

Pension Board Agenda

Date: Thursday 4 March 2021

Time: 6.30 pm

Venue: Virtual Meeting - Online

Membership (Quorum 3, including at least one Employer representative and one Scheme Member representative).

Chair: Mr R Harbord

Board Members:

Councillor James Lee	- Harrow Council, Employer Representative
Gerald Balabanoff (VC)	- Scheme Members' Representative - Pensioners
Patrick O'Dwyer	- Scheme Members' Representative - Active Members
Vacancy	- Employer Representative – Scheduled and Admitted Bodies

Contact: Nikoleta Nikolova, Senior Democratic and Electoral Services Officer
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Scan this code for the electronic agenda:



Useful Information

Meeting details

This meeting is open to the press and public and can be viewed on www.harrow.gov.uk/virtualmeeting

Filming / recording of meetings

Please note that proceedings at this meeting may be recorded or filmed. If you choose to attend, you will be deemed to have consented to being recorded and/or filmed.

The recording will be made available on the Council website following the meeting.

Agenda publication date: Wednesday 24 February 2021

Agenda - Part I

1. **Declarations of Interest**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee;
- (b) all other Members present.

2. **Minutes** (Pages 5 - 12)

That the minutes of the meeting held on 2 December 2020 be taken as read and signed as a correct record.

3. **Public Questions** *

To receive any public questions received in accordance with Committee Procedure Rule 17.

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 3.00 pm, 1 March 2021. Questions should be sent to publicquestions@harrow.gov.uk

No person may submit more than one question].

4. **Petitions**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Committee Procedure Rule 15 (Part 4B of the Constitution).

5. **Deputations**

To receive deputations (if any) under the provisions of Committee Procedure Rule 16 (Part 4B) of the Constitution.

6. **Review of Pension Fund Committee Items** (Pages 13 - 18)

Report of the Director of Finance and Assurance.

7. **Review of Pension Fund Communications Policy** (Pages 19 - 28)

Report of the Director of Finance and Assurance.

8. **Review of Pension Fund Governance Compliance Statement** (Pages 29 - 46)

Report of the Director of Finance and Assurance.

9. **Review of Pensions Administration Team Performance** (Pages 47 - 54)

Report of the Director of Finance and Assurance.

10. **Pension Board Members' Training** (Pages 55 - 58)

Report of the Director of Finance and Assurance.

11. **Pension Board Work Programme for Future Meetings** (Pages 59 - 62)

Report of the Director of Finance and Assurance.

12. **Any Other Business**

Which cannot otherwise be dealt with.

Agenda - Part II - Nil

* Data Protection Act Notice

The Council will audio and video record item 3 (Public Questions) and will place the recording on the Council's [website](#), which will be accessible to all.

[Note: The questions and answers will not be reproduced in the minutes.]



Pension Board

Minutes

2 December 2020

Present:

Chair: Mr R Harbord

Board Members:	James Lee	Harrow Council, Employer Representative
	P O'Dwyer	Scheme Members' Representative - Active Members
	Gerald Balabanoff (VC)	Scheme Members' Representative - Pensioners

In attendance: (Officers) Jeremy Randall For Minutes 76 - 90

76. Declarations of Interest

RESOLVED: To note that the declarations of interests, which had been published on the Council website, be taken as read.

77. Minutes

RESOLVED: That the minutes of the meeting held on 17 September 2020 be taken as read and signed as a correct record.

78. Public Questions

RESOLVED: To note that no public questions had been received.

79. Petitions

RESOLVED: To note that no petitions had been received.

80. Deputations

RESOLVED: To note that no deputations had been received.

Recommended Items

81. Pension Board Draft Annual Report 2019-20

Members received a report setting out the draft Pension Board Annual Report for 2019/20 (at Appendix 1) which outlined actions taken by the Board up until 31 March 2020 and invited comments or changes. The Board was reminded that the Annual Report was required as part of its Terms of Reference and would be presented at the next appropriate full Council meeting.

The Board welcomed the report and did not raise any further comments or changes to its content.

RESOLVED: That the draft Pension Board Annual Report for 2019/20 be noted.

Resolved to RECOMMEND: (to Council)

That the final Pension Board Annual Report for 2019/20 be referred to the next full Council meeting scheduled to take place on 25 February 2021, subject to any additional amendments to the report.

Resolved Items

82. Membership of Pension Board

The Chair welcomed to the meeting Patrick O'Dwyer, Divisional Director for Education at Harrow Council who joined the Pension Board as Scheme Members' Representative (Active Member), following a formal appointment at Harrow's full Council on 26 November 2020.

A vacancy remained on the Board for the position of Employer Representative (Scheduled and Admitted Bodies).

RESOLVED: To note the change to the Pension Board membership.

83. Review of Pension Fund Committee Items - 25 November 2020

The Board received a report and a further update set out in the published supplemental agenda, which summarised the matters considered by the Pension Fund Committee at its virtual meeting on 25 November 2020. A number of those items were also included in the agenda for the Board's meeting.

The Chair and Vice-Chair advised the Board of their attendance at the meeting as observers.

Members' attention was drawn to the confidential investment strategy report which the Pension Fund received, approving a number of changes to the Fund's equity portfolio including the replacement of the Oldfield equity fund with the London CIV sustainable equity manager RBC.

Board Members were also invited to attend a training session by Record Currency Management on currency hedging around the Pension Fund's equity portfolio which was expected to be held before the next Pension Fund Committee meeting on 24 March 2021.

A number of questions were raised by Members and responded to as follow:

- Oldfield was only one of the two equity manager funds, which at present had been identified as underperforming. Although the performance of the second fund, Longview, was not without its challenges, resulting in it being placed on the London CIV's enhanced monitoring list, it was nevertheless deemed to be an appropriate manager and unlike Oldfield, its performance issues were seen as only temporary;
- noting comments on the importance of having a robust governance system capable of taking swift action should any issues with the funds arise, the Board was informed that appropriate processes were in place and were not significantly dissimilar to those adopted by other LGPS funds. The fund was a long-term investor with long-term liabilities and as such was prone to experiencing some short-term market fluctuations. Having funds available in the London CIV also meant that the process for appointing and transferring investments to a new manager could be carried out more quickly than previously when the Fund had to carry out its own "search and selection" process for investment managers.

Referencing information in the report on the current level of the Fund (at 89.3%), the Board noted that no real comparative data existed which would enable the funding level to be benchmarked against other London local authorities between triennial valuations. Officers undertook to investigate the matter further and circulate any available information to the Board after the meeting.

