

Derbyshire Pension Board meeting notes

Date: 10 February 2022
Location: Microsoft Teams
Attendees: Ronald Graham, Nick Read, Karen Gurney, Oliver Fishburn, Susan Ambler
Apologies: None
Chaired by: Ronald Graham

The Derbyshire Pension Board met virtually on 10 February 2022. The Chair, Board members and officers from Derbyshire Pension Fund (the Fund) were present.

The following topics were covered and discussed:

New Employer Representative

The Board welcomed the new Employer Representative, Susan Ambler from the University of Derby, following her recent appointment.

Derbyshire Pension Fund – Covid protocols

Fund officers are returning to office-based working on a phased basis and within the County Council's Covid protocols.

Pensions and Investments Committee

The Board discussed the Pensions and Investments Committee reports, which had been presented to the Committee at its meeting on 8 December 2021, including:

- Climate Risk Reports
- Investment Report
- Stewardship Report

The Board noted the significant progress made in relation to targets set out in the Fund's Climate Strategy. The targets are due to be reviewed by the Committee in 2023. The Board also discussed profit levels for oil companies and noted the difficulties being experienced during the quarter by Fund Investment Managers.

Pension Fund Dashboard

The Fund's officers briefed the Board on the latest update of the Fund's Performance Dashboard up to 31 December 2021.

The Dashboard is prepared for review by the Fund's Management Team on a quarterly basis. The Board welcomed the breadth of information included in the Dashboard.

The Board noted that the Fund had been selected by the Government Actuary's Department (GAD) for a review of its March 2019 actuarial valuation report. GAD randomly selects a Fund for their review which covers Funds advised by each of the LGPS's four actuarial providers. The Fund's report met all required standards.

Based on local assumptions, which are more prudent than the nationally recognised standardised basis, the funding level at the 2019 valuation was 97%. This put the Fund in the second quartile of LGPS Funds.

Breaches logs

The Fund's statutory and data breaches logs were reviewed and discussed. The Board noted that as there were no additional data breaches, this reflected measures to reduce such breaches were taking effect. This included the Fund's Data Management Procedures being circulated and briefed to all members of the Fund administration and investment teams. A delay in finalising a retrospective admission agreement was noted, however, the team were working with the relevant employer to resolve the matter.

Data Map

The Board were updated on progress with mapping the location and flow of all of data held by the Fund.

Investment Pooling

The Board was updated on matters relating to the Fund's participation in the LGPS Central Pool. Approximately £900m of the Fund's assets are now invested in or committed to LGPS Central investment vehicles from total assets of approximately £6.3bn.

Prudential AVCs

The Fund's officers provided a further update to the Board on issues relating to its AVC provider, Prudential.

My Pension Online

The Board was updated on the implementation of the My Pension Online service which enables scheme members to view their pension information online. By the date of the meeting, 11,650 scheme members had completed the registration process. The Board discussed ideas for encouraging members to register.

i-Connect

The Board was provided with an update on the implementation of the i-Connect secure data transmission service for participating employers in the Fund. By the date of the meeting 218 employers were submitting their member data securely through i-Connect accounting for over 80% of the Fund's active membership.

McCloud

The Board was provided with an update on the latest information relating to the proposed remedy following the McCloud and Sargeant judgements, and the preparations being made by the Fund's McCloud Project Board set up to implement the remedy when it has been finalised.

The proposed remedy is intended to remove the age discrimination identified when certain protections were limited to scheme members who were closer to retirement when the LGPS became a career average (CARE) scheme in 2014.

All current participating employers have been contacted by the Fund to gauge the availability of archive pay data in the event that details already submitted are found to be incomplete. The Fund are engaging with the employers who had not responded.

The Board noted that the latest expectation was that changes to LGPS regulations were now unlikely to come into force before October 2023.

The enabling legislation (*The Public Service Pensions and Judicial Offices Bill*), which will allow for amendments to be made to The Local Government Pension Scheme Regulations 2013, is currently passing through the House of Commons and is expected to come into force in March 2022.

Risk Register

The Board reviewed changes to the Fund's Risk Register, including new entries relating to governance of the pension administration system and accessibility requirements for the electronic provision of information, such as on the Fund's website.

Training

A recent training session for members of the Pensions and Investments Committee and Pension Board had been well attended and had covered:

- The Actuarial Valuation
- Pensions administration
- Global Sustainable Equities

Other business

The Board noted that consultation was taking place on a proposed national Pensions Dashboard to enable individuals to find information about their pension memberships (including the State Pension) all in one place.

