

KENT COUNTY COUNCIL

PENSION BOARD

MINUTES of a meeting of the Pension Board held in the Wantsum Room - Sessions House on Friday, 14 June 2019.

PRESENT: Mrs M E Crabtree (Chairman), Mr J Parsons (Vice-Chairman), Mr D L Brazier (Substitute for Mrs R Binks), Ms A Kilpatrick, Cllr D Monk and Ms L Shah

IN ATTENDANCE: Mrs B Cheatle (Pensions Manager), Mrs A Mings (Treasury and Investments Manager), Mr S Tagg (Senior Accountant - Pension Fund), Mr N Vickers (Business Partner (Pension Fund)) and Miss T A Grayell (Democratic Services Officer)

UNRESTRICTED ITEMS

33. Membership

(Item 2)

The Board noted that Lauren Shah had joined the board as County Council Staff Representative, in place of John Peden. Lauren was welcomed to her first meeting of the Board.

34. Apologies and Substitutes

(Item 1)

Apologies for absence had been received from Mrs R Binks and Mr D Coupland.

Mr D Brazier was present as a substitute for Mrs Binks.

35. Declarations of Interest by Board members on items on the agenda for this meeting

(Item 3)

Mr D Brazier declared that his wife was in receipt of a pension from the County Council.

36. Minutes of the meeting held on 19 October 2018

(Item 4)

It was RESOLVED that the minutes of the meeting held on 19 October 2018 are correctly recorded and that they be signed by the Chairman as a correct record. There were no matters arising.

37. Motion to Exclude the Press and Public for Exempt items

It was RESOLVED that, under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the

grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

EXEMPT ITEM

(open access to minutes)

38. ACCESS Pooling Update

(Item 5)

1. Mrs Mings (Treasury and Investment Manager) introduced the update report and, with Mr Vickers (Business Partner (Pension Fund)), responded to comments and questions from the Board regarding the funds in the ACCESS pool and other pooling arrangements across the country, the impact of pooling on investment fees, and staffing of the Access Support Unit.
2. It was RESOLVED that the information set out in the report and given in response to comments and questions be noted.

39. Statement about the Kent County Council Pension Fund

While the meeting was in closed session, the Chairman and Mr Vickers took the opportunity to update the Board on recent media coverage of the Kent County Council Pension Fund.

UNRESTRICTED ITEMS

(meeting open to public)

40. Fund Employer Matters

(Item 6)

1. Mrs Mings and Mr Tagg (Senior Accountant, Pension Fund) introduced the report which covered employer-related matters for the period to 31 March 2019, matters relating to admitted bodies, information on Hadlow College, consultations and actuarial issues. They and Mr Vickers responded to comments and questions from the Board, including the following:-
 - a) details of the Education Administration Order in place for Hadlow College and arrangements for members of the Local Government Pension Scheme. It was noted that officers would monitor the progress of the administration and report to the Board and Superannuation Fund Committee on any further developments; and
 - b) work on the cost management process had been paused pending the outcome of the McCloud judgement, and Mr Tagg undertook to update the Board on the outcome. Unless a conclusion were forthcoming very soon, the effect of the judgement would not be seen until next year.
2. It was RESOLVED that the information set out in the report and given in response to comments and questions be noted.

41. Pensions Administration

(Item 7)

1. Mrs Cheatle (Pensions Manager) introduced the six-monthly report and highlighted key areas of activity and challenges in the current workload, including an increase in correspondence, emails and calls from scheme members wishing to clarify issues around their pensions, and an increase in website visits. There had been an increase in the number of deferred members seeking to access their pensions benefits early and asking for clarification of their eligibility, which had led to a backlog of cases to be dealt with.

2. Mrs Cheatle and Mr Vickers responded to comments and questions from the Board, including the following:-

- a) Mrs Cheatle received the Board's thanks and congratulations for her team for the work they had put into dealing with the increased workload and bringing data records up to date in time for the valuation of the fund by Barnet Waddingham;
- b) the pensions team scored well in benchmarking comparisons with other councils, ranking 10th out of 32 councils for its low administration costs. This was despite Kent's large size, including many more employer members, as well as a wider range of large and small employers, than many other local authorities, which made its administrative task more complicated;
- c) to help process the large backlog of unprocessed leavers, the County Council had employed temporary staff as well as accepting help from Barnet Waddingham staff, but there was still a residual backlog. The Superannuation Fund Committee had agreed to allocate additional resources and the task had been split between two companies;
- d) asked if the problem in retaining staff was due to the level of pay, Mrs Cheatle explained that the structure of her team, recruitment and terms and conditions were being reviewed to check that Kent's offer compared well to those of neighbouring authorities;
- e) acquiring data from employers had long been a challenge, and the use of I-connect technology would help with this;
- f) asked about the number of requests for refunded contributions, and how these were dealt with, Mrs Cheatle explained that refunds requested within two years of leaving were easy to process by using a claim form, but older requests were more difficult. There were many unclaimed refunds, partly because many people had moved away and not advised the Council of their new address; and
- g) asked what was covered in the stated cost per scheme member, Mrs Cheatle explained that this included the costs of posting annual benefits statements and twice-yearly newsletters to pensioner members, as well as some of the costs of running the pensions website.

3. It was RESOLVED that the information set out in the report and given in response to comments and questions be noted, and Mrs Cheatle and the pensions team be thanked and congratulated on the work they had put into dealing with the increased workload and bringing data records up to date in time for the valuation of the fund by Barnet Waddingham

42. Date of next meeting

(Item 8)

It was noted that the next meeting of the Panel would be held on Friday 18 October 2019 at 10.00 am.