RESOLVED: That the report and supplemental update be noted.

84. Pensions Administration Performance Monitoring to 30 September 2020

The Board received a report setting out the pension administration team performance for the quarter ending 30 September 2020. Despite a number of changes relating to the scheme membership set out in the report, the overall performance remained good, with no reported complaints, disputes or breaches of the law.

Referencing data on the Pension Fund's membership in the current year to 30 September 2020, the Interim Pensions Consultant explained that the proportion of the deferred and active members who had retired had been

offset by a small increase in active members. However, the proportion of membership which were actually active continued to decline which added concern over the long-term sustainability of the fund.

Although Harrow's Pension Fund performance was measured against national target, the latter were more relaxed than Harrow's. In addition, in some categories there were only a small number of cases. Officers undertook to circulate correct data with amendments and explanation on the figures following the meeting.

The Board noted the outstanding performance of the administration team and wished to congratulate the team for its recent award.

RESOLVED: That the report be noted.

85. Update on Changes to Local Government Pension Scheme (LGPS) Regulations and Related matters

The Pension Board received a report informing Members of several recent and proposed regulatory changes which were expected to have a significant impact on the Local Government Pensions Scheme (LGPS) as well as on the workload of Harrow Council's Pensions Administration Team.

The Interim Pensions Consultant reported that the Government was in the process of amending the Pension Scheme Regulations (LGPS), with a number of key changes planned. In particular, it was noted that the Restriction of Public Sector Exit Payments Regulations 2020 which came into force on 4 November 2020, limiting "exit payments" to £95,000 were in conflict with the current LGPS Regulations, which stated that if an active member aged 55+ was made redundant, he / she had immediate unreduced access to their pension. This was problematic because unlike most other public sector funds, the LGPS was funded, and therefore any early payment of pension gave rise to "strain costs" to be met by the employer to offset the cost to the pension fund of pensions being paid early.

The Board heard that until the changes to the LGPS Regulations were approved, any member aged 55 or over who was made redundant and breached the £95k exit payment cap would be offered an actuarially reduced or deferred pension. The updated Regulations were expected to have a significant impact on lower earning staff and could result in a number of legal challenges.

A consultation on the Regulations was currently under way, with the final amendments not expected to be approved until early 2021.

Members raised several questions which were responded to as follows:

- changes to LGPS Regulations, coupled with the impact of the McCloud/Sargent court judgements, would have a significant impact on the pensions team workload and would affect workforce management. The team would be expected to review the cases of hundreds of pensioners who had already retired under the original transition

arrangements as well as recalculate the entitlements of any existing active and deferred members. Additional capacity would need to be secured by moving existing staff to focus on the new Regulations and backfilling any vacancies. The work was expected to be complete by 2023, subject to approval of the Regulations and software changes;

- employer flexibilities, which were introduced as part of the LGPS Regulations on 23 September 2020 to provide assistance to some of the admission bodies struggling as a result of the Covid-19, were not expected to have a major impact on Harrow compared to other Local Authorities. The Regulations enabled the Pension Fund to manage exist arrangements and the Council was already in the process of putting these into practice through the handling of the recent SopraSteria IT Services cessation, which came to an end in October 2020;
- work was underway between the Pensions Fund and the Council's Legal teams to ensure senior management was aware of the implications of the Regulations and enable them to act appropriately should any redundancies occur.

The Board thanked officers for the comprehensive report and requested that, given the profound implications of the changes to the LGPS regulations on the Fund and the wider local government context, the matter be monitored closely and updates provided on regular basis at future Board meetings.

RESOLVED: That the report be noted.

86. Pension Fund Annual Report and Accounts 2019-20 - Outcome of Audit

The Board received a report which set out the auditor's findings following the audit of the Pension Fund Annual Accounts for 2019/20. Members were informed that only a small number of amendments to the pension fund accounts had been required, which demonstrated the high standard to which the accounts were prepared.

The Interim Pensions Consultant also reported that the auditors had not been able to sign the statement of accounts by the statutory deadline of 30 November 2020 as normally required and as a result the audited Annual report had not yet been published. However, the delay was not expected to have any repercussions for the Council and a large number of other local authorities had found themselves in similar position.

RESOLVED: That the report be noted.

87. Pension Fund Risk Register Review

The Pension Board received a report setting out the updated Pension Fund Risk Register.

The Interim Pensions Consultant reported that whilst the Harrow Council's standard methodology to scoring risks had been preserved, the format of the

Register itself had been modified, allowing higher risks to be separated from lower ones into a separate list and by doing so allow closer monitoring and appropriate prioritisation. In addition, the review had identified a significant number of operational risks which had been removed from the Register as they were adequately managed through “business as usual” processes.

Responding to a comment on increasing the notice period for key pensions staff, Members were informed that although not a matter for the Pension Board to decide on, it was not advisable to adopt varying contractual arrangements which did not also apply to other similar roles in the organisation. Instead, the focus would need to be on ensuring suitable processes and measures were in place which could mitigate any potential risks resulting from changes to the staff structure.

Members welcomed the report and agreed with the changes to the Risk Register.

RESOLVED: That the report be noted.

88. Pension Fund Performance Management Arrangements with PIRC

The Pension Board received a report, setting out the arrangements for the performance management of the Pension Fund provided by the Pensions and Investment Research Consultants Ltd (PIRC).

By way of introducing the report, the Interim Pensions Consultant highlighted two key aspects of the performance management. Firstly, he explained that PIRC had been asked to monitor the fund’s performance because unlike many other LGPS funds, Harrow did not have a global custodian due to the absence of segregated investment mandates. Secondly, the PIRC oversaw a comparative performance data of 63 LGPS Funds (called the “local authorities universe”), which came with its own challenges, including variance in the funding levels, objectives and targets, meaning it was a challenge to produce an objective league table. Harrow’s Fund investment performance had not been satisfactory, which was partially due to poor performance from some of its equity managers.

Spotlighting on ranking data set out in the appendix to the report, Board Members heard that when compared to other boroughs, Harrow’s Fund underperformed, with a 0.4% return of investment against a London average of 1.9%. However, the Board also noted that funds were not directly comparable and varied significantly, with some having a higher proportion of funds in equities or similar returns of investments which affected ranking and performance.

RESOLVED: That the report be noted.

89. Work programme for future meetings

The Board received a report which reviewed the Pension Board’s work to date and invited comments from members on the work programme for the remainder of 2020/21 municipal year.

Having noted the importance of training in ensuring compliance with regulations requirements, it was requested that a report on Pension Board members training be added to the agenda for the next meeting scheduled to take place on 4 March 2021.

