

MINUTES OF PENSION FUND COMMITTEE HELD ON 4 JUNE 2021

Present

Cheshire West and Chester: Cllrs Hogg (Chair), Gould, Lewis and Tonge
Cheshire East: Cllrs Bulman, Corcoran, Findlow and Stott
Halton: Cllr Dennett
Warrington: Cllr Mitchell

Apologies

Member Representative: Paul Matthews, GMB

In Attendance

Actuary: Hymans Robertson - Gemma Sefton
Investment Advisor: Mercer – Chris West
External Auditor: Grant Thornton – John Farrar, Stuart Basnett
CW&C Officers: Mark Wynn, Maggie Sheppard, Heidi Catherall, Nick Jones, Steve Wilcock

PART A:

1. PROCEDURAL MATTERS

- 1.1 Declarations of Interest – Councillor Hogg declared an interest as a Governor of the Childer Thornton County Primary School. Councillor Dennett declared an interest as an employee of Warrington Borough Council.
- 1.2 Councillor Mike Wharton has resigned from the Pension Fund Committee to take up his post as Leader of Halton Borough Council. Councillor Hogg thanked Councillor Wharton for his contribution as a member of the Committee since 2004.
- 1.3 Councillor Mark Dennett was welcomed to the Committee as the new representative for Halton BC.
- 1.4 Apologies were received from Paul Matthews.

2. MINUTES OF MEETINGS

- 2.1 The minutes of the Pension Fund Committee held on 12 March 2021 were reviewed, having previously been distributed and agreed by email. The Minutes of the Local Pension Board held on 19 April, 4 May and 1 June 2021 were also reviewed.



3. **STANDING ITEMS**

Employer Changes

- 3.1 The Committee received a report detailing employers who had joined or exited the Fund over the period 1 March to 31 May 2021 (inclusive).

The Committee noted the changes to employers during the reporting period

Compliance Update

- 3.2 The Committee received the Compliance Update including a summary of the breaches log 1 April 2020 to 31 March 2021. One hundred and three occurred in the period, all of which required no further action following investigation.

- 3.3 The Committee asked for an update from officers on two areas of casework and the impact approved investment in staffing along with updating business processes is having:

- Deferred casework – c4,200 cases reduced by 75%
- Aggregation casework – aggregation casework of c5,400 reduced by 24%

- 3.4 The pensions programme includes a dedicated workstream with a key objective to develop a plan and timetable to clear casework.

The Committee noted the cumulative Breaches Log for 1 April 2020 to 31 March 2021 and the verbal update on actions taken managing casework.

Business Plan 2021-25

- 3.5 The Committee were presented with the action plan tracker for the 2021/22 year. The tracker identifies the actions that are required to be achieved in year to meet the objectives set out in the Business Plan.

- 3.6 The tracker includes details of delivery targets to be achieved in each quarter of the year. A new reporting framework is being developed to report progress on the actions on an exception basis and will be presented to Committee at the next meeting. Officers confirmed that all actions identified to be achieved in quarter one were on track to be achieved.

- 3.7 The Committee also received a copy of the updated risk register, which will be regularly reviewed by the Committee each year.

The Committee noted:

- a) the 2021-22 Action Plan tracker and the development of a new reporting framework, and
- b) the Fund Risk Register.



