall publish the name of Board members, the process followed in the

¹⁴ When considering whether to have other members on the Board regard should be given to the advice provided in paragraphs 5.21 to 5.24 of the Guidance.

¹⁵ This is not a regulatory requirement under the LGPS Regulations 2013 as amended. The appointment of a Chair is a decision to be made locally, where a Chair is appointment this section should be amended as appropriately. For more information see paragraphs 5.37 to 5.40 in the Guidance.

appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

Terms of Office¹⁶

25. The term of office for Board members is [INSERT NUMBER] years.
26. Extensions to terms of office may be made by the Administering Authority with the agreement of the Board.
27. A Board member may be appointed for further terms of office using the methods set out in paragraphs 15 and 19.
28. Board membership may be terminated prior to the end of the term of office due to:
 - (a) A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund¹⁷.
 - (b) A member representative no longer being a scheme member or a representative of the body on which their appointment relied.
 - (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
 - (d) A Board member no longer being able to demonstrate to [INSERT ADMINISTERING AUTHORITY] their capacity to attend and prepare for meetings or to participate in required training.
 - (e) The representative being withdrawn by the nominating body and a replacement identified.
 - (f) A Board member has a conflict of interest which cannot be managed in accordance with the Board's conflict policy.
 - (g) A Board member who is an elected member becomes a member of the Committee.
 - (h) A Board member who is an officer of the Administering Authority becomes responsible for the discharge of any function of the Administering Authority under the Regulations.

Conflicts of interest¹⁸

29. All members of the Board must declare to the Administering Authority on appointment and at any such time as their circumstances change, any potential conflict of interest arising as a result of their position on the Board.
30. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the Scheme.

¹⁶ See paragraphs 5.29 and 5.30 of the Guidance which outlines points to consider when setting out the term of office for Board members. In particular consideration should be given to allowing members to retire on a rolling basis to ensure experience is retained.

¹⁷ This includes active, deferred and pensioner members.

¹⁸ See section 7 of the Guidance for more information on Conflicts of Interest.

31. On appointment to the Board and following any subsequent declaration of potential conflict by a Board member, the Administering Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Board's conflicts policy and the requirements of the Code.

Knowledge and understanding (including Training)¹⁹

32. Knowledge and understanding must be considered in light of the role of the Board to assist the Administering Authority in line with the requirements outlined in paragraph 6 above. The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.
33. Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.
34. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Meetings

35. The Board shall as a minimum meet [INSERT NUMBER] times²⁰ each year.
36. Meetings shall normally take place between the hours of [INSERT TIME] and [INSERT TIME] at [LOCATION].
37. The chair of the Board with the consent of the Board membership may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Quorum

38. A meeting is only quorate when at least 50% of both member and employer representatives are present.
39. A meeting that becomes inquorate may continue but any decisions will be non-binding.

Board administration

¹⁹ See section 6 of the Guidance for more information on Knowledge and Understanding.

²⁰ See 5.35.11 in Guidance for more advice on the number of meetings to hold each year.

40. The Chair shall agree with [INSERT OFFICER ACTING AS BOARD SECRETARY] (the 'Board Secretary') an agenda prior to each Board meeting.
41. The agenda and supporting papers will be issued at least [INSERT NUMBER] working days (where practicable) in advance of the meeting except in the case of matters of urgency.
42. Draft minutes of each meeting including all actions and agreements will be recorded and circulated to all Board members within [INSERT NUMBER] working days after the meeting. These draft minutes will be subject to formal agreement by the Board at their next meeting. Any decisions made by the Board should be noted in the minutes and in addition where the Board was unable to reach a decision such occasions should also be noted in the minutes.
43. The minutes may with the agreement of the Board, be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.
44. The Board Secretary shall ensure that Board members meet and maintain the knowledge and understanding as determined in the Board's Knowledge and Understanding Policy and Framework and other guidance or legislation.
45. The Board Secretary shall arrange such advice as is required by the Board subject to such conditions as are listed in these Terms of Reference for the use of the budget set for the Board.
46. The Board Secretary shall ensure an attendance record is maintained along with advising the Administering Authority on allowances and expenses to be paid under these terms.
47. The Board Secretary shall liaise with the Administering Authority on the requirements of the Board, including advanced notice for officers to attend and arranging dates and times of Board meetings.

Public access to Board meetings and information

48. The Board meetings can be open to the general public (unless there is an exemption under relevant legislation which would preclude part (or all) of the meeting from being open to the general public).
49. The following will be entitled to attend Board meetings in an observer capacity: [*retain/delete as appropriate*]
 - (a) *Members of the Committee,*
 - (b) *Any person requested to attend by the Board.*

Any such attendees will be permitted to speak at the discretion of the Chair.

50. In accordance with the Act the Administering Authority shall publish information about the Board to include:
- (a) The names of Board members and their contact details.
 - (b) The representation of employers and members on the Board.
 - (c) The role of the Board.
 - (d) These Terms of Reference.
51. The Administering Authority shall also publish other information about the Board including:
- (a) Agendas and minutes
 - (b) Training and attendance logs
 - (c) An annual report on the work of the Board to be included in the Fund's own annual report.
52. All or some of this information may be published using the following means or other means as considered appropriate from time to time:
- (a) On the Fund's website.
 - (b) As part of the Fund's Annual Report.
 - (c) As part of the Governance Compliance Statement.
53. Information may be excluded on the grounds that it would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.

Expenses and allowances²¹

54. The Administering Authority [SHALL/MAY] meet the expenses of Board members up to [INSERT NUMBER] per meeting or in line with the Administering Authority's policy on expenses as set out in [INSERT NAME OF EXPENSES POLICY].
55. The Administering Authority [SHALL/SHALL NOT] pay allowances for Board members [INSERT AS APPROPRIATE].

Retain or remove as appropriate:

- a) the Administering Authority shall pay allowances for Board members who are office holders up to [INSERT NUMBER] per meeting or in line with*

²¹ Provision for the payment of expenses and allowances is a decision to be made locally by each Administering Authority. Full consideration should be given to information in Guidance - see section 9 and paragraphs 5.18 and 5.35.17 for more information. Administering authorities should aim to ensure that no Board member is either better or worse off as a result of fulfilling their duties as a member of the Board.