RESOLVED: That the work programme be noted.

(Note: The meeting, having commenced at 6.30 pm, closed at 7.52 pm).

(Signed) Richard Harbord
Chair

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Report for: Pension Board

- Date of Meeting:** 4 March 2021
- Subject:** Review of Pension Fund Committee Items
- Responsible Officer:** Dawn Calvert – Director of Finance and Assurance
- Exempt:** No
- Wards affected:** All
- Enclosures:** Appendix 1 – Pension Fund Valuation at 31 December 2020

Section 1 – Summary and Recommendations

This report summarises the matters to be considered by the Pension Fund Committee at its next the meeting on 24 March 2021 and invites the Board to agree any comments they might wish to make to the Pension Fund Committee.

Recommendations:

The Board is requested to note the report and comment as necessary.

Section 2 – Report

1. The list of items to be considered by the Pension Fund Committee at its meeting on 24 March 2021 is summarised in the table below.

Report	Comments
Part I	
Pension Fund Communications Policy	To review / update the policy. The draft is included elsewhere on this agenda to enable the Board’s comments to be forwarded to the Committee.
Pension Fund Governance Compliance	To review / update the statement. The draft is included elsewhere on this

Statement	agenda to enable the Board's comments to be forwarded to the Committee.
Pensions Administration System Procurement	To set out arrangements for addressing the expiry of the existing contract in October 2021. (this may need to be in part II)
Performance Dashboard and Update on Regular items	The report will summarise the position of the Fund at the end of Q4 2020 (31 December 2020) and set out a proposed work programme for the Committee for the 2021-22 municipal year. The Fund's valuation at 31 December 2020 is attached at appendix 1.
Update on London CIV and Investment Pooling arrangements	To update the Committee on the position in regard to pooling.
Training Programme 2021-22	To draw up a suitable programme
Part II	
Investment Strategy Review	A confidential report by the Director of Finance and Assurance on the next stages of the Investment Strategy Review, including a number of recommended actions to progress the Review.

2. A training session, commencing at 5.30pm, will be held immediately before the Committee's meeting on 24th March 2021. Record Currency Management will give a presentation on the way in which they carry out the currency hedging arrangements for the Fund's equity portfolio.
3. The timing of this meeting of the Board means that it takes place before the Committee's meeting. This is helpful, as it will enable the Committee to take into account the Board's views on the policy items which are to be reviewed by the Committee.
4. The Fund's valuation at 31 December 2020 was £960.3m, as detailed in Appendix 1. All asset classes made gains in both November and December – the two main factors in this were the approval / licensing of vaccines against Covid-19, and the US election result, both of which were viewed positively by the markets. The Funding level had improved to 95%.
5. At its November meeting, the Pension Fund Committee approved the Redemption of the Fund's equity investments with Oldfield Partners, and the Investment of the proceeds in the London CIV Sustainable Equity Fund – at the time of writing this report, the transition is currently in progress, and will be completed by 25 February 2021. Following

discussions with the Fund's Investment Consultants, Aon , it was made in three tranches.

6. The Fund has committed to investing £68million in the London CIV's Infrastructure Fund. There were 4 drawdowns of funds – 2 each in December and January. At the end of January 2021, the balance invested was £16.4m – this is almost 25% of our commitment of £68m to this asset class. These investments have been funded by withdrawals from the Blackrock cash fund.
7. For Board members' information, the dates set for meetings of the Pension Fund Committee in the 2021-22 municipal year are as follows:
 - Thursday 24th June 2021
 - Monday 13th September 2021
 - Wednesday 24th November 2021
 - Wednesday 9th March 2022

All of these meetings are currently scheduled to start at 6.30pm. It is currently intended that a training session will be held, before each Pension Fund Committee meeting, beginning at beginning at 5.30pm. All Board members are welcome to attend both the training sessions and the meetings. The meetings will continue to be held via Microsoft Teams until it is possible to meet in person again.

Legal Implications

8. There are no direct legal implications arising from this report.

Financial Implications

9. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

10. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board.

Equalities implications / Public Sector Equality Duty

11. Was an Equality Impact Assessment carried out? No

12. There are no direct equalities implications arising from this report.

Council Priorities

13. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 09/02/2021

Statutory Officer: David Hodge

Signed on behalf of the Monitoring Officer

Date: 10/02/2021

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 09/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

Email: Jeremy.randall@harrow.gov.uk

Telephone: 020 8736 6552

Background Papers: None

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Report for: Pension Board

Date of Meeting:	4 March 2021
Subject:	Review of Pension Fund Communications Policy
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – Revised Communications Policy

Section 1 – Summary and Recommendations

This report reviews the Pension Fund's Communications Policy and updates it to reflect current methods of operating.

Recommendations:

The Board is requested to consider the updated Communications Policy and to recommend it to the Pension Fund Committee for approval and adoption.

Section 2 – Report

1. The Local Government Pension Scheme (LGPS) Regulations 2013 (Regulation 61) require the Fund to have a Communications Policy.
2. The Harrow Pension Fund's Communications Policy was last reviewed in March 2018. It is therefore appropriate to review and update the policy, in particular to reflect the significant changes to our ways of working which have been accelerated by the Covid-19 pandemic.
3. In reviewing the Policy, the opportunity has been taken to consider how other LGPS funds' policies reflect the shift to more modern ways of working.

4. The revised policy is enclosed at Appendix 1. The Board is asked to consider this, and subject to any suggested modifications, to recommend it to the Pension Fund Committee for approval / adoption.

Legal Implications

5. There are no direct legal implications arising from this report.

Financial Implications

6. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

7. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board.

Equalities implications / Public Sector Equality Duty

8. Was an Equality Impact Assessment carried out? No
9. There are no direct equalities implications arising from this report. However, the Policy includes provision for providing documents in non-standard formats to meet the needs of those scheme members require those.

Council Priorities

10. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 09/02/2021

Statutory Officer: David Hodge
Signed on behalf of the Monitoring Officer

Date: 10/02/2021

Chief Officer: Charlie Stewart
Signed by the Corporate Director

Date: 09/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager
Email: Jeremy.randall@harrow.gov.uk
Telephone 020 8736 6552

Background Papers: None

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Draft Communications Policy Statement

London Borough of Harrow Pension Fund

March 2021

Introduction

1. The London Borough of Harrow Pension Fund, (the Fund) is required by regulation 61 of the Local Government Pension Scheme (LGPS) Regulations 2013 to maintain and publish a communications policy statement. The LGPS is also subject to the regulatory oversight of the Pensions Regulator who has provided guidance in Code of Practice 14 on providing good quality communications to Scheme members and other stakeholders.
2. Regulation 61 is reproduced below: -

“Statements of policy concerning communications with members and Scheme employers

61. — (1) An administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with

- a) Scheme members;
- b) representatives of members;
- c) prospective members; and
- d) Scheme employers.

