



**Northamptonshire  
County Council**

**Agenda Item No: 3**

Democratic Services  
Room 144  
County Hall  
Northampton  
NN1 1DN

**Northamptonshire Local Government Pension Scheme Local Pension Board**

**Minutes of the meeting held on 1 October 2015**

**Venue: Room 244, County Hall, Northampton**

**(Meeting held in public)**

PRESENT:-

Paul Evans (Chairman)

Employers Side

Councillor Allan Matthews  
Councillor Mick Scrimshaw

Employees Side

Penny Smith  
Nina Thomas

Also in attendance (for all or part of the meeting)

|                   |  |
|-------------------|--|
| Paul Hanson       | Democratic Services Manager (minutes)          |
| Michelle Oakensen | LGSS Pensions Governance Officer               |
| Joanne Walton     | LGSS Pensions Governance & Regulations Officer |
| Mark Whitby       | LGSS Deputy Head of Pensions                   |

There were no members of the public present.

10/15 Apologies for non-attendance and Declarations of Interest

Apologies were received from Audra Statham.

11/15 June 2015 Pension Committee meeting standing reports

At the Chairman's invitation, the LGSS Pensions Governance & Regulations Officer, Joanne Walton, introduced this report (copies of which had been previously circulated) and advised the Board that the standing items considered by the Pensions Committee where:

- Business Plan Update Report
- Employers Admissions and Cessations Report; and
- Governance and Legislation Report.

Members of the Board were invited to comment or ask questions.

The Local Pension Board discussed the item and raised the following points:

- It was noted that the Key Performance Indicators (KPIs) for 2015 were different to those set for 2016 and the question of how comparisons would be made was asked; and
- It was questioned how often the Business Plan was updated.

In response to questions from the Board, the LGSS Pensions Governance & Regulations Officer made the following comments:

- The different KPIs related to different financial years and had been set in accordance with the Business Plan;
- The Business Plan was updated on a quarterly basis to coincide with Pension Committee meetings.

The LGSS Deputy Head of Pensions made the following comment:

- The ten most important KPIs had been identified as part of the business planning process. While it was accepted that this made year-on-year comparisons difficult, the review of the KPIs was necessary in order to ensure that they covered the most important areas;

The Chairman suggested that in future it would be sufficient for members to have access to the agendas and reports of Pension Committee meetings so that any issues arising could be raised at meetings of the Board.

**RESOLVED that the Local Pension Board noted the content of the report.**

#### 12/15 Annual General Meeting of the Northamptonshire Pension Fund 2014-15

In respect of discussion on this item it was:

**RESOLVED: that under section 100A of the Local Government Act 1972 the public be excluded from the meeting for this item of business on the grounds that if the public were to be present it would be likely that exempt information under part 1 of schedule 12A to the act would be disclosed to them.**

#### 13/15 Conflicts of Interest Policy

At the Chairman's invitation, Democratic Services Manager, Paul Hanson introduced this report (copies of which had been previously circulated) and made the following points:

- The Council was obliged to put in place a conflicts of interest policy in respect of the Local Pension Board and there was a corresponding duty on Board members to register and disclose any conflicts or potential conflicts;
- The Council's Code of Conduct was based upon the Seven Principles of Public Life, in accordance with the relevant statutory requirements;
- The report set out the suggested process for identifying, monitoring and managing conflicts and had drawn upon the guidance and also information available from the Pensions Regulator; and
- Some practical examples of conflicts were set out in the policy itself.

**RESOLVED that the Local Pensions Board reviewed and adopted the Conflicts of Interest Policy.**

#### 14/15 Knowledge Management Policy for Northamptonshire Pension Fund Board Members

At the Chairman's invitation, the LGSS Pensions Governance & Regulations Officer, Joanne Walton, introduced this report (copies of which had been previously circulated) and highlighting the following:

- The policy was required in order to secure compliance with the relevant statutory requirements and to ensure that Board members had the appropriate level of knowledge to assist the administering authority in its role;
- The policy was essentially the same as that put in place for the Pensions Committee, but it was felt that it was appropriate that the Board have its own policy rather than sharing a single document; and
- The policy had been drafted around the suggested eight areas of skills and knowledge suggested by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The Local Pension Board discussed the item and raised the following points:

- It was questioned whether targets should be set for Board members;
- The point that different individuals learned at different rates and in different ways was raised; and
- It was felt that some training provided to date had been focussed required a higher level of prior knowledge than Board members currently possessed.