[INSERT ADMINISTERING AUTHORITY]'s policy on allowances as set out in [INSERT NAME OF ALLOWANCES POLICY].

- b) the Administering Authority shall pay allowances for Board members who are employees of scheme employers up to [INSERT NUMBER] per meeting or in line with the Administering Authority's policy on allowances as set out in [INSERT NAME OF ALLOWANCES POLICY] provided that the member is attending the meeting in their own time.*
- c) the Administering Authority shall reimburse scheme employers in respect of Board members who are their employees if the member has been granted paid time off to prepare for and attend the meeting.*
- d) the Administering Authority shall pay allowances for other Board members (including the chair) up to [INSERT NUMBER] per meeting or in line with the Administering Authority's policy on allowances as set out in [INSERT NAME OF ALLOWANCES POLICY].*

Budget

56. The Board is to be provided with adequate resources to fulfil its role. In doing so the budget for the Board will be met from the Fund and determined by:

Choose one of the options below to retain:

- a) The Administering Authority will allocate an annual budget which is managed by and at the discretion of the Board.*
- b) The Board will to seek approval from the Administering Authority for its budget on an annual basis. The budget will be managed by and at the discretion of the Board.*
- c) The Board will seek approval from [INSERT SECTION 151 OFFICER OR OTHER CHIEF OFFICER] for any expenditure it wishes to make.*

Core functions²²

57. The first core function of the Board is to assist²³ the Administering Authority in securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

Retain or remove as appropriate:

- a) Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.*
- b) Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code.*

²² In determining the role of the Board, further information can be found in paragraphs 3.27 to 3.29 of the Guidance.

²³ Please see paragraph 3.28 of the Guidance for more information on what assisting the Administering Authority means.

- c) *Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.*
- d) *Assist with the development of and continually review such documentation as is required by the Regulations including Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.*
- e) *Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.*
- f) *Monitor complaints and performance on the administration and governance of the scheme.*
- g) *Assist with the application of the Internal Dispute Resolution Process.*
- h) *Review the complete and proper exercise of Pensions Ombudsman cases.*
- i) *Review the implementation of revised policies and procedures following changes to the Scheme.*
- j) *Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.*
- k) *Review the complete and proper exercise of employer and administering authority discretions.*
- l) *Review the outcome of internal and external audit reports.*
- m) *Review draft accounts and Fund annual report.*
- n) *Review the compliance of particular cases, projects or process on request of the Committee.*
- o) *Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.*

58. The second core function of the Board is to ensure the effective and efficient governance and administration of the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

- a) *Assist with the development of improved customer services.*
- b) *Monitor performance of administration, governance and investments against key performance targets and indicators.*
- c) *Review the effectiveness of processes for the appointment of advisors and suppliers to the Administering Authority.*
- d) *Monitor investment costs including custodian and transaction costs.*
- e) *Monitor internal and external audit reports.*
- f) *Review the risk register as it relates to the scheme manager function of the authority.*
- g) *Assist with the development of improved management, administration and governance structures and policies.*
- h) *Review the outcome of actuarial reporting and valuations.*
- i) *Assist in the development and monitoring of process improvements on request of Committee.*
- j) *Assist in the development of asset voting and engagement processes and compliance with the UK Stewardship Code.*

k) Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.

59. In support of its core functions the Board may make a request for information to the Committee with regard to any aspect of the Administering Authority's function. Any such request should be reasonably complied with in both scope and timing.
60. In support of its core functions the Board may make recommendations to the Committee which should be considered and a response made to the Board on the outcome within a reasonable period of time.

Reporting²⁴

61. The Board should in the first instance report its requests, recommendations or concerns to the Committee. In support of this any member of the Board may attend a Committee meeting as an observer.
62. Requests and recommendations should be reported under the provisions of paragraphs 59 and 60 above.
63. The Board should report any concerns over a decision made by the Committee to the Committee subject to the agreement of at least 50% of voting Board members provided that all voting members are present. If not all voting members are present then the agreement should be of all voting members who are present, where the meeting remains quorate.
64. On receipt of a report under paragraph 63 above the Committee should, within a reasonable period, consider and respond to the Board.
65. Where the Board is not satisfied with the response received it may request that a notice of its concern be placed on the website and in the Fund's annual report.
66. Where the Board is satisfied that there has been a breach of regulation which has been reported to the Committee under paragraph 63 and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.
67. The appropriate internal route for escalation is to the Monitoring Officer and/or *[DELETE AS APPROPRIATE]* the Section 151 Officer (as appropriate).
68. The Board may report concerns to the LGPS Scheme Advisory Board for consideration subsequent to, but not instead of, using the appropriate internal route for escalation.

²⁴ See section 8 of the Guidance for more information on Reporting.

69. Board members are also subject to the requirements to report breaches of law under the Act and the Code [and the whistleblowing provisions set out in the Administering Authority's whistle blowing policy].

Review of terms of reference

70. These Terms of Reference shall be reviewed on each material change to those part of the Regulations covering local pension boards and at least every [INSERT NUMBER] years.

71. These Terms of Reference were [adopted/ last reviewed on [INSERT DATE]].

.....
Signed on behalf of the Administering Authority

.....
Signed on behalf of the Board

Published 28 January 2015

Committee	Local Pension Board
Officer Reporting	Yvonne Thompson-Hoyte, Finance James Lake, Finance
Papers with report	1 - Checklist Summary of movement 2 - TPR Compliance checklist

BACKGROUND

At the Pensions Board meeting of 10 September 2019 a review of the Council's compliance of the Administering Authority with the Pensions Regulator Code of Practice 14 was agreed.

Aon the Governance Advisors to the Fund were commissioned to conduct the review and report back to the Board in February 2020. The review was completed and the findings presented to the Pensions Board in February 2020. The revised checklist now forms the basis for assessing compliance with the Pensions Regulator Code of Practice 14.

RECOMMENDATION:

The Pension Board is asked to note the updated compliance checklist

FINANCIAL IMPLICATIONS

None

LEGAL IMPLICATIONS

Legal implications have been included in the body of the report.