(2) In particular the statement must set out its policy on –

- a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;
- b) the format, frequency and method of distributing such information or publicity; and
- c) the promotion of the Scheme to prospective members and their employers.

(3) The statement must be revised and published by the administering authority following a material change in their policy on any of the matters referred to in paragraph (2).”

3. Who We Communicate With

- Scheme Members (Current, Deferred, Pensioner, Dependant);
- Representatives of Scheme Members;
- Prospective Scheme Members;
- Human Resources Services (HR) and Service Managers;
- Scheme employers;
- Elected Members of the Joint Pensions Committee; and
- Local Pension Board.

The Fund’s pension administration function is undertaken in house, by the Pensions Team. The team is mainly responsible for communicating with the scheme members in line with this Communications Policy Statement together with other responsible senior officers of Harrow Council.

4. Communication with Scheme Members and Prospective Members

(a) Scheme Literature

A link to a Scheme guide is provided to all employees on commencing Scheme membership. Changes in the Scheme regulations are notified to all affected members via newsletters. The Scheme guide is regularly updated to take account of any Scheme changes. The link to the Scheme guide is available on the Harrow Pension Fund website, from the member's HR service or employer and direct from the Pensions Team.

(b) Website/Information Technology

The Harrow Pension Fund website (www.harrowpensionfund.org) contains details of the Scheme together with newsletters, information guides and forms. The Pensions Team can be contacted by email at pension@harrow.gov.uk.

Scheme information is also available online via the Local Government Employers' Organisation's national website at www.lgpsregs.org and www.lgpsmember.org.

Access to the Scheme regulations is available online using the website at www.lgpsregs.org/schemeregs/lgpsregs2013/timeline.php

Newsletters for current members are available on the Harrow Pension Fund website with hard copies available on request.

(c) Member Support

Scheme members can contact the Pensions Team by direct dial telephone 020 8424 1186 between 9:00am and 5.00pm Monday to Friday.

The Pensions Team contributes to the Councils' Learning and Development Service by way of participating in the Corporate Induction training giving an overview of the Scheme. The Team also plays a major role in the Planning for Retirement courses. These courses are available through the Councils' Learning and Development Service. Seminars are also arranged when requested on an individual basis from time to time.

(d) Alternative Requirements

Members can contact the Pensions Team if they wish to receive information in a non-standard format (for example large print, Braille or on audiotape). The Team has access to transcription, translating and interpreting services if required. Correspondence to members is sent in increased font sizes according to individual members' requests.

(e) Benefit Statements

Active and deferred members are sent annual benefit statements.

(f) Pay advice slips / P60s / Pensions Increase

Pay advice slips are provided to pensioner members in accordance with the agreed Council-Payroll arrangements and a form P60 is sent annually.

Pensioner members are sent a letter annually with details of the new amount of pension following the yearly Pensions Increase. Newsletters for pensioner members are available on the Pensions Team website with hard copies available on request.

(g) Report and Accounts

The Pension Fund Annual Report is produced and available to all Scheme members at www.harrowpensionfund.org. The availability of the report is notified via newsletters and the Harrow Pension Fund website. A paper copy can be provided on request. The report includes details of the Pension Fund Accounts, the Pension Fund investment performance, the Fund's policies on Governance, Investment Strategy, Funding Strategy and its Communications Statement.

(h) Performance Monitoring

The Pensions Team is committed to continuous service improvements. It monitors its performance and reports this quarterly. Performance achievements are published in the Pension Fund Annual Report and reported to the Local Pension Board at each meeting

5. Communicating with Representatives of Scheme Members

The range of information and ways of communicating that is available to Scheme members is also available to their representatives (except for any in-house training).

6. Communicating with Prospective Scheme Members

The range of information and ways of communicating that is available to Scheme members is also available to employees who are not currently members of the Scheme but may be considering joining (including any in-house training).

7. Communicating with Human Resources and Scheme Employers

Harrow Council is the main employer in the Fund. Scheme employers are informed of changes to the scheme, policies and procedures by Employers' Newsletters. Training for responsible officers (e.g. School Administrative Officers or Bursars/Finance Officers) can be provided. The full range of Scheme information is provided.

8. Communicating with Elected Members

Scheme information and data is provided to Elected Members of the Pension Fund Committee, so they may effectively perform their duties and responsibilities. In order to maintain their required knowledge and understanding of the Scheme and any other associated legislation or official guidance, elected members have Member training as a regular agenda item at quarterly meetings and confer with Officers on training requirements. Training is provided either internally by officers or by external resources.

9. Communicating with the Local Pension Board

Scheme information and data is provided to members of the Local Pension Board, so they may effectively perform their duties and responsibilities and comply with the governance requirements of the Scheme and the Pension Regulator's Code of Practice 14. To maintain their required knowledge and understanding of the Scheme and any other associated legislation or official guidance, Pension Board members have training as a regular agenda item at their quarterly meetings and confer with Officers on training requirements. Training is provided either internally by officers or by external resources.

Information may also be shared with members electronically outside of the normal cycle of meetings on an ad-hoc basis when needed.

10. Review of the Communications Policy Statement

This Policy Statement will be effective from 1 April 2021.

The Communications Policy will be reviewed on an annual basis and updated where there are significant changes to be made.