4. DRAFT STATEMENT OF ACCOUNTS 2020-21

- 4.1 The Committee received a report providing an overview of the draft Statement of Accounts for the Cheshire Pension Fund for the year to 31 March 2021. Officers outlined the main changes to the draft Statement of Accounts from the prior year and also explained that the report included full details of the responses of the Fund to a range of assurance questions from Grant Thornton.
- 4.2 Due to the Covid-19 pandemic, Committee noted that the Government had revised the deadline for the preparation of the draft accounts from 31 May to 31 August. The audit of the statement of accounts also moved from 31 July to 30 September. The finance team had managed to prepare the draft statement of accounts to the usual deadline of 31 May. The Committee thanked the finance team for preparing the accounts to a high standard to the usual 31 May deadline despite the additional challenges due to the Covid-19 pandemic.
- 4.3 Members asked why employer contributions had increased so sharply between 2019-20 and 2020-21 particularly as investment returns had been so strong over the same period. Hymans explained that employer contributions for the period from April 2020 onwards were determined at the point of the March 2019 valuation and would therefore be updated and recalculated for the 2022 valuation. Contributions from employers consisted of both primary and secondary (deficit) contributions and the 2020-21 figures included some significant deficit contribution payments while the 2019-20 included none.
- 4.4 In addition, the decrease in stock lending income between 2019-20 and 2020-21 was queried. Officers responded that this had been discussed with the Fund's stock lending provider BNY Mellon, who had confirmed that the income was demand led and there had been an across the board reduction in demand for stock lending during the pandemic. The decrease in income would be included within the forthcoming review of stock lending, due to report to Investment Sub Committee in August.
- 4.5 The key future dates for committee to note are:

Date	Action
1 June	Draft accounts reviewed by the Local Pension Board prior to review by the Pension Fund Committee
4 June	Pension Fund Committee receives the draft accounts, provide comment and recommend that the accounts are presented to the Audit and Governance Committee for approval following the completion of the audit
1 July	Grant Thornton commence the audit testing of the accounts
10 Sept	Majority of the audit completed and Grant Thornton produce their Audit Findings Report
10 Sept	Audit Findings Report and Annual Report, including the Statement of Accounts, presented to Pension Fund Committee



Date	Action
TBC	Audit Findings Report and audited Statement of Accounts will be presented to the Cheshire West and Chester Audit and Governance Committee
30 Sep *	Audited Statement of Accounts published on Council's website Annual Report including the Audited Statement of Accounts published on the Fund's website

*The Cheshire West and Chester Council Audit must be signed off before the Pension Fund Accounts can be published.

- 4.6 If the audit is not complete by the Committee meeting on 10 September, any changes required to the accounts following this date will be circulated to the Committee for recommendation via an Electronic Decision Notice.
- 4.7 The Committee was reminded of the Local Pension Board's role to ensure the accounts are produced in compliance with statutory and best practice guidance, and that the Committee discharges its duty of reviewing the accounts recommending them to Audit and Governance Committee. The Local Pension Board reviewed the draft Statement of Accounts at their meeting on 1 June 2021 and confirmed that, in their opinion, the accounts had been prepared in accordance with statutory and best practice guidance.
- 4.8 The report also included the final outturn for the 2020/21 Administration Budget, which showed an underspend of £357,000.

The Committee:

- a) Provided comment on the draft Statement of Accounts for the year 2021-22 and agreed that they be presented to the Audit and Governance Committee following completion of the audit
- b) Noted the outturn position for 2020-21
- c) Reviewed and endorsed the management responses to the questions posed by Grant Thornton.

5. EXTERNAL AUDIT PLAN

- 5.1 The Committee received the external Audit Plan for 2020-21 from Grant Thornton, which included an explanation of the areas of significant risks that would be focused on during the audit. In addition, the Committee were informed that Grant Thornton would report to the Committee any misstatements they discovered in the accounts of a value greater than £3.247m.

The Committee: Noted the Audit Plan from Grant Thornton prior to the plan being presented to the Audit and Governance Committee.



6. LGPS CENTRAL POOLING UPDATE

- 6.1 The Committee received a further report in the series of updates on progress towards delivering investment pooling.
- 6.2 The report summarised arrangements for the forthcoming Joint Committee due to be held on 18 June 2021.
- 6.3 It listed the pooled funds launched to date by LGPS Central Limited noting that some £13.8bn of Partner Fund assets is now invested in these pooled funds.
- 6.4 The report also included a summary of the position for the transition of Cheshire Pension Fund assets into the pool as at March 2021. Some £1.09bn of Funds assets had been pooled which, when added to cash and the collectively procured passive funds managed by Legal & General, represents 51% of assets.
- 6.5 Some assets classes including legacy private equity and direct property presented timing or cost challenges to transition. Further transitions are planned subject to development of pooled funds and local Fund governance.
- 6.6 Committee requested further information on fee savings achieved from pooling to date. Officers will include that information in future updates, noting that savings are affected by several variables, including asset allocation decisions, economies of scale, and changes in pricing offered by legacy managers in response to pooling.