CHECKLIST SUMMARY CHANGES

The table below provides a summary of the changes since the last review

Ref	Pensions Regulator/Scheme Advisory Board requirement	Changes since last review
I8	Does the Administering Authority regularly assess the effectiveness of its arrangements?	This has been upgraded from 'partially to 'fully' compliant as it was concluded that a full review of the system was not required at this time because though it was very infrequently used, it has worked well when used.
I9	Does the Administering Authority regularly assess the effectiveness where employers carry out a stage one process?	This has been upgraded from partially compliant' to 'fully compliant' in recognition that correspondence has been sent to all employers and responses received indicating that they will use Hillingdon Pension Fund's IDR process
J3	Are breaches being recorded in accordance with the agreed procedures?	Additional information has been added to the monthly reporting to indicate whether KPI's that were missed internally were within statutory deadlines. This additional monitor was added to the November 2020 KPI reports

Introduction

This document outlines how London Borough of Hillingdon Council complies with the Pensions Regulator's (TPR) Code of Practice No 14 Governance and administration of public service pension schemes ('the TPR Code') in relation to the management of the London Borough of Hillingdon Pension Fund which is part of the Local Government Pension Scheme (LGPS). It will be updated regularly by officers of the Fund and reported annually to the Pensions Committee and LGPS Local Pension Board.

This document highlights all the key elements of the TPR Code and then evidences whether London Borough of Hillingdon Council meets these areas of best practice. As part of this evidence it shows when the element was last checked and whether, at that point, it was considered fully, partially or not compliant. Where they are partially or not compliant, it also highlights whether the LB Hillingdon I have identified actions to be carried out to improve their current practices. Where an element is not yet active, the commentary will generally still highlight where advanced progress is being made.

Those reading this document should be mindful that the TPR Code applies equally to all public service pension schemes and therefore it is generic in nature. There may be a number of elements that are more specifically stipulated within LGPS legislation and it is not the purpose of this compliance checklist to consider that level of detail.

Further, London Borough of Hillingdon Council may also incorporate key elements of national guidance from the LGPS Scheme Advisory Board into this compliance checklist. This version contains the checklists included as part of the Shadow Scheme Advisory Boards 'Guidance on the creation and operation of Local Pension Boards in England and Wales'.

Key

Frequency of review and last review date: Where a process, policy or practice is officially reviewed at a set interval, the actual interval will be shown as well as the last interval date. However, in many circumstances processes and procedures are ongoing and part of the day – to - day operation of the Fund. In these circumstances, an annual check will be carried out to ensure that the ongoing process meets the TPR Code expectations and therefore the date shown will be the date that annual check was carried out and the frequency will be shown as "ongoing (annual check)".

Completed:

Fully completed
In progress
Not started
Not yet relevant

Compliant:

Fully compliant
Partially compliant
Non-compliant
Not yet relevant

Definitions:

<i>PSPA13</i>	Public Service Pensions Act 2013
<i>LGPS</i>	Local Government Pension Scheme
<i>TPR</i>	The Pensions Regulator
<i>TPR Code</i>	The Pensions Regulator's Code of Practice No 14 Governance and administration of public service pension schemes
<i>Scheme Manager</i>	For the London Borough of Hillingdon Pension Fund, this is London Borough of Hillingdon Council
<i>Administering Authority</i>	The LGPS specific term for Scheme Manager. For the London Borough of Hillingdon Pension Fund, this is London Borough of Hillingdon Council
<i>IDRP</i>	Internal Dispute Resolution Procedure
<i>SAB</i>	The national LGPS Scheme Advisory Board
<i>PC</i>	Pensions Committee
<i>PB</i>	Local Pension Board

Summary Dashboard

A dashboard showing the summary of the results of the latest compliance checklist is shown below:

No.		Jan-20	Sep-20	Oct-20	Feb-21
Internal Disputes Resolutions					
I1	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
I2	Fully completed	Not yet relevant	Non-compliant	Partially compliant	Partially compliant
I3	Fully completed	Partially compliant	Partially compliant	Partially compliant	Partially compliant
I4	Fully completed	Partially compliant	Partially compliant	Fully compliant	Fully compliant
I5	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
I6	Fully completed	Partially compliant	Partially compliant	Partially compliant	Partially compliant
I7	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
I8	Fully completed	Partially compliant	Partially compliant	Partially compliant	Fully compliant
I9	Fully completed	Non-compliant	Partially compliant	Partially compliant	Fully compliant
Reporting Breaches Reporting Breaches					
J1	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
J2	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
J3	Fully completed	Partially compliant	Partially compliant	Partially compliant	Fully compliant
Scheme Advisory Board ReqAdvisory Board Requirements					
K1	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K2	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K3	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K4	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K5	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K6	Fully completed	Partially compliant	Partially compliant	Fully compliant	Fully compliant
K7	Fully completed	Partially compliant	Partially compliant	Partially compliant	Partially compliant
K8	Fully completed	Partially compliant	Fully compliant	Fully compliant	Fully compliant
K9	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K10	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K11	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K12	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K13	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K14	Fully completed	Fully compliant	Fully compliant	Fully compliant	Fully compliant
K15	Fully completed	Partially compliant	Partially compliant	Fully compliant	Fully compliant

I - Internal Dispute Resolution

Legal requirements

The Pensions Act 1995 requires scheme managers to set up and implement an Internal Dispute Resolution Procedure (IDRP) to help resolve disputes between the scheme manager and people with an interest in the scheme.

The act states that a person has an interest in the scheme if they:

- are a member or beneficiary
- are a prospective member
- have ceased to be a member, beneficiary or prospective member

The Act also states that the procedure must include:

- how an application is to be made
- what must be included in an application
- how decisions are to be reached and notified
- a specified period (which is reasonable) within which applications must be made.