Enquiries in relation to this Communications Policy should be addressed to:

Lesley Freebody

Team Leader
Pensions Team
Harrow Council
Civic Centre
Station Road
Harrow
HA1 2XF

telephone: 0208 416 8087

email: Lesley.freebody@harrow.gov.uk

Summary of Communication Material

Communication Document	When made available	To Whom	Format / Method of distribution	When Reviewed
Guide to the LGPS (Scheme Guide)	Before commencing employment / On leaving / When requested	New, Prospective, Active and Deferred Scheme Members	Paper / Harrow Pensions and National Scheme Members' Websites	Annually or when Regulations change
Joining the LGPS – Transfer of Pension Rights from other schemes	Before commencing employment / When requested	Prospective / Active Members	Paper / Harrow Pensions and National Scheme Member's Websites	Annually or when Regulations change
Leaving Pensionable Employment – A Guide to Your Pension Options	On leaving the Scheme before retirement age	Active / Deferred members	Paper / Harrow Pensions and National Scheme Members' Websites	Annually or when Regulations change
Pay Advice Slips	In line with payroll agreements	Pensioner Members	paper	annually
P60s	annually	Pensioner Members	paper	annually
Newsletters	Annually and ad hoc to ensure timely notification of major scheme changes	Separately for active, deferred and pensioner members	Paper, Harrow pensions website	As required
Pension Fund Annual Report and Financial Statements	annually	All Scheme members	Harrow Pensions and National Scheme Members' Websites	annually
Annual Benefits Statements	annually	Active and Deferred members	Paper – posted to home address	annually
Employers Guide	At joining and updated as necessary	Main contact for all employers	Paper based and electronic file	Annually or when Regulations change
Service Level Agreement (Admission Bodies)	Start of admission agreement and revised at Contract renewal	Main contact for all employers	Paper based and electronic file	revised at Contract renewal



Report for: Pension Board

Date of Meeting:	4 March 2021
Subject:	Review of Pension Fund Governance Compliance Statement
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – Governance Compliance Statement

Section 1 – Summary and Recommendations

This report reviews the Pension Fund’s Governance Compliance Statement.

Recommendations:

The Board is requested to consider the updated Governance Compliance Statement and, subject to any comments, to recommend it to the Pension Fund Committee for approval and adoption.

Section 2 – Report

1. The Local Government Pension Scheme (LGPS) Regulations 2013 (Regulation 65) require the Administering Authority for the Fund to prepare a written statement setting out:
 - whether the authority delegates its function, or part of its functions under the Regulations to a committee, a sub-committee or an officer of the authority;
 - if so, the way in which the delegation operates, including membership of the Committee, voting rights, frequency of meetings etc;
 - details of the arrangements for the local Pension board.

2. The Fund's Governance Compliance statement was last reviewed in March 2018. It is therefore appropriate to review and update it.
3. The revised Governance Compliance Statement is enclosed at Appendix 1. The Board is asked to consider this, and subject to any suggested modifications, to recommend it to the Pension Fund Committee for approval / adoption.
4. The "Good Governance Review" which was reported to the Board in January 2020 has been delayed nationally by the Covid-19 pandemic. However, it is expected to be finalised during 2021. A further report will be brought to the Board in due course on that subject.

Legal Implications

5. There are no direct legal implications arising from this report.

Financial Implications

6. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

7. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board.

Equalities implications / Public Sector Equality Duty

8. Was an Equality Impact Assessment carried out? No
9. There are no direct equalities implications arising from this report.

Council Priorities

10. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 17/02/2021

Statutory Officer: David Hodge

Signed on behalf of the Monitoring Officer

Date: 10/02/2021

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 17/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

Email: Jeremy.randall@harrow.gov.uk

Telephone 020 8736 6552

Background Papers: None

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Governance Compliance Statement

London Borough of Harrow Pension Fund

March 2021

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Introduction

This is the Governance Compliance Statement of The London Borough of Harrow Pension Fund, administered by Harrow Council, the Administering Authority. The statement provides an overview of Harrow's approach towards the governance of the Pension Fund.

Any enquiries in relation to this Statement should be sent to:

Treasury and Pensions Manager
London Borough of Harrow
Civic Centre
Station Road
Harrow
HA1 2XF
TEL: 020 8736 6552
Email: TreasuryManagement@harrow.gov.uk

Regulatory Framework

This Statement is required by Regulation 55 of the Local Government Pension Scheme (Scheme) Regulations 2013.

The Regulation requires Harrow Council as the Administering Authority to prepare a written statement setting out:

“... (a) whether the authority delegates its function, or part of its functions under these Regulations to a committee, a sub-committee or an officer of the authority;

(b) if the authority does so—

(i) the terms, structure and operational procedures of the delegation,

(ii) the frequency of any committee or sub-committee meetings,

(iii) whether such a committee or sub-committee includes representatives of Scheme employers or members, and, if so, whether those representatives have voting rights;

(c) the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of State and, to the extent it does not so comply, the reasons for not complying, and

(d) details of the terms, structure and operational procedures relating to the local pension board established under regulation 53(4) (Scheme managers).”

This Statement will be revised and republished following any material change in any of the matters set out above. A current version of the Statement will always be available either at the address on page three or on our website at the link below

<https://www.harrowpensionfund.org.uk/harrow-council-pension-fund/about-s/forms-and-publications/>

Delegated Functions

The Council has delegated its functions to the following:

- Pension Fund Committee
- Officer Sub – Group
- Director of Finance
- Chief Officers

Pension Fund Committee

The Pension Fund Committee comprises four Members representing two different political parties with voting rights, a co-optee, an investment adviser and two independent advisers without voting rights. Council senior officers attend each meeting and trade union representatives of Scheme members (UNISON and GMB) are also invited as observers.

The Committee meets approximately four times a year and has the following responsibilities:

- 1) to exercise on behalf of the Council, all the powers and duties of the Council in relation to its functions as Administering Authority of the LB Harrow Pension Fund (the Fund), save for those matters delegated to other Committees of the Council or to an Officer;
- 2) the determination of applications under the Local Government Pension Scheme Regulations and the Teachers' Superannuation Regulations;
- 3) to administer all matters concerning the Council's pension investments in accordance with the law and Council policy;
- 4) to establish a strategy for the disposition of the pension investment portfolio;
- 5) to appoint and determine the investment managers' delegation of powers of management of the fund;
- 6) to determine cases that satisfy the Early Retirement provision under Regulation 26 of the Local Government Pension Scheme Regulations 1997 (as amended), and to exercise discretion under Regulation 8 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended, subject to the conditions now agreed in respect of all staff, excluding Chief Officers;

GOVERNANCE COMPLIANCE STATEMENT

- 7) to apply the arrangements set out in (6) above to Chief Officers where the application has been recommended by the Chief Executive, either on the grounds of redundancy, or in the interests of the efficiency of the service, and where the application was instigated by the Chief Executive in consultation with the leaders of the political groups

Officer Sub – Group

The Officer Sub – Group comprises the Director of Finance and Assurance and the Director of Legal and Governance Services. Other senior officers attend meetings as required.

The Sub-Group meets on an ad-hoc basis and has the responsibility to determine all early retirement applications in line with Council policy.