The LGSS Pensions Governance & Regulations Officer stated that the knowledge and understanding requirements were challenging but the authority would seek to manage this by matching training to topics under consideration. For example, the fund valuation was undertaken every three years and would need to happen in 2016, so training next year could focus on that area. The Democratic Services Manager suggested that personal training logs could be maintained to enable members to identify training needs more clearly.

**RESOLVED that the Knowledge Management Policy for Northamptonshire Pension Fund Board Members be approved.**

#### 15/15 Reporting Breaches of the Law to the Pensions Regulator Policy

At the Chairman's invitation, the LGSS Pensions Governance & Regulations Officer, Joanne Walton, introduced this report (copies of which had been previously circulated) and highlighting the following:

- The report was similar to that developed for the Pensions Committee;
- The policy had been drawn up in light of the Code of Practice from the Pensions Regulator and identified those individuals responsible for reporting breaches of the law and the associated legal requirements; and
- The Board's attention was drawn to the fact that there were different requirements in place depending on the seriousness of the breach.

The Local Pension Board discussed the item and raised the following points:

- In relation to paragraph 11.1 of the policy, the question about the identity of the responsible officer was raised;
- In terms of the example breaches set out at Appendix 1 of the document, it was suggested that there where breaches were concerned with the provision of information by employers or late payments, it would be difficult for the Board to find out about such activities; and
- It was pointed out that a single individual could raise a concern to the Board.

In response to questions from the Board, the LGSS Pensions Governance & Regulations Officer made the following comments:

- The responsible officer for the purposes of paragraph 11.1 was any member of the LGSS Pensions Team; and
- Late payments were a serious breach and were regularly reported to the Pensions Committee.

**RESOLVED that the Board reviewed the attached Reporting Breaches of the Law to the Pensions Regulator Policy.**

16/15 Governance Policy & Governance Compliance Statement

At the Chairman's invitation, the Democratic Services Manager, Paul Hanson introduced this report (copies of which had been previously circulated) and made the following points:

- It was a requirement for the Administering Authority to publish a Governance Policy and Compliance Statement since the Local Government Pension Scheme (Administration) Regulations 2008 came into force;
- The Governance Policy and Compliance Statement incorporates a statement on how compliant the Administering Authority is against a set of best practice principles issued by the Department of Communities and Local Government;
- The compliance statement is intended to ensure transparency, accountability and stakeholder involvement; and
- Any comments made by the Board would be referred back to the Pensions Committee when it next reviewed the policy in December 2015.

The Local Pension Board discussed the item and raised the following points:

- It was questioned whether any new bodies established as part of the Council's 'Next Generation Council' programme would be employers in their own right and whether, if so, they would be entitled to a place on the Board or the Pensions Committee;
- A question as to whether the Council would be financially liable to the fund for employees that moved to the new organisations was asked;
- It was suggested that issues could be caused in the future if some of these bodies were privatised.

The LGSS Deputy Head of Pensions made the following comment:

- Any new organisations created would be admitted bodies. As they would be partly or wholly owned by the Council, there was a question of where employer reps would be drawn from;
- Work would need to be undertaken to allocate assets and liabilities in a Next Generation model;
- The funding level of the relevant bodies now and in the future would be looked at; and
- It would be easier to manage if the new bodies were to use LGSS for their back office services.

The Democratic Services Manager stated that the Local Pension Board itself was set up to cope with such changes.

**RESOLVED that the Board reviewed and commented on the Governance Policy and Governance Compliance Statement.**

There being no further business, the meeting concluded at 15.11pm.