The procedure may require people with an interest in the scheme to first refer matters in dispute to a 'specified person' in order for that person to consider and give their decision on those matters. This decision may then be confirmed or replaced by the decision taken

No.	TPR Requirement	LB Hillingdon Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes - since review	Action - from review
11	Has the Administering Authority put in place an internal dispute resolution procedure?	There is an IDRP - the leaflet is available on the Fund website	Ongoing (Annual)	Feb-21	Fully completed	Fully compliant		
12	Does the Administering Authority's process highlight or consider whether a dispute is exempt?	This detail is not currently included in the leaflet - Exempt disputes are those that are being or have already been heard in a higher jurisdiction like a court or the subject of an investigation by a higher authority like the police	N/a	Feb-21	Fully completed	Partially compliant	Exempt disputes are mentioned in relation to the Ombudsman section of the IDRP process only and needs to be extended to cover the whole process	Include IDRP process covering statement that explains 'exempt' cases that cannot be heard under this process by
13	Does the information made available to applicants about the procedure clearly state the procedure and process to apply for a dispute to be resolved including: - who it applies to - who the specified person (stage 1) is - the timescales for making applications - who to contact with a dispute - the information that an applicant must include - the process by which decisions are reached?	The details of who the policy applies to could be made more explicit at the beginning of the employees guide. The Specified person for stage 1 is not explicitly stated, (Head of Pensions Treasury and Accounts was approved in 2019). This will need to be updated in the IDRP manual. The process for stage 1 and 2 are provided in the IDRP leaflet. Timescales are given in the IDRP leaflet. The postal contact details for making an application are provided on the IDRP leaflet, with the application form which sets out the required information.	Ongoing (Annual)	Feb-21	Fully completed	Partially compliant	This has been set to partially compliant as the timescales set out under the 'Second Stage' are not compliant with the legal timescales set out under Regulation 76(3) of the LGPS Regulations 2013	To carry out a review of the Fund's IDRP guide to update relevant sections such as stating the specified person and ensuring all timescales are compliant
14	Has the Administering Authority ensured that employers who make first stage decisions also have IDRP in place?	All Employers agreed to the administration strategy which outlines requirement to appoint a nominated person for stage 1. However, no checks have been carried out to ensure this is in place.	n/a	Feb-21	Fully completed	Fully compliant	All employers were written to in February 2020 to provide the details of their stage one adjudicator or to opt to use the Hillingdon Stage 1 adjudicator the Chief Accountant as set out in the administration policy. This will be reviewed each year to ensure that their election is still valid.	To repeat exercise in February 2021 to refresh employers nominated person option.
15	Are the timescales in the procedure adhered to including sending an acknowledgment on receipt of an application?	The Pensions Technical Officer monitors IDRP timescales as they can affect any appeals to the Ombudsman - this is part of the routine weekly monitoring which takes place with Surrey CC. An acknowledgement is sent from the Fund to all applications, with details of the expected timescales and a note that the case has been passed to Surrey. Surrey also then send an acknowledgement. No significant delays have come to light to date, but would be identified as part of the Pensions Technical Officer's monitoring.	Ongoing (weekly)	Feb-21	Fully completed	Fully compliant		
16	Does the Administering Authority regularly and advertise the procedure appropriately?	The IDRP is available on the "booklets and forms" section of the website. It is referred to in the LGPS guide which is also available on the website for new joiners. The administration strategy includes reference to the IDRP Details of the Appeals Procedure are provided with the new starter information based on the statutory notice. However, such details do not appear to be mentioned in all letters to members where a first instance decision has been made (e.g. retirement or transfers) - this should be investigated.	Ongoing	Feb-21	Fully completed	Partially compliant	An investigation of a selection of notifications and letters has found that the IDRP process is not consistently mentioned in all cases, in some instances it mentions that the member can 'appeal' but does not explicitly refer to the IDRP process.	A review of letters and notifications will be conducted in the 1st quarter of the next calendar year and this will be addressed as part of the process.
17	Are the notification requirements in relation to TPAS and the Pensions Ombudsman being adhered to?	This information is included in decision letters as standard, and in the employee guide leaflet on the website.	Ongoing	Feb-21	Fully completed	Fully compliant		
18	Does the Administering Authority regularly assess the effectiveness of its arrangements?	There is not a formal review scheduled for the effectiveness but the Head of Pensions, T & SA is aware of IDRP cases which are limited in number: - Typically the cases relate to ill health retirements - Complaints are quite rare otherwise Regular reviews are carried out with Surrey CC including timescales, so it is considered that there are no fundamental issues with the effectiveness of the process.	n/a	Feb-21	Fully completed	Fully compliant		Officers have reviewed the process with input from the governance advisor and concluded that the process infrequently used, however the times that it has been used it has worked well in line with the requirements hence no need for review at this time.
19	Does the Administering Authority regularly assess the effectiveness where employers carry out a stage one process?	Hillingdon are not aware that any Employers carry out a stage 1 process.	n/a	Feb-21	Fully completed	Fully compliant	Correspondence has been sent to all employers to ascertain their Stage 1 process with the option to use Hillingdon's Stage one process. Responses have been received from some employers.	Hillingdon has carried out an exercise to capture all employers' nominated persons for IDRP complaints under Stage 1.

J - Reporting breaches of the law

Legal Requirements

Certain people are required to report breaches of the law to the regulator where they have reasonable cause to believe that:

- a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with
- the failure to comply is likely to be of material significance to the regulator in the exercise of any of its functions.

People who are subject to the reporting requirement ('reporters') for public service pension schemes are:

- scheme managers
- employers: in the case of a multi-employer scheme, any participating employer who becomes aware of a breach should consider their statutory duty to report, regardless of whether the breach relates to, or affects, members who are its employees or those of
- professional advisers including auditors, actuaries, legal advisers and fund managers: not all public service pension schemes are subject to the same legal requirements to appoint professional advisers, but nonetheless the regulator expects that all schemes will
- any person who is otherwise involved in advising the managers of the scheme in relation to the scheme.

The report must be made in writing as soon as reasonably practicable.

No.	TPR Requirement	LB Hillingdon Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
J1	Is the Administering Authority satisfied that those responsible for reporting breaches under the legal requirements and TPR guidance understand the requirements?	A breaches procedure is in place - the Head of Pensions, Treasury and Statutory Accounting is responsible for managing and monitoring breaches. The Head of Pensions is responsible for reporting breaches to the PC/PB. All breaches now reported to board but reportable breaches reported to both. The policy has been published on the Hillingdon pension Fund website and copies given to Surrey CC and all employers and third parties.	Annual	Feb-21	Fully completed	Fully compliant		Consider further training on breaches for Pension Committee members
J2	Does the Administering Authority have appropriate procedures in place to meet their legal obligations for identifying and assessing breaches?	The PB have received training on the procedure. Policy comprehensive and compliant for assessing breaches. Checks needed on SCC breaches assessment to communicate	Annual	Feb-21	Fully completed	Fully compliant		
J3	Are breaches being recorded in accordance with the agreed procedures?	Internally known breaches are recorded. Breaches at SCC are not being reported to Hillingdon - discussions in place to resolve	Ongoing	Feb-21	Fully completed	Fully compliant	Breaches and issues are a standing item on the monthly review meetings agenda. In addition an analysis of the outcome of each statutory exercise is submitted to LBH along with any followup required. Additional information has also been requested to be added to the monthly KPI reporting to indicate whether KPIs that were missed internally met the statutory deadlines.	LBH to ensure that breaches update remains on monthly review agenda and also that the additional information is added to the KPI reporting. This should start appearing on the November 2020 KPI's after which this area will be fully compliant.

