

Attendance

Members of the Pensions Board

Employer Representatives

Ian Martin
Mark Smith – (Vice-Chair)
Joe McCormick
Andy Felton
Jacqui Carmen – Virtual Attendee

Member Representatives

Adrian Turner
Stan Ruddock
Julian Allam – (Chair)
Sarah Feeney
Terry Dingley – Virtual Attendee

Observer Member

Steve Smith

Employees

Rachel Brothwood	Executive Director of Pensions
Rachel Howe	Head of Governance, Risk and Assurance
Simon Taylor	Assistant Director – Pensions
Shiventa Sivanesan	Assistant Director – Investment Management and Stewardship
Christopher Manning	Head of Finance
Hayley Reid	Regulatory Governance Manager
Laura Parker-Marsden	Governance Support Officer

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies for Absence**
No apologies for absence were received.
- 2 Declaration of Interests**
There were no declarations of interest.
- 3 Minutes of Previous Meeting**
That the minutes of the meeting held on 17 October 2023 be approved as a correct record.

4 **Matters Arising**

The Chair welcomed two new members to the Board, Employer Representative Andy Felton and Member Representative Sarah Feeney.

5 **Pensions Administration Report to 30 September 2023**

Simon Taylor, Assistant Director – Pensions, presented the report on the routine operational work undertaken by the Pensions Administration Service areas during the period 1 July 2023 – 30 September 2023.

The Board were asked to note that, at their December meeting, Committee had approved; the applications for admission of employers into the Fund and; the delegation to the Chair to approve the minor change to the Internal Dispute Resolution Procedure (IDRP) Policy Statement following review.

In response to a question around customer servicing following the launch of the new administration system, the Assistant Director – Pensions explained how the Fund has now increased telephone line opening hours and that the Fund is actively engaging with both members and employers by issuing regular updates and signposting to the dedicated system transition page on the Fund's website to provide further support.

In relation to a question around the member self-service portal, the Assistant Director – Pensions outlined progress, confirming that active members can now produce estimates online and noting that since the Board last met in October 2023, the number of portal registrations had doubled.

Jacqui Carman – Employer Representative (Further Education Colleges) informed the Board that she had been contacted by the Principal of another Further Education College and been asked to formally raise concerns with the Board with regards to the impact of the Fund's Administration system transition, particularly noting concerns around delays in member servicing. The Assistant Director provided assurance to Board with regards to the issues raised, highlighting specifically the work being undertaken to reduce delays and improve customer response times.

Julian Allam, Chair of Pensions Board, noted that following the meeting he would work with officers to feed back on the issues raised and discussed to the Chair of the Pensions Committee, Councillor Milkinder Jaspal.

Resolved:

1. That the delegation to the Chair of the Pensions Committee to approve the revised IDRP policy statement change as detailed in Section 5 of this report following the required documentation review and consultation be noted.
2. That the 5 applications for admission from employers into the Fund as detailed in Section 8 and Appendix A of this report, as approved by Pensions Committee in December 2023 be noted.
3. That performance and workloads of the key pension administration functions be noted.

6 **Customer Engagement Update**

Simon Taylor, Assistant Director – Pensions, presented the report on the Fund’s customer engagement activity from 1st July 2023 to 30th September 2023 and provided updates in relation to the new system transition and how engagement has been tailored to meet customer needs in light of this. Newsletters have been issued to active and deferred members this quarter and the Roadshow bus has visited a number of sites across the region.

The Assistant Director – Pensions noted that complaints had risen during the reporting period and confirmed that the Fund were continuing to engage with members and participating employers to resolve their concerns.

Resolved:

1. That the engagement activity and informed service development be noted.

7 **Risk and Assurance**

Rachel Howe, Head of Governance, Risk and Assurance, presented the report on the work of the Fund to deliver a well governed scheme.

The Head of Governance, Risk and Assurance highlighted changes to the Board’s membership, confirming the appointment of two new members: Andy Felton, employer representative and Sarah Feeney, member representative.

The Head of Governance, Risk and Assurance highlighted the current areas of focus in the management of risk across the Fund, noting the focus on transformational change within the Risk Register.

It was further noted that the Fund’s final Audit Findings Report was presented to the City of Wolverhampton Council’s Audit and Risk Committee on 22 January 2024.

The Head of Governance, Risk and Assurance noted that, following the release of the Pension Regulator’s Single Code of Practice, the Fund would now undertake a review and gap analysis of areas of compliance to ensure alignment with the requirements of the new code. It was noted that anticipated wider ongoing regulatory changes have the potential to lead for further change outcomes.

In response to a question raised regarding any potential additional risk the recent Investment Pooling Consultation may pose in relation to the LGPS Central Pool, the Head of Governance, Risk and Assurance outlined ongoing work and collaboration to mitigate any emerging risks.

The Executive Director of Pensions advised that, in relation to the Fund’s Risk Register, the Investment Strategy had been highlighted as the review concluded in March 2023 presented a material change in long term strategic asset allocation, with substantial work to do to complete implementation.

Resolved:

1. That changes to the membership of the Local Pensions Board be noted.
2. That the latest Strategic Risk Register and areas being closely monitored in the current environment be noted.
3. That the compliance monitoring activity undertaken during the quarter be noted.

4. That the Fund's Annual Report and Accounts which have been published on the Fund's website in accordance with the statutory deadline of 1 December 2023 be noted.
5. That the publication of the Pension Regulator's new Code of Practice be noted.

8 **Investment Governance**

Shiventa Sivanesan, Assistant Director - Investment Management and Stewardship, presented the report and provided an update on routine investment matters. The three key areas of focus around responsible investment, investment pooling and the continued implementation of the Investment Strategy were discussed.

The Assistant Director - Investment Management and Stewardship was pleased to report that the Fund has seen a 30% reduction in carbon emissions within its investment portfolio since December 2019.

In relation to a question around next steps following the LGPS Investment Consultation and government response in November 2023, it was advised that further guidance is expected during 2024.

Resolved:

1. That the update on investment governance matters including those in relation to responsible investment and the implementation of investment strategy be noted.
2. That publication of the Fund's 2023 Taskforce for Climate-related Financial Disclosure (TCFD) Report [Appendix A] be noted.

9 **Pensions Administration System Transition Update**

Christopher Manning, Head of Finance, presented a report on the progress with the transition of the pension administration system to the new provider, Equiniti and roll out of the new system, Compendia, following transition to the "live" environment as planned over Summer 2023.

Resolved:

1. That the progress made in transition of the Fund's core services following phased roll-out of the new pension administration system be noted.

10 **Employer Covenant**

Simon Taylor, Assistant Director – Pensions, presented the report on employer covenant and funding development to the Board.

Resolved:

1. That the commentary on the improved funding position, associated considerations and stakeholder engagement be noted.
2. That the update on employer/sectoral developments which may have implications for employer covenant be noted.

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Pension Fund Resourcing

Rachel Brothwood, Executive Director of Pensions, presented the report on pension fund resourcing to the Board.

Resolved:

1. That the update on Fund recruitment and retention be noted.
2. That the initiatives being undertaken to support employee development and wellbeing be noted.
3. That development of the Fund's EDI (equality, diversity and inclusion) policy be noted.