

## Local Pension Board

MINUTES of the Local Pension Board meeting held on 09 October 2019 at 10.00 am at 160 Tooley Street, London SE1 2QH (Room G02B)

---

**PRESENT:**

- Mike Ellsmore – Independent Chair
- Dominic Cain – Employer Representative
- Diana Lupulesc – Employee Representative
- Tony O’Brien – Retired Employee Representative
- Mike Antoniou – Schools Employer Representative

**OTHERS  
PRESENT:**

- Jo Anson – Head of Financial and Information Governance
- Barry Berkengoff – Pensions Manager
- Alex Moylan – Senior Finance Manager
- Caroline Watson – Divisional Accountant
- Tsitsi Danga – CIPFA Trainee

### 1. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies were received from Neil Tasker.

### 2. NOTICE OF INTENTION TO CONDUCT BUSINESS IN A CLOSED MEETING

It was confirmed that no agenda items would be conducted in a closed meeting.

### **3. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

none

### **4. MINUTES**

#### **RESOLVED:**

That the open minutes of the local pension board meeting held on 10 July 2019 be agreed as a correct record and signed by the Chair.

An update on the pension fund annual report was requested and it was confirmed that it hadn't yet been tabled at the Pensions Advisory Panel.

It was noted that Tony O'Brien had attended the CIPFA Introduction to the LGPS seminar and found it useful.

### **5. ACTION TRACKER**

Alex Moylan provided an update. Regarding the COP14 assessment, it was confirmed that the assessment would commence in 2 weeks time. Barnett Waddingham will present the results to the LPB in January 2020, followed by a presentation to PAP.

Action 12: It was confirmed that the governance review action point would be brought to a close through the COP 14 review.

Action 13: The Scheme Advisory Board has appointed Byhiras as the provider of the SAB Code of Transparency Compliance and Reporting system. Results will be available in Q1 2020.

## 6. PENSION SERVICES UPDATE

Jo Anson and Barry Berkengoff addressed the board.

Barry Berkengoff advised that the first phase of recruitment had been very successful and was now complete, with a full data team in place. The team will be focusing on schools data, and will be responsible for all bulk processes and interfaces. A pensions liaison officer has also been appointed which is a communications and engagement role. A pensions trainer is still to be recruited. There is a need to backfill some positions in the admin team where staff have moved internally.

Work with the Queens Road contact centre is planned to go live in November, with low level enquiries being managed outside the pension services team. Work is underway with the contact centre to provide training and scripts as part of an agreed SLA. This will enable many basic enquiries to be dealt with on first contact, while more complex enquiries will be filtered through to the pension services team.

Tony O'Brien raised a concern regarding the contact centre taking over some pension queries. This was in relation to "call centre" staff having a lack of experience to manage queries. Barry advised that this was a pilot exercise and the benefits were clear; scheme members access to Southwark 24/7, 365 days a year. And, as the pensioner population tend not to use email, a high volume of phone calls are received making this an accessible service. Only low level queries will be managed by the contact centre, anything more complex would be escalated to the pension services team via a customer relationship management toolkit to ensure a monitoring system is in place. Metrics will be provided re. calls and subject matters. Mike Antoniou and Dominic Cain were both supportive of the approach, in that SLAs will be in place and, as well as ensuring that calls are taken quickly, it will ease pressure on the pensions team. Mike Ellsmore requested that a report is tabled following the first 6 months of the arrangement.

**Action:** contact centre report to be added to LPB forward plan

Annual benefit statements went out on time: the majority by post with some electronically. There has been a low level of queries arising from the statements. The team has also issued 43 pensions savings statements for annual allowance purposes (for which some had a tax liability).

As agreed at the last board meeting, pension services would report on complaint management. Most low level complaints in the last three months had been regarding contact difficulties. Formal complaints (via IDRPs and the Pensions Ombudsman) often related to AVCs (and the inability to obtain information from Aegon), and decisions made by the employer around ill-health or early release of pension.

Other AVC providers have been looked at. However, there are very few AVC providers in the public sector market. Work in this area is ongoing.

Dominic asked about improvements to communication on the website. Branding is being reviewed on the Source and LBS website. Pensions has its own sections on both and plans are in place to develop this in conjunction with comms.

reviewed on the Source and LBS website. Pensions has its own sections on both and plans are in place to develop these in conjunction with comms.

## **7. SAB GOOD GOVERNANCE REVIEW**

Tsitsi Danga presented the report. She explained that the SAB had commissioned a review of current governance arrangements in the LGPS. This was carried out by Hymans. They have put forward 4 models. The SAB required models to maintain local democratic control. Support was strong for models 1 and 2. Improved monitoring will be required if either of these are adapted. Models 3 and 4 have little support due to complexity and cost. Current good practice has been recognised and therefore a one size fits all approach will not be appropriate. Hymans has put forward an outcomes based approach.

Mike Ellsmore stated that Southwark will need to look at their own structure to ensure that they comply. There may be a requirement for separation between the scheme manager and the council.

It was agreed that the LPB will look at how PAP responds. An update will be provided at the next LPB meeting if anything further on this is published by SAB.

## **8. tPR PUBLIC SERVICE GOVERNANCE & ADMINISTRATION SURVEY 2018**

Alex Moylan explained that this involved a deep drive into 10 representative funds. The report covers areas of good and bad practice and their recommendations.

The independent COP14 review will look at the recommendations coming from this survey.

Mike Ellsmore referred to page 41 and the conclusion re the importance of scheme managers maintaining a separation between the fund and the local authority.

## **9. PENSION FUND RISK REGISTER**

Alex Moylan explained that the register sets out material risks only. The unknown implication of the McCloud ruling has been added as a new risk.

Agreed: risk register to be tabled twice a year, unless there are any significant changes.

## **10. TRAINING PLAN**

It was agreed that the COP14 review would be tabled in January 2020, with the 45 minute training slot being used for this.

Confirmed that the revised training needs analysis has been distributed and request was made for outstanding responses.

Mike Ellsmore identified the training priorities as actuarial valuation; COP14 review feedback; and the role and purpose of the LPB.

Dominic Cain asked about training on AVCs. Barry Berkengoff could cover an introduction to this, which could include added years as well.

Actions: detailed training plan to be tabled in January 2020 (based on training needs analysis returns).

## **11. FORWARD PLAN**

The following items will be added to the forward plan:

- Contact centre – April/July 2020 meeting (possibly verbal update at April 2020 meeting followed by data in July 2020).
- SAB Good Governance Review – response to be tabled in April 2020.
- Investment Strategy Statement – update for October 2019 PAP.
- Cost transparency – defer to April 2020
- July 2020 – contact centre review.
- Ill health consultation – nothing published yet: keep on plan.
- London CIV – add with no defined date.

## **12. LOCAL PENSION BOARD INSURANCE RENEWAL**

Annual renewal in December. Alex Moylan will send an email to all LPB members prior to renewal. Current insurance cover arrangements will continue.

## **16 ANY OTHER BUSINESS**

Date of next meeting – 29 January 2020 (to be confirmed)