K - Scheme Advisory Board - Guidance on the creation and operation of Local Pension Boards in England and Wales

Legal Requirements

Clause 7 of the Public Service Pensions Act provides that the national Scheme Advisory Board (SAB) may provide advice to scheme managers or pension boards in relation to the effective and efficient administration and management of the scheme.

It also provides that a person to whom advice is given by virtue of subsection (1) or (2) must have regard to the advice.

The Scheme Advisory Board has published guidance on the creation and operation of Local Pension Boards in England and Wales which incorporates a number of action point check lists at the end of some of the sections. The following are the items in those checklists.

No.	SAB Requirement	SAB Section	LB Hillingdon Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
K1	Administering Authority to have approved the establishment (including Terms of Reference) of the Local Pension Board by 1 April 2015.	5	Approved by full Council (2015 and revised Nov 2017) and added to Constitution	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K2	The Local Pension Board must be operational (i.e. had its first meeting no later than 4 months after the 1 April 2015).	5	The first meeting was held in early July. Board currently meet 4 times per year	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K3	Once established a Local Pension Board should adopt a knowledge and understanding policy and framework (possibly in conjunction with the Pensions Committee if appropriate).	6	Training Policy agreed / adopted All members have a knowledge and skills analysis and training programme is driven from areas of limited knowledge	Annual	Feb-21	Fully completed	Fully compliant		
K4	A Local Pension Board should designate a person to take responsibility for ensuring that the knowledge and understanding policy and framework is developed and implemented.	6	This is the Head of Pensions, Treasury and Statutory Accounting - This is set out in the policy.	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K5	The Administering Authority should offer access to high quality induction training and provide relevant ongoing training to the appointed members of the Local Pension Board.	6	Training has been provided at PB meetings and via attendance at PC meetings. New members are sent on the first available introduction to LGPS course or equivalent.	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K6	A Local Pension Board should prepare (and keep updated) a list of the core documents recording policy about the administration of the Fund and make the list and documents (as well as the rules of the LGPS) accessible to its members.	6	A formal list has not yet been produced for board, however a policy list is maintained by officers with refresh dates. All policies and key documents are available on the Fund website. Board review each policy prior to the review date to ensure all policies are up to date. Policy revision is in the draft work programme	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant	This has been upgraded to full compliance. A register of all policy documents has been compiled and made available to the LPB with a link to the online document. The register includes the date of last review and the date for renewal. The are also included in the work programme for renewal.	
K7	Members of a Local Pension Board should undertake a personal training needs analysis and put in place a personalised training plan.	6	Personal training needs analyses and plans are in place. All members have completed	Ongoing (annual check)	Feb-21	Fully completed	Partially compliant	Knowledge and skills self assessment template has been sent to LPB members for completion. PB members have also undertaken to complete TPR toolkit by 25 Nov 2020	K and S assessment and the TPR toolkit has been completed by 2 members. A new employer rep has been appointed so reasonable time will be given to complete, however still awaiting completion by one member.
K8	An Administering Authority should prepare a code of conduct and a conflicts policy for its Local Pension Board for approval in accordance with the Administering Authority's constitution and at the first meeting of the Local Pension Board. The Local Pension Board should keep these under regular review.	7	TOR is in place and Council's Code of Conduct and Conflict Policy applies to PB and PC members.	Annual	Feb-21	Fully completed	Fully compliant	Conflict of Interest Policy has been created February 2020 and approved by the Committee in July 2020.	Follow through with refreshed conflicts of interest training
K9	Training should be arranged for officers and members of a Local Pension Board on conduct and conflicts.	7	Brief training has been provided and conflicts is also an agenda item at each meeting.	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K10	A Local Pension Board should establish and maintain a register of interests for its members.	7	All board members on appointment declare interest/ conflicts. In addition conflicts are declared at all meetings. Board members sign a declaration at the end of each financial year.	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K11	An Administering Authority should agree the ongoing reporting arrangements between the Local Pension Board and the Administering Authority.	8	An annual report to Pensions Committee of activity achievement and future work plans. The Chair of Board has regular updates with the chair of committee. Board members are invited to attend committee	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		Consider who the PB should report to.
K12	A Local Pension Board should understand the Administering Authority's requirements, controls and policies for FOIA compliance so that the Local Pension Board is aware of them and can comply with them.	8	The requirements are included in the Council's Code of Conduct so members will be aware of the requirements if they are Council members.	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		Provide refresher training to PB members
K13	A Local Pension Board should put in place arrangements to meet the duty of its members to report breaches of law.	8	A procedure is in place and recording/reporting is under way	Ongoing (annual check)	Feb-21	Fully completed	Fully compliant		
K14	A Local Pension Board should consider (with its Administering Authority) the need to publish an annual report of its activities.	8	First to Pensions Committee in September 2017 and annually produced since	Annual	Feb-21	Fully completed	Fully compliant		
K15	An Administering Authority should consult on, revise and publish its governance compliance statement to include details of the terms, structure and operational procedures relating to its Local Pension Board.	8	Refreshed Sept 17, but needs to be updated to ensure that changes to the PB structure have been incorporated	Annual	Feb-21	Fully completed	Fully compliant	Governance Policy and Compliance Statement has been reviewed and was approved by the Pensions Committee for publication in October 2020.	

Pensions Administration Report

Item 08

Committee

Local Pensions Board

Contact Officers

Yvonne Thompson-Hoyte – Finance

Papers with this report

Surrey CC KPI report – December 2020

REASON FOR ITEM

To update the Pension Board on pensions administration activities and the performance of the administration providers against the agreed indicators.