Director of Finance

Pension Fund Investment

In respect of the discretionary management arrangements the Director of Finance has the following responsibilities:

- In the name of the Mayor and Burgesses of Harrow Council and on behalf of the Pension Fund and in consultation with the Fund's managers, to invest in stocks and shares as authorised by the Trustee Investments Act and Pension Fund Regulations, and to authorise the Council's seal to be affixed to stock transfer forms, rights issues and other investment forms.
- To enter into agreements on the terms and conditions on which these investments are made by the Fund's managers.
- To enter into under-writing agreements.
- To monitor the investment decisions of the Fund managers and under the terms of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 as amended to ensure the need for diversification and stability of investments

Chief Officers

Chief Officers are specifically authorised to take decisions on behalf of the Council or its non-Executive Committees in cases of urgency, using the procedure for non-executive decisions on minor matters or the procedure for urgent non-executive decisions.

Urgent Non-Executive Decisions and Minor Matters

In relation to matters which are the responsibility of a Council Committee, subject to consultation with the Chair of the relevant committee and the nominated members of the two main political groups or their nominees, Chief Officers shall have the power to act on behalf of the Council in cases of urgency and on minor matters, where the urgent matter is of such a nature that it may be against the Council's interest to delay and where it is not practicable to obtain the approval of the Council Committee. In the event of disagreement between the Members consulted, the matter shall be referred to the Chief Executive who may take the decision after consultation with the Leaders of all political groups or their nominees, and if appropriate, with the statutory officers. The safeguards set out below must be followed.

Safeguards

The procedure must only be used when considered essential to achieving the efficient administration of the service and for urgent matters consideration must be given to whether the matter can wait until the next scheduled meeting or whether the calling of a special meeting can be justified.

All decisions taken by officers under this delegated power must be reported for information to the next meeting of the appropriate committee.

Pension Board

As required under the Public Service Pensions Act 2013 the Council has set up a Local Pension Board. Its responsibility under the Act is to assist the Administering Authority in ensuring the effective and efficient governance and administration of the Scheme including:

- Securing compliance with the Scheme regulations and other legislation relating to the governance and administration of the LGPS;
- Securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; and
- Such other matters the LGPS regulations may specify.

In particular the Board oversees:

- the effectiveness of the decision making process
- the direction of the Fund and its overall objectives
- the level of transparency in the conduct of the Fund's activities
- the administration of benefits and contributions

Under the provisions of the Act the Board must include equal numbers of employer and member representatives and it is made up as follows:

- Employer representative – London Borough of Harrow
- Employer representative – Scheduled and admitted bodies
- Scheme members' representative – Active members
- Scheme members' representative – Pensioners
- Independent member.

Statement of compliance to guidance

Regulation 55(1)(c) requires Scheme administering authorities to measure their governance arrangements against the principles set out in the statutory guidance. Where compliance does not meet the published standard, there is a requirement to give, in their Governance Compliance Statement, the reasons for not complying.

Principle A – Structure

- a) The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council.
- b) That representatives of participating LGPS employers, admitted bodies and Scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.
- c) That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.
- d) That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.

	Not Compliant*				Fully Compliant
a)					√
b)	√				
c)					NA
d)					NA

* Please use this space to explain the reason for non-compliance.

The Pension Fund Committee comprises representatives of the main employer, London Borough of Harrow (which is also the administering authority and accounts for 82.5% of the Fund’s members), but there is no representation of other employers or scheme members. Two trade unions have observer status. The Pension Board includes a representative of non-Council employers, active scheme members and pensioner members and the views of the Board are reported to the Committee.

Principle B – Representation

a) That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include: -

- employing authorities (including non-Scheme employers, e.g., admitted bodies,
- Scheme members (including deferred and pensioner Scheme members),
- where appropriate, independent professional observers, and
- expert advisors (on an ad-hoc basis).

b) That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision making process, with or without voting rights.

	Not Compliant*			Fully Compliant	
a)				√	
b)					√

* Please use this space to explain the reason for non-compliance.

The Pension Fund Committee comprises representatives of the main employer, London Borough of Harrow, a co-opted member, two independent advisers and an expert investment adviser but no representation for other employers or scheme members. Two trade unions have observer status.

Principle C – Selection and role of lay members

a) That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.

b) That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.

	Not Compliant*			Fully Compliant	
a)					√
b)					√

* Please use this space to explain the reason for non-compliance.

Principle D – Voting

a) The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees.

	Not Compliant*				Fully Compliant
a)					√

* Please use this space to explain the reason for non-compliance

Principle E – Training/Facility time/Expenses

a) That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.

b) That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form of secondary forum.

c) That the administering authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken

	Not Compliant*				Fully Compliant
a)				√	
b)					√
c)				√	

* Please use this space to explain the reason for non-compliance.

The Council policy is that the Pension Fund Committee are aware of the six areas of knowledge and skills relating to the LGPS which CIPFA has identified as being the core technical requirements for those involved in decision making. They are frequently advised of training opportunities and are advised of facility time and the reimbursement of expenses.

A training log for all elected members is maintained.

Included in the Terms of Reference for the Pension Board is:

Following appointment each member of the Board should be conversant with:

- *The legislation and associated guidance of the LGPS*
- *Any document recording policy about the administration of the LGPS which is for the time being adopted by the Fund*

GOVERNANCE COMPLIANCE STATEMENT

The Administering Authority will provide a training programme which all Committee and Board members will be encouraged to attend

Principle F – Meetings (frequency/quorum)

- a) That an administering authority’s main committee or committees meet at least quarterly.
- b) That an administering authority’s secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.
- c) That an administering authority who does not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders can be represented

	Not Compliant*			Fully Compliant	
a)					√
b)					NA
c)				√	

* Please use this space to explain the reason for non-compliance.

Key stakeholders including non-Council employers and the trade unions are consulted on an ad hoc basis e.g. actuarial valuation, Investment Strategy Statement, Funding Strategy Statement

Principle G – Access

- a) That subject to any rules in the council’s constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.

	Not Compliant*			Fully Compliant	
a)					√

* Please use this space to explain the reason for non-compliance.

Principle H – Scope

a) That administering authorities have taken steps to bring wider Scheme issues within the scope of their governance arrangements

	Not Compliant*				Fully Compliant
a)					√

* Please use this space to explain the reason for non-compliance.

Principle I – Publicity

a) That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the Scheme is governed, can express an interest in wanting to be part of those arrangements.

	Not Compliant*				Fully Compliant
a)					√

* Please use this space to explain the reason for non-compliance.

