



Minutes of the Norfolk Pension Fund Pensions Oversight Board meeting held on Tuesday 5 September 2023

Present:

Independent Chair

Brian Wigg

Employer Representatives

Sally Albrow

Norfolk County Council

Cllr Liz Marsham

Levying/precepting employers

Scheme Member Representatives

Frances Crum

Active / Deferred member

Also Present

Jo Quarterman

Head of Governance, Norfolk Pension Fund

Glenn Cossey

Director of the Norfolk Pension Fund

David Walker

Hymans Robertson

Elaine Otway

Business Support Officer

1. **Welcome and Introduction**

- 1.1 The Chair welcomed Pensions Oversight Board (POB) members to this virtual meeting of the Pensions Oversight Board.
- 1.2 The Chair also gave a warm welcome to Cllr Liz Marsham, the new levying / precepting employer Board Member. Liz works at Aviva in the Corporate Pensions Department.
- 1.3 Letters of thanks had been sent to Howard Nelson and Cllr Chris Walker, outgoing members of the Board. The Board's appreciation had also been passed on to Tim Shaw, Committee Clerk who retired in August and was presented with a card and gift at June Pensions Committee.

2 **Apologies for Absence**

- 2.1 Peter Baker

3. Minutes and matters arising

3.1 The POB agreed the minutes held on 16 May 2023.

4. Declarations of Interest

4.1 There were no declarations of interest.

5 Board Membership Update

5.1 The POB noted there are now two outstanding vacancies on the Board. Officers continue to engage with Employers and Unison to fill the vacancies as soon as possible.

6 Items of Urgent Business

6.1 There were no items of urgent business.

7 Pensions Committee

7.1 The POB noted that today's meeting would be the subject of a report to the Pensions Committee on 12 September 2023.

7.2 In addition to regular standing items, the Pensions Committee on 13 June 2023 had received a progress report on risk management, the Draft Pension Fund Accounts 2022 – 23, and an update on progress in resolving the employer operational issue. There was also a Part 3 review of the Enhanced Yield Portfolio with a presentation from the Investment Consultant.

7.3 The September 2023 Committee would be the first meeting for the new co-opted member, Cllr Paul Hewett (Breckland); Committee would also elect the new Vice Chair. Other agenda items included the Corporate Governance and Shareholder report, Draft Norfolk Pension Fund Annual Report & Accounts 2022 – 2023 and recommendations in respect of the POB Independent chair. Clifford Sims (Squire Patton Boggs) and John Wright (Hymans Robertson) would also attend to discuss the latest consultation 'LGPS: Next Steps on Investments (Pooling consultation)' to help inform the Norfolk Pension Fund consultation response. POB receive copies of all Committee papers.

8 LGPS Reform

8.1 The POB received an update on the ongoing national reform programme and other issues within the LGPS.

8.2 The presentation provided an update on the following regulatory reforms:

- Pooling guidance : consultation – the POB were given an overview of the consultation (also see item 10 on agenda)
- Climate reporting (TCFD) – still awaiting guidance.
- Good Governance: waiting for DLUCH to progress.
- Levelling up; covered by pooling consultation.
- TPR revised code: implementation expected any time.
- McCloud Implementation – remedy date to be effective 1 October 2023 – affected members will be informed.

- £95k cap : consultation still awaited.
 - Pensions Dashboard – latest connection deadline now 31 October 2026. Our next step will be to appoint an Integrated Service provider (ISP to allow us to connect with the dashboard ecosystem).
- 8.3 In response to a question, GC explained the background to the McCloud remedy, and links to further information were provided.
- 8.4 In response to a question, GC confirmed that we are already preparing for the Pensions Dashboards implementation as best we can, although at this stage it is difficult to assess the likely impact on resources.
- 8.5 In response to an additional question regarding the slow progress of various reforms, this was in part a consequence of Covid and its impact. There is also limited DLUCH resource dedicated to the LGPS.

9 **Norfolk Pension Fund Operational Update**

9.1 Operational update

- 9.2 POB received the latest Key Performance Indicators.
- 9.3 Good progress has been made in resolving the employer operational issue, which has allowed the risk to be reduced from red to amber, and officers anticipated the risk should be closed in due course.
- 9.4 POB noted that the pension team had worked very closely with the employer and provided significant resource and support to help resolve the issue as soon as possible and mitigate any potential impact on scheme members.
- 9.5 GC confirmed that part of the remedial action taken involved ensuring that data quality controls were maintained.
- 9.6 The POB would like to pass on their appreciation to the Pensions Services teams.

9.7 ACCESS Update

- 9.8 Joint Committee (JC) meeting 4 September public and private papers were circulated to POB members and Pensions Committee – Cllr Oliver attends for Norfolk.
- 9.9
- Operator Services - Link Fund Solutions UK has been sold to Waystone, a large European operator and contract novation's have now been signed by all 11 ACCESS authorities. A procurement exercise will commence in 2024 to ensure continuity of service when the current contract ends (March 2025).
- 9.10
- ACCESS is preparing a response to the current pooling consultation
- 9.11
- Barnett Waddingham review of ACCESS governance will be reported to the JC in December.

- 9.12 The Chair reminded members that Local Pension Board representatives are invited to observe ACCESS JC meetings on a rotational basis.
- 9.13 Employer Forum
- 9.14 We offer a hybrid meeting for employers to attend our Forums twice a year. Since the pandemic, our regular employer forum has seen less 'live' attendance (although we do not know if many employers watch the recordings at a later date).
- 9.15 Feedback from the 12 July meeting was shared with POB.
- 9.16 The Fund is keen to maintain and develop good engagement with employers to support them in their LGPS responsibilities.
- 9.17 POB will consider this further as part of their forward work plan.
- 10 **Government Consultation: 'Next Steps on Investments'**
- 10.1 POB received a presentation by David Walker (Investment Consultant, Hymans Robertson), which included an overview of pooling to date, and an overview of the proposals as set out in the consultation.
- 10.2 Pensions Committee will receive a further update, following which a response from the Norfolk Pension Fund will be drafted.
- 11 **Risk Management**
- 11.1 POB received the latest risk update and heat map that showed risk movement in terms of high risk moving to more acceptable levels.
- 12 **Internal audit reports**
- 12.1 POB received the latest Internal Audit reports.
- 12.2
 - Cyber Security Pledge – self-certification. Letter of assurance received from internal audit.
- 12.3
 - Compliance with training Strategy – report issued 19/06/23, opinion was 'acceptable'.
- 13 **Knowledge, Skills, and Training**
- 13.1 POB was reminded that a bespoke training package is being put together for 1-2 November. POB members will receive a formal invitation shortly. It may be possible to attend virtually for some sessions if members are unable to travel to London.
- 13.2 It was noted that a number of 'LOLA' (LGPS Online Learning Academy) modules have been recently updated.
- 13.3 Officers will continue to advise Pensions Committee and POB of upcoming training events that may be of interest.
- 14 **Forward Work Programme for the Pensions Oversight Board**
- 14.1 The agenda for the next meeting on 7 November 2023 (face to face) will include Risk Management, with focus on Cyber and Data security.

15 **Future Meeting dates**

15.1 The following future meetings dates were noted:

7 November

In person, Council Chambers, County Hall

2024

27 February

16 **Chair**