RECOMMENDATIONS

1. That the Pensions Board note this update

INFORMATION

Membership Self Service (MSS) update

At January 2021 there were 7,520 members signed up to MSS. This is an increase of 230 on the figures reported in October 2020. The largest uptake continues to be among the active members. Table below shows breakdown of registered members by category.

Membership Category	Total membership numbers	Registered for membership self service	% Uptake
Active	9,140	3,946	43%
Deferred	11,185	2,264	20%
Pensioners	7,147	1,310	18%
Total	27,472	7,520	27%

KPI Reporting

The table below shows the performance of Surrey CC against the agreed KPI's. The results show that the decline in meeting targets has persisted. Officers continue to raise concern with the Surrey CC the administration providers.

The KPI's continue to be well below that which is expected even in the areas of priority defined by TPR. The indication by Surrey that changes to the process would result in improvements that would filter through from December 2020 has not materialised.

Classification: Public
Pensions Board 17 February 2021

Activity	working days target	Target	Oct-20			Nov-20			Dec-20		
			Volume	Score	Missed	Volume	Score	Missed	Volume	Score	Missed
Death notification acknowledged, recorded and documentation sent	5	100%	12	58%	5	19	63%	7	28	89%	3
Payment of death grant made	10	100%	8	88%	1	11	91%	1	4	75%	1
Retirement notification acknowledged, recorded and documentation sent	10	100%	89	87%	12	30	70%	9	49	86%	7
Retirement - Payment of lump sum made & pension set up	10	100%	30	87%	4	42	76%	10	37	70%	11
Calculation of spouses benefits	10	100%	3	67%	1	2	100%	0	4	75%	1
Transfers In - Quotes	20	100%	30	73%	8	11	91%	1	18	56%	8
Transfers In - Payments	20	100%	18	78%	4	36	92%	3	5	80%	1
Transfers Out - Quote	20	100%	11	100%	0	20	85%	3	13	77%	3
Transfers Out - Payments	20	100%	8	63%	3	3	67%	1	15	73%	4
Employer estimates provided	10	100%	5	100%	0	3	100%	0	1	100%	0
Employee projections provided	10	100%	7	86%	1	6	83%	1	4	50%	2
Refunds	20	100%	60	92%	5	29	97%	1	16	0%	16
Deferred benefit notifications	20	100%	31	74%	8	18	67%	6	11	73%	3

Cyber Security Toolkit.

At the Pensions Board of November 2020, Officers undertook to explore the new cyber security toolkit that was introduced by AON to see whether it would be useful in providing assurance around cyber security as required the TPR.

Officers have since completed an initial stage which is a cyber security scorecard assessment offered by AON, the results of which will indicate the overall resilience of the systems in place. A report will be produced with the scores for each area assessed which will give an indication of where attention needs to be focused. The results will also provide a basis for deciding on the full toolkit. This will be brought back to the Board when received.

FINANCIAL IMPLICATIONS

None

LEGAL IMPLICATIONS

Legal implications have been included in the body of the report.

Classification: Public
Pensions Board 17 February 2021

Committee name	Pensions Board
Officer reporting	Yvonne Thompson-Hoyte, Finance
Papers with report	1. Training Log

RECOMMENDATION(S):

- 1. The Pensions Board is asked to note this training update.**

BACKGROUND

There is a statutory duty on Pension Board members to undertake requisite training that will enable them to competently dispense their duties, as defined, by sections 5(1) and (2) of the Public Services Pension Act 2013 and regulation 106 of the Local Government Pension Scheme (LGPS) Governance Regulations 2013.

A training register is maintained to log training received by Local Pension Board members and track their knowledge and skills acquired. The register is used to monitor and identify areas of training and knowledge gaps of each individual member and address these needs. Training is carried out in line with the adoption of the training policy.

This report covers training that the Pension Board has undertaken in 2020. The register below provides an update on training that has been undertaken and upcoming events.

Training Update

The Pensions Regulator (TPR) requires Pension Board Members to complete their online public service toolkit. Members of the Board undertook to complete the toolkit at the September Board meeting. The progress to date has been provided in the training log attached.

In addition, the Pensions Board also agreed that the knowledge and skills self-assessment be refreshed to identify training needs. The self-assessment template has been circulated to Board members. Hayley and Roger have completed the assessment to date. Once all the responses have been received an analysis will be done to and targeted training arranged.

Financial Implications

The cost of training for the Pensions Board is fully covered by the pensions fund.

Legal Implications

There is a statutory duty on Pension Board members to undertake necessary training.

HILLINGDON LOCAL PENSIONS BOARD TRAINING LOG - 2020

Areas of Training	<i>Date</i>	<i>Shane Woodhatch - Jan 2021</i>	<i>Hayley Seabrook</i>	<i>Roger Hackett</i>	<i>Tony Noakes</i>
TPR Public Sector Toolkit					
Conflicts of Interest					
Managing Risk and Internal Control					
Maintaining member records					
Maintaining contributions					
Providing information to members					
Resolving internal disputes					
Reporting breaches of law					
TPR Code of Practice 14					
Governing your scheme					
Managing Risk					
Administration					
Resolving Issues					
CIPFA Knowledge and Skills F/work					
Pensions Legislation					
Public Sector Pensions Governance					
Pensions Administration					
Pensions Accounting and Audit Standard	26-Feb-20				
Financial Services Procurement					
Investment Performance and risk Management					
Financial Markets and Products Knowledge					
Actuarial methods, standards and practice					
Other Training/Seminars Attended					
CIPFA LPB Annual Conference	24-Jun-20				
CIPFA LPB Autumn Seminar	01-Oct-20				
CIPFA LPB Autumn Seminar	02-Oct-20				
ISIO - Investment Strategy Training	21-Oct-20				
TPR + AON Cyber Risk in LGPS	19-Nov-20				
Joint Regulations training	20-Jan-21	n/a			
Upcoming Training/Events					
Conflicts of Interest Training	TBC		to be re-anged		
Cipfa LPB Spring Seminar	18-Feb-21				

Committee	Local Pension Board
Officer Reporting	Yvonne Thompson-Hoyte, Finance
Papers with report	Pension Fund Policy Register

REASON FOR ITEM

This report is to enable the Pension Board to review meeting dates and the future work programme for the Board. This report also includes the work programme for the Pensions Committee to enable, effective coordination between both bodies to support the Board in its role of ensuring compliance.