Please use this space if you wish to add anything to explain or expand on the ratings given above

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Report for: Pension Board

Date of Meeting:	4 March 2021
Subject:	Pensions Administration Update to 31 December 2020
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1: Pension Administration Performance Monitoring to 31 December 2020

Section 1 – Summary and Recommendations

This report summarises the performance of the Pensions Administration team for the quarter ended 31 December 2020.

Recommendations:

The Board is requested to note the report.

Section 2 – Report

1. Monitoring the service performance of the Fund is a key responsibility of the Board. The Board has been monitoring comparative pensions administration indicators since June 2017. This report provides information on performance to 31 December 2020.
2. The Pensions administration performance statistics measured against the national benchmarks for the Quarter to 31 December 2020 are set out in Appendix 1. The Board is invited to comment on this performance.
3. Table 1 below sets out the membership of the Pension Fund in the current year to 31 December 2020, with previous years to 31 March as

a comparator. The percentage of active members in the fund is one indicator of the maturity of the fund.

	31 March 2018	31 March 2019	31 March 2020	31 December 2020
Pensioners	5,760	5,795	6,004	6,230
Deferred	7,115	6,966	7,037	6,988
Active Members	5,557	5,400	5,410	5,420
% Active Members	30.1%	29.7%	29.3%	29%
Total	18,432	18,161	18,451	18,638

Requirement to Report Breaches of Law

4. The Pension Board reviewed the breaches in law policy and breaches reporting procedure at its meeting on 20th September 2018.
5. There have been no known breaches of law in the current financial year to date.

Internal Disputes Cases and Complaints

6. No internal disputes or complaints have been raised in the current financial year.
7. During the last quarter, there was further correspondence in respect of two long standing cases, and Stage 2 determinations were issued. Both related to and upheld earlier decisions regarding ill health retirement.
8. In addition, one complaint to the Pensions Ombudsman was received in December 2020. A response was sent to the Ombudsman in January 2021, and his decision is awaited. This complaint related to a decision regarding ill health retirement taken in 2017 and followed a stage 2 appeal which was received and determined early in 2020.

Payment of Employer Contributions

9. Employer contributions are required to be paid in arrears by the 19th of each month. All employer contributions have been paid on time in the year to date. Employers are contacted if payment has not been received by the due date.

Update on Legislation Changes (Exit Cap and McCloud)

10. The Fund participates in a “system user group” with other LGPS fund who use the same software supplier – Aquila Heywood. This enables Funds to agree on the prioritisation of system changes which affect all funds, and to share the costs of these changes equitably. Since the Board’s last meeting, when it received a detailed report on these

legislative changes, work has progressed on scoping the software changes which will be required to address the issues.

11. Aquila Heywood had discussions with officials from the Ministry of Housing & Local Government (MHCLG), and had agreed to prioritise work on the Exit Cap. The changes required were expected to be completed and released in April 2021, although it was acknowledged that the new LGPS Regulations may be changed or may require further change when the judicial reviews into the Exit Cap are heard in March 2021.
12. On 12 February 2021, HM Treasury announced that the Restriction of Public Sector Exit Payment Regulations 2020 “may have had unintended consequences,” and were therefore to be revoked. Pending revocation, HM Treasury has published mandatory guidance that the Regulations should not be applied.
13. The guidance includes the following comments
 - *“HM Treasury will bring forward proposals at pace to tackle unjustified exit payments.” (para. 1.5)*
 - *For individuals - “If you have been directly affected by the cap whilst it was in force, you should request from your former employer the amount you would have received had the cap not been in place by contacting your employer directly.” (para. 2.2)*
 - *For employers - “In light of the withdrawal of the Regulations, employers are encouraged to pay to any former employees who had an exit date between 4th November 2020 and 12th February 2021 and to whom the cap was applied, the additional sums that would have paid but for the cap. Given that the cap has now been disapplied, it is open to employers to do so and HM Treasury’s expectation is that they will do so.” (para. 3.2)*
14. Harrow has had only a small number of cases where the cap may have been applied, and work is being undertaken to establish whether it is appropriate to review these. In none of these cases was a reduced pension paid. At the time of writing the report, guidance is awaited from the Fund’s actuaries, Hymans Robertson, on whether it is now appropriate or necessary to revert to using the “fund specific” strain cost factors in early retirement calculations, rather than the standard Government Actuary’s Department (GAD) factors which were appropriate for the exit cap. A further update will be provided to the Pension Fund Committee on 24 March 2021.
15. The first phase of work required to implement the McCloud changes is also underway. This is the development of tools to identify (from the scheme member database) which members are likely to be affected, and to issue spreadsheets to employers for completion in respect of those individuals – this should address any gaps in their earnings / payroll data. Subsequent phases, including software changes, will be dependent upon the MHCLG response to the consultation on McCloud remedies. This is still awaited.

Other Matters

16. The current contract with Acquila Heywood for provision of Pensions Administration Software and the hosting of this on a database expires in October 2021. Officers are currently reviewing the approach to addressing this and will report with a recommendation to the Pension Fund Committee on 24 March 2021.

Legal Implications

17. At its November meeting the Pension Fund Committee approved an approach to mitigate as far as possible the conflict between the Restriction of Public Sector Exit Payment Regulations (which limited the cost which an employer could incur in respect of an employee's employment being terminated, including pension strain costs) and the LGPS Regulations (which provide that if an active scheme member aged 55+ is made redundant, then he/she should have immediate unreduced access to his/her pension). The Government's decision to revoke the Restriction of Public Sector Exit Payment Regulations removes this conflict.

Financial Implications

18. The review of individual cases where active members have left employment since 4 November 2020 may in some cases require additional payments to be made. If such payments are required it is possible that these will be underpayments of pension, which would need to be met from the Pension Fund.

Risk Management Implications

19. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board. The conflict between the Restriction of Public Sector Exit Payment Regulations 2020 and the LGPS Regulations was classified as a red risk at the last review in November 2020. That risk has been "downgraded" as the Government's decision to revoke the "Exit Payment Regulations" has removed the conflict.

Equalities implications / Public Sector Equality Duty

20. Was an Equality Impact Assessment carried out? No
21. There are no direct equalities implications arising from this report.

