

Powys Local Pension Board

Purpose of the Report

The purpose of this report is to establish a more efficient process for the Pensions and Investments Committee to learn and consider any recommendations from and assurances gained by the Powys Local Pension Board, and any other relevant information, commencing with the key outcomes from the meeting of the Board on 12 January 2018.

Recommendation

The Pensions and Investments Committee is requested to accept the proposals from the Local Pension Board

Outcomes from Powys Pension Board Meeting on 12 January 2018

1. Recommendations

- 1.1 That the Committee approves the new process for informing them of the outcomes of Board meetings.

Justification: a structured “executive summary” should increase the Committee’s awareness and help focus on key issues identified by the Board, without needing to study the more detailed Board minutes, and should also assist the transparency agenda.

- 1.2 In order to ensure that Committee members fully understand and appreciate the role, purpose and achievements of the Board, they are reminded of the invitation to attend as observers.

Justification: this will help develop the links and understanding between the Committee and the Board.

- 1.3 That the Pensions Manager makes available an on-line database of scheme documents.

Justification: in order to be fully compliant with paragraph 46 of the Pension Regulator’s Code of Practice 14.

- 1.4 That some of the procedures associated with the need to record, and if deemed of material significance, report any breaches of the law to the Pensions Regulator, are strengthened as a priority.

Justification: whilst, since the inception of the Public Service Pensions Act 2013, there have been no breaches of the law by the Powys Pension Fund which have been deemed to be of material significance and therefore reportable to the Pensions Regulator, nevertheless the procedures for

monitoring breaches which are merely recordable, but not reportable, leave scope to be more robust in order to secure full compliance with Code of Practice 14.

2. Assurances Gained by the Board

- 2.1 That progress on the reconciliation of contracting out/ Guaranteed Minimum Pension / is on target for completion by 31 December 2018.

3. Other Suggestions by the Board

- 3.1 In order to comply with Paragraph 207 of Code of Practice 14, the Board examined some of the documents that are sent to scheme members and made suggestions to help ensure that the information provided is clear and simple to understand (as well as being accurate and timely).
- 3.2 As the next meeting of the Board is not until 7 June 2018, which is after the date from which the General Data Protection Regulations begin to apply (25 May 2018), the Board Secretary would email Board and Committee members with updates of local and All Wales arrangements, to provide assurances regarding compliance with these regulations.

4. Other Developments

- 4.1. As the appointment of an Interim Section 151 Officer inevitably changes the profile of the Risk Register, the Independent Chair of the Local Pension Board has held a training session with the new appointee which covered the role, purpose and achievements to date of the Board, the future work programme and highlighted some of the current risks and how they are being mitigated.
- 4.2 Other than a shown in paragraph 4.1, there were no other changes to the Risk Register.
- 4.3. Due to unfortunate circumstances, it is necessary to replace one of the members of the Powys Pension Board and arrangements are in hand to achieve this.
- 4.4. As permitted under the guidance to Regulation 7 (2) (e) of the LGPS (Investment and Management of Funds) Regulations 2016 "*How social, environmental or corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments*" the Board noted the content of the Investment Strategy Statement and was mindful

that a report on responsible investment is scheduled to be discussed at the next meeting of the Pensions and Investments Committee.

- 4.5. The Board adopted a training programme.
- 4.6. A full review of compliance with Code of Practice 14 will take place in 2018, phased over the various meetings of the Board.
- 4.7 The Board has adopted a set of Key Performance Indicators to help monitor its own performance.

Gerard Moore

Independent Chair: Powys Pension Board