The pension fund policy register has been attached to this report to ensure that policies that are due to be reviewed are incorporated into the work programme.

OPTIONS FOR THE BOARD

Make suggestions for future working practices and/or reviews and priorities.

INFORMATION

1. Pension Board was established on 1 January 2015, with the first meeting in July 2016. At its meeting 2 November 2017, Council agreed to structural changes of the Board to improve the overall effectiveness of the Board.
2. Planned dates for future meetings and potential topics to review are set out below.

Meetings	Specific topics
17 February 2021	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Annual Report of the Board • Breaches Log • Internal controls and cyber security • Review of Pension Committee Reports
21 April 2021	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report

	<ul style="list-style-type: none"> • Breaches Log • Review of Pension Committee Reports
28 July 2021 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports
27 October 2021 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports
05 January 2022 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports

3. Dates for future Pension Committees are outlined below to plan the timing of Pension Board meetings

Meeting Date	Item
24 March 2021	<ul style="list-style-type: none"> • Training TBC • Investment update and manager review • Annual Report of the Board • Administration Report • Responsible investment Update • Risk Register • Audit Plan • Independent Adviser Contract
10 June 2021 (TBC)	<ul style="list-style-type: none"> • Training TBC • External Audit of Pension Fund • Investment update and manager review • Administration Report • Risk Register • Conflicts of Interest Policy • Responsible investment Update
28 September 2021 (TBC)	<ul style="list-style-type: none"> • Pension Fund Annual Report 2020/21 • Investment update and manager review • Administration Report • Risk Register • Responsible Investment

	<ul style="list-style-type: none"> • CIV Governance Update • Stewardship Code 2020 draft report
1 December 2021 (TBC)	<ul style="list-style-type: none"> • Training TBC • Investment update and manager review • Administration Report • Risk Register
23 March 2022 (TBC)	<ul style="list-style-type: none"> • Training TBC • Investment update and manager review • Administration Report • Risk Register • Annual Report of the Board • Annual Audit Plan

FINANCIAL IMPLICATIONS

Costs relating to the work of the Board are paid for by the Pension Fund

LEGAL IMPLICATIONS

Legal implications have been included in the body of the report.

PENSION FUND POLICY REGISTER

	Document/Policy Name	Date of last review	Frequency of review	Date of next review	Is the latest version published online?
1	Funding Strategy Statement	Mar-20	Tri-annually	Mar-23	Yes
2	Investment Strategy Statement	Jul-20	Tri-annually	Mar-23	Yes
3	Triennial Valuation	Mar-20	Tri-annually	Mar-23	Yes
4	Responsible investment Policy	Jul-20	Tri-annually	Jul-23	Yes
5	Stewardship Code	Mar-19	Tri-annually	Jan-21	Yes
6	Training Policy	Jul-19	Tri-annually	Jul-23	Yes
7	Communication Policy	Aug-20	Tri-annually	Aug-23	Yes
8	Conflicts of interest Policy	Jul-20	Tri-annually	Jul-23	Yes
9	Governance Policy Statement	Sep-20	Tri-annually	Sep-23	Yes
10	Risk Management Policy	Apr-19	Tri-annually	Apr-22	Yes
11	LGPS Administration Strategy	Jan-20	Tri-annually	Jan-23	Yes
12	Reporting of Breaches Policy	Sep-15	Tri-annually	due for update	Yes
13	Scheme Pays policy	Oct-20	Tri-annually	Oct-23	Yes
14	LGPS Contribution Banding Policy	Nov-20	Annually	Apr-21	Yes
15	Discretions Policy				Yes
16	Internal Dispute Resolution Policy				Yes

Pension fund policy documents can be found at the locations below

<https://archive.hillingdon.gov.uk/article/6492/Pension-fund>

<https://archive.hillingdon.gov.uk/article/34339/Pension-policies>

Committee	Local Pension Board
Reporting Officer	Yvonne Thompson-Hoyte, Finance James Lake, Finance
Papers with report	Annual Report of the Board

RECOMMENDATION

1. That the Pensions Board review the draft annual report attached and suggest changes for the final version ahead of submission to the Pensions Committee

REASON FOR ITEM

The Scheme Advisory Board's LGPS Guidance on the Creation and Operation of Local Pension Boards in England and Wales recommends that the Board produces a report to the Pensions Committee, on the work undertaken during the year and future work plans.

Officers have prepared an outline report that covers the period from February to November 2020. The Board is asked to review make input into this report to complete it for presentation to the Pensions Committee.

FINANCIAL IMPLICATIONS

The financial implications are included in the annual report

LEGAL IMPLICATIONS

The legal implications are included in the annual report

Pension Board Annual Report

Contents

1. Introduction
2. Summary of the Work of the Board
3. Areas of investigated by the Board
4. Details of Conflict of Interest
5. Areas of Concern or Risk
6. Training
7. Work Plan
8. Expenses

DRAFT

1 Introduction to the Local Pension Board

The Public Service Pensions Act 2013 introduced the requirement to have a Local Pensions Board to assist in the good governance of the scheme.

The purpose of the Board is to assist the Administering Authority in its role as a Scheme Manager of the Scheme. Such assistance is to:

- Secure compliance with the regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme; and
- To ensure the effective and efficient administration of the Scheme.

London Borough of Hillingdon Council ratified the establishment of the Board on 6th November 2014 to commence with effect from 1st April 2015. Council at its meeting 02 November 2017 agreed to change the structure of the Board and its membership to improve the overall effectiveness of the Board. The Board meets four times a year and consists of two Employer representatives, and two scheme member representatives.

Membership of the Board

Employer Representatives	Scheme Member Representatives
Hayley Seabrook	Roger Hackett
Zac Muneer	Tony Noakes

Record of Attendance

Name	Feb-20	Apr-20	Sep-20	Nov-20
Zak Muneer	Y			
Hayley Seabrook	Y		Y	Y
Roger Hackett	Y		Y	Y
Tony Noakes	Y		Y	Y

****April 2020 meeting was cancelled due to COVID-19 restrictions**

The Scheme Advisory Board's LGPS Guidance on the Creation and Operation of Local Pension Boards in England and Wales recommends that the Board produces a report to the Pensions Committee, on the work undertaken during the year and future work plans. This report covers the work of the period from February to November 2020.

