



**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 21 January 2016**

**Venue: The Judges Lodgings, County Hall, Northampton**

**(Meeting held in public)**

PRESENT:-

Paul Evans (Chairman)

Employers Side

Councillor Allan Matthews

Employees Side

Penny Smith  
Audra Statham

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

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

There were no members of the public present.

01/16 Apologies for non-attendance and Declarations of Interest

Apologies were received from Councillor Mick Scrimshaw and Nina Thomas.

02/16 Declarations of interest by members, if any:

There were none.

03/16 Minutes of the Meeting held on 1 October 2015:

**RESOLVED that: The Local Pension Board approved:**

- 1) the minutes of the meeting held on 1 October 2015 in public**
- 2) the minutes of the meeting held on 1 October 2015 in private.**

04/16 Executive summary of standing items from Pension Committee meetings held in October and December 2015:

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

- Business plan Update Report
- Overpayment of Pensions Report
- Employers Admissions and Cessations Report; and
- Governance and Legislation Report.

Queries from the Local Pension Board were answered as follows:

- Many people would not be aware of who the Pensions Committee were unless something cropped up with the own pension.
- Officers were making employers within the Fund aware of training available.
- The survey was forwarded to a number of people, some more involved with the Service than others.
- All staff moving from Council employment to that of one of the organisations formed by the Council would be transferred through Transfer of Undertakings (Protection of Employment (TUPE) arrangements. All of these organisations will be underwritten by the Council.
- Late payments of contribution by employers would be reported as a breach and there was a process for reporting breaches.
- There was a need to ensure new employers in the Scheme were secure in order to protect the Fund and there were various processes that could be followed in this respect. Any new employer that was guaranteed by the Council would be as secure as the Council within the Fund.
- As the LGPS was open to public sector employees only any employees within a company that undertook only private work would not be able to join the scheme.
- A valuation of the scheme was undertaken every 3 years at which the Scheme's actuaries would consider all employers and groups of employers within the Scheme and stabilise their contribution rates.
- The Scheme would remain open until a decision was made to close it.
- It was for each admitted body within the Scheme to decide who could join it.
- Appropriate modelling was undertaken regularly to ensure the Fund was protected.

Some members of the Local Pension Board also felt the number of companies within the LGPS was enormous and new companies were likely to close the scheme to new members.

**RESOLVED that the Local Pensions Board noted the contents of the report on the October and December 2015 Pension Committee meetings standing reports.**

05/16 Northamptonshire Pension Fund Annual Report and Statement of Accounts 2014-15:

At the Chairman's invitation, LGSS Pensions Governance & Regulations Officer, Jo Walton introduced this report (copies of which had been previously circulated) highlighting the fact that these must be published by 30 November each year and the report provided a breakdown of activity during the year.

**RESOLVED that the Local Pensions Board noted the Northamptonshire Pension Fund Annual Report and Statement of Accounts 2014-15.**

#### 06/16 Payment of Employee and Employer Pension Contributions Policy:

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

- Following the relevant code of practice, this Policy had been designed to be available to employers in the Fund, setting out how and when contributions should be paid and penalties for not making payments.
- Paragraph 9 in the main report set out how penalties would be applied for late payments.
- This report had been approved by the Pensions Committee in December 2015.

In response to queries on the report, the following was confirmed:

- The LGPS accounts form part of the Council's accounts which are approved by Council. The Pensions Committee does have sight of the LGPS accounts before they are presented to Council.
- As a critical friend the Local Pension Board could make recommendations to the Pensions Committee prior to its approval of the LGPS accounts.
- The administration fee referred to in paragraph 10.1 of the main report in relation to late payments was comparable to other funds' charges.

**RESOLVED that: the Local Pension Board reviewed the Policy and noted and its comments with no recommendations to the Pensions Committee at the current time.**

#### 07/16 Policy for Admission Bodies, Scheme Employers and Bulk Transfers:

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

- Although this Policy was not required by regulations, it was considered good practice to operate one.
- The Policy set out terms for employers within the Scheme as well as covering bulk transfers.
- The Policy also set out the different types of employers in a Scheme.

In answer to queries on the report the following was confirmed:

- Only companies offering a public service could join the LGPS.
- Protection for staff would only be required should they move to another employer..
- The 2013 regulations did not come into force until 2014 and this Policy was something that the Head of Pensions decided could be left
- The Policy set out the principles but if a new body came in and/or out of the Scheme, the actuary would need to undertake the mathematical equations.
- The principle changes in the document were updates where there were crossovers between the old and new policies. The old document was also very large in size so it was condensed to ensure more people could read it.
- This Policy would be presented to the Pensions Committee when there were changes to be made to it. Power to write particular parts of the Policy were already delegated to the Head of Pensions.

**RESOLVED that the Local Pension Board reviewed the Admission Bodies, Scheme Employers and Bulk Transfer Policy with no recommendations to the Pensions Committee at the current time.**

#### 08/16 Statement of Investment Principles:

At the Chairman's invitation, LGSS Pensions Governance & Regulations Officer, Jo Walton introduced this report (copies of which had been previously circulated) highlighting that this was a document that was required under regulations and could come to the Pensions Committee quite often for reasons such as a change of investment managers. Paragraphs 2.3 and 2.4 highlighted when and why it had been brought to Committee in recent months. It set out how the LGPS invested and should be read alongside the Funding Strategy.

Queries on the report were answered as follows:

- The LGPS did not lend money to Northamptonshire County Council.
- The largest activity the Fund undertook was the Valuation training which would look at how employers within the Fund should be treated.
- All members were encouraged to stay for the whole day's valuation training. It was noted that at this event the items going into the actual document that informed those working on the Fund would be discussed.

**RESOLVED that: The Local Pension Board reviewed the Statement of Investment Principles (July 2015) with no recommendations to the Pensions Committee at the current time.**

#### 09/16 Work Programme and Annual Report:

At the Chairman's invitation, Democratic Services Manager, Paul Hanson introduced this item highlighting the current year had been one of fact finding and presenting an annual report to the Pensions Committee would serve to inform them of how the Board had operated during this year within that tone. Should the Board wish it, the Democratic Services Manager would write a draft report to be presented to them in April.

Members of the Local Pension Board noted their enjoyment of the training offered to date. It was also noted the Pensions Team tailored training to items coming up on the agendas and LGSS Pensions Governance Officer, Michelle Oakensen confirmed she retained a record of training undertaken by the Local Pension Board and where they had noted further training areas.

**RESOLVED that: The Local Pension Board would receive a draft annual report to the Pensions Committee for comment at its meeting due to be held in April 2017.**

**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.**

#### 10/16 Urgent Items:

There were none.

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