Council Priorities

22. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 19/02/2021

Statutory Officer: David Hodge

Signed on behalf of the Monitoring Officer

Date: 17/02/2021

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 18/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

Email: Jeremy.randall@harrow.gov.uk

Telephone 020 8736 6552

Background Papers: None

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Appendix 1

Performance Monitoring 01/04/2020-31/12/2020

SERVICE	National Benchmarking Target	Harrow Achievement %	National Achievement %
Issue letter notifying of dependent's benefit	5 days	100	100
Calculation and notification of ill health estimate	10 days	100	100
Calculation and notification of retirement benefits estimate	10 days	100	100
Issue letter to new pension provider detailing transfer-out quote	10 days	100	100
Calculation and notification of deferred benefits	10 days	82.22	100
Calculation and notification of retirement benefits	5 days	100	100
Process refund and issue payment	5 days	92.50	97.50
Calculation and notification of ill health benefits	5 days	28.57	57.14
Issue statutory notification on receipt of transfer funds	10 days	52.94	100

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Report for: Pension Board

Date of Meeting:	4 March 2021
Subject:	Pension Board Members' Training
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	None

Section 1 – Summary and Recommendations

This report reviews Pension Board members' training arrangements and asks Board members to consider what training they require.

Recommendations:

The Board is requested to note the report and to identify if there is any specific training they wish officers to organise.

Section 2 – Report

1. The Pension Board's Terms of Reference include the following requirements in respect of Board members' knowledge and skills

“Following appointment each member of the Board should be conversant with:

- *The legislation and associated guidance of the LGPS*
- *Any document recording policy about the administration of the LGPS which is for the time being adopted by the Fund*

The Administering Authority will provide a training programme which all Board members will be required to attend.

It is for individual Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them, properly, to exercise their functions as a Member of the Board and therefore, must comply with the Board's Knowledge and Understanding and Training Policy."

2. When the Board was set up in 2015, an initial training course was offered to ensure that Board members were able to carry out their role effectively from the outset. Subsequently, Board members have undertaken a range of training, tailored to their specific requirements.
3. The Board last reviewed training at its meeting in September 2017. At that meeting it considered the CIPFA publication "*Local Pension Boards – A Technical Knowledge and Skills Framework*" which was developed in partnership with Barnett Waddingham. At that time, Board members expressed the view that they could form their own training scheme and did not need to sign up to a particular programme as members would have differing needs. It was agreed at that time that if a Board member attended training it would be useful to receive a short note on the content.
4. As agreed at the last meeting, a proforma training log was circulated to all Board members, who were asked to fill it in and return. At the time of writing this report, not all Board members' returns had been received.
5. Officers will circulate details of relevant courses, training and websites that may be of interest to Board members. Barnett Waddingham and CIPFA offer courses tailored to Pension Board members, and other training is offered by Hymans Robertson, Aon and the PLSA. The Pension Fund Committee holds training sessions before each of its meetings, and Board members are invited to those sessions.
6. The cost of attending any courses provided by external organisations will be met by the Pension Fund.

Legal Implications

7. There are no direct legal implications arising from this report.

Financial Implications

8. The Pension Fund has a budget for Board members' training and the costs of external provision will be charged to the Fund accordingly.

Risk Management Implications

9. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board.

Equalities implications / Public Sector Equality Duty

10. Was an Equality Impact Assessment carried out? No
11. There are no direct equalities implications arising from this report.

Council Priorities

12. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 11/02/2021

Statutory Officer: David Hodge

Signed on behalf of the Monitoring Officer

Date: 10/02/2021

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 10/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

Email: Jeremy.randall@harrow.gov.uk

Telephone 020 8736 6552

Background Papers: None



Report for: Pension Board

Date of Meeting:	4 March 2021
Subject:	Pension Board Work Programme For Future Meetings
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	None

Section 1 – Summary and Recommendations

This report reviews the Pension Board's work to date, lists the forthcoming meeting dates and invites the Board to comment on a suggested work programme for the 2021-22 Municipal Year.

Recommendations:

The Board is requested to note the dates of meetings for 2021-22 and to comment on the proposed work programme.

Section 2 – Report

1. The Pension Board meets quarterly. Its work in 2020 was disrupted by the Covid-19 pandemic. At its meeting on 2 December 2020, the Board agreed a draft work programme for the 2021-22 municipal year.
2. The dates of meetings for 2021-22 have now been set by the Cabinet. The scheduled meeting dates for the Board are as follows:
 - Thursday 1st July 2021
 - Thursday 30th September 2021
 - Wednesday 1st December 2021
 - Thursday 3rd March 2022.

Meetings will continue to be held via Microsoft Teams until it is considered appropriate to revert to meeting in person.

3. A suggested work programme for 2021-22, is shown in the table below. Further items will be added as required during the year.

Matter for Consideration	Board Meeting
Items for consideration at each meeting (all years)	
Pensions Administration – Performance monitoring	Quarterly report – to include updates on McCloud
Pension Fund Dashboard including Long term cashflow and funding	Quarterly report - Considered in review of PF Committee minutes quarterly
Latest Pension Fund Committee Meeting - Summary of Reports and actions	Quarterly report
2021-22 Items	
External Audit Plan - 2020-21 audit	1 July 2021 (note this would normally have been considered at the March meeting but has been delayed by the auditors.
Pension Fund Risk Register Review	1 July 2021
Annual Report and Financial Statements for year ended 31 March 2021	1 July 2021 – to approve the draft for submission to audit.
	30 September 2021 – to review the auditor’s report on the accounts.
Regulatory Updates	Ad hoc – as changes occur
Review of Funding Strategy Statement	1 July 2021
Review of Investment Strategy Statement	1 July 2021 – to reflect completion of the review currently in progress.
Review of Investment Managers’ Internal Controls	30 th September 2021
Update on Investment Pooling	30 th September 2021

4. For Board members’ information, the dates set for future meetings of the Pension Fund Committee are as follows:
- Wednesday 24th March 2021
 - Thursday 24th June 2021
 - Monday 13th September 2021
 - Wednesday 24th November 2021
 - Wednesday 9th March 2022

All of these meetings are currently scheduled to start at 6.30pm. It is currently intended that a training session will be held, before each Pension Fund Committee meeting, beginning at beginning at 5.30pm. All Board members are welcome to attend both the training sessions and the meetings.

Legal Implications

5. There are no direct legal implications arising from this report.

Financial Implications

6. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

7. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board.

Equalities implications / Public Sector Equality Duty

8. Was an Equality Impact Assessment carried out? No
9. There are no direct equalities implications arising from this report.

Council Priorities

10. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert
Signed on by the Chief Financial Officer

Date: 09/02/2021

Statutory Officer: David Hodge

Signed on behalf of the Monitoring Officer

Date: 10/02/2021

Chief Officer: Charlie Stewart

Signed by the Corporate Director

Date: 09/02/2021

Mandatory Checks

Ward Councillors notified: NO

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

Email: Jeremy.randall@harrow.gov.uk

Telephone: 020 8736 6552

Background Papers: None