AON Hewitt is appointed as Governance advisers to support the development and work of the Board and attend meetings as necessary.

2 Summary of the Work of the Board

In March 2020 the Council suspended the Pensions Committee meetings due to COVID-19. This had a knock-on effect on the Pensions Board meeting for April 2020, as a key part of the work of the Board is to review the decisions of the Pensions Committee.

In addition to reviewing the governance of Pensions Committee papers and effective decision making, the Board has a work programme focusing on administrative and governance compliance of the fund with papers presented to the Board for discussion. Some of the key areas discussed have been outlined below.

Results of TPR code compliance review

The review of the Councils compliance with the TPR code of practice was presented to the Board in February 2020. Of the 97 areas assessed, full compliance was found in 78 areas, partial compliance in 18 and 1 area of non-compliance.

At the last assessment in November 2020 the areas of partial compliance were improved from 18 to 7 and there were no areas of non-compliance. The Board continues to monitor the code compliance with an aim to achieve full compliance in all areas

Other areas of work have been undertaken as outline below

- Monitoring of the Data Improvement Plan
- Cyber security assurance, controls and response
- Review of Policy documents to ensure they are kept up-to-date
- Monitoring the performance of the Pensions Administration by Surrey County Council.

Future Work of the Board

To be added by the Board

3 Areas Investigated by the Board

Board to agree – no official investigations

4 Details of any Conflicts of Interest

The SAB guidance recommends that the Board reports details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed.

Declaration of interest remains on the Agenda at the start of each meeting and in addition to the register of interest Pension Board members have been requested to renew their declaration of interest form in line with best practice.

A Conflicts of Interest Policy was also introduced following the TPR CoP review which provides guidance to the Board on how to identify and manage conflicts of interest. No major conflicts of interests have arisen other than the declarations made at the start of each meeting.

Board members and officers continue to monitor conflicts of interest. Training has also been scheduled in February 2020.

5 Areas of Concern or Risk

5.1 Regulatory changes – The Board recognises that there are currently many regulatory changes to be implemented in the LGPS. These include: McCloud Judgement; Goodwin Judgement; GMP reconciliation, and Exit Cap. The Board is also aware of the added complexity and pressures of managing these changes in the current COVID-19 environment.

The Board will continue to monitor and seek assurance from Officers that the changes can be effectively delivered in compliance with the regulatory deadlines.

5.2 Transfer of Administration Services – In 2020 the Pensions Committee agreed to transfer the pensions administration service currently provided by Surrey CC to Hampshire CC.

The Board recognises that this is a major risk area involving the transfer of large amounts of sensitive membership data. The Board will be keen that compliance with the relevant GDPR, and cyber security processes are met and that there is minimal disruption to the provision of pension administration services during the transition.

The Pensions Board in supporting this project has been vigorous in probing and seeking assurance that a robust plan is in place to minimise the risks.

The Board will continue to monitor this project in the coming year to ensure that compliance especially in the areas of GDPR, cyber security and continuity of service quality.

6 Training

6.1 Regular training has been made available to the Board and is a standing item on the quarterly work programme. As a result of the move to virtual meetings, training has been delivered separately from the meetings. Board members challenged themselves in 2020 to complete the TPR public sector toolkit. The schedule below outlines the training undertaken by the Board

Areas of Training	Date	Zak Muneer	Hayley Seabrook	Roger Hackett	Tony Noakes
The Pensions Regulator Public Sector Toolkit			Y	Y	
Pensions Accounting and Audit Standards	26-Feb-20	Y	Y	Y	Y
CIPFA LPB Annual Conference	24-Jun-20			Y	
CIPFA LPB Autumn Seminar	01-Oct-20			Y	
CIPFA LPB Autumn Seminar	02-Oct-20				
ISIO - Investment Strategy Training (joint)	21-Oct-20		Y	Y	Y
TPR + AON Cyber Risk in LGPS	19-Nov-20			Y	

6.2 The future training programme for the Board has been set out below. Board members have been requested to refresh the knowledge and skills assessment to assist officers to develop a targeted training programme.

Areas of Training	Date
Regulatory Update Training	20-Jan-21
Conflicts of Interest Training	Feb 21
Cipfa LPB Spring Seminar	15-Feb-20
Sustainable investment Challenges for LGPS	25-Feb-21
ESG Training (jointly with Commitree)	Mar-21

7 Work Plan

The workplan below sets out the tasks undertaken by the Board during 2020

Meetings	Specific topics
26 February 2020	<ul style="list-style-type: none"> • Training - Accounts and Audit Regulations (relating to internal controls and proper accounting practice) • Funding Strategy Statement review • tPR Checklist – Full Independent review of compliance • Administering Authority Discretions policy • Review of Pension Committee Reports
24 April 2020**	<ul style="list-style-type: none"> • Training - Conflict of Interest assurance providers • Communication Policy Review • tPR Checklist review & focus areas TBC • Training Update Report

	<ul style="list-style-type: none"> • Review of Pension Committee Reports
9 September 2020	<ul style="list-style-type: none"> • Training – Conflicts of Interest (to be done separately) • Cyber Security Update • Governance and Compliance update • tPR Checklist review & focus areas • Training Update Report • Internal Controls Report • Breaches Log Report • Review of Pension Committee Reports
25 November 2020	<ul style="list-style-type: none"> • Cyber Security Update • Data Score improvement plan • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports

The Future workplan of the Board is set out below.

Meetings	Specific topics
17 February 2021	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Annual Report of the Board • Breaches Log • Internal controls and cyber security • Review of Pension Committee Reports
21 April 2021	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports
28 July 2021 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports
27 October 2021 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports
05 January 2022 (TBC)	<ul style="list-style-type: none"> • tPR Checklist review & focus areas • Training Update Report • Administration Report • Breaches Log • Review of Pension Committee Reports

8 Expenses

The Board incurred expenses of £1,420 in relation to its operations in 2020. (This does not include the standard governance support fees)

DRAFT