The Committee: Noted the position as set out in the report.

7. FUNDING STRATEGY STATEMENT UPDATE

- 7.1 The report provided the Committee with the responses to the formal consultation with employers on the Fund's Funding Strategy Statement (FSS) and policy regarding the review of employer contributions, employer exit payments and deferred debt agreements.
- 7.2 The consultation on the FSS ran for a month to 14 May 2021 and was widely advertised to employers.
- 7.3 The Committee reviewed the consultation feedback received from employers, the Fund's proposed responses and the updated Funding Strategy Statement in light of consultation feedback.

The Committee:

- a) Endorsed the Administering Authority's proposed responses to the feedback to the FSS and employer flexibilities policy consultation.
- b) Endorsed that the Administering Authority implement with immediate effect the employer flexibilities policy and FSS.



8. **GOVERNMENT ACTUARY DEPARTMENT'S SECTION 13 VALUATION – DRAFT RESULTS**

- 8.1 Committee reviewed the draft results from the Government Actuary Department's (GAD) valuation of the Cheshire Pension Fund under Section 13 of the Public Service Pensions Act 2013.
- 8.2 Under Section 13 of the Public Service Pensions Act 2013, the Ministry for Housing Communities and Local Government (MHCLG) are required to carry out a review of all LGPS local fund valuations to ensure they comply with four key criteria set out in the report.
- 8.3 Committee noted that the Fund received a clean bill of health assessment from GAD, with no 'red flags' being raised.

The Committee noted the draft Section 13 GAD valuation report

9. **GOOD GOVERNANCE REVIEW UPDATE**

- 9.1 The report updated Committee on the final recommendations from Scheme Advisory Board's national LGPS Good Governance Review and the Fund's initial self-assessment of its arrangements compared to the review recommendations.
- 9.2 The assessment (attached at Appendix 1 to the report) showed the Fund's current arrangements are predominantly already compliant with the recommendations. Key areas for further review as set out in the Appendix were discussed.
- 9.3 Committee noted that this was an interim assessment only at this stage pending confirmation of MHCLG's approach and sight of draft regulations and guidance. Further reports will be brought to Committee in due course.

The Committee: noted the position as set out in the report.

10. **FUTURE MEETINGS**

- 10.1 The Committee were invited to consider the approach for holding future meetings as lockdown restrictions are eased.
- 10.2 The Committee noted that virtual meetings had been effective over the past 15 months and should largely continue with some opportunities to meet in person. The report included a possible meeting schedule to assist discussion
- 10.3 Following discussion Committee proposed that:

- Pension Fund Committee meetings be held virtually with one meeting taking place in person each year.
- All Investment Sub Committee meetings be held virtually.



- Joint Training sessions be held virtually with one taking place in person each year.
- No hybrid meetings, i.e. where some members attend virtually and some attend in person for the same meeting, would take place.
- The above approach will be kept under review and refined as required.

The Committee:

- a) Agreed an approach to future meetings as set out in 10.3 above
- b) Agreed the principle that meetings will be held either virtually or in person but not a combination of both in any one meeting.

11. ANY OTHER BUSINESS

11.1 The Committee were advised that all meeting dates planned for 2021/22 had now been checked against meeting dates for the four main Councils and Police and Crime Commissioner meetings and there were no clashes identified.



PART B

The Committee resolved that:

The details of the following items remain confidential on the grounds that they/it involve the likely disclosure of exempt information as defined by Paragraph 3 Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) and that the public interest would not be served in publishing the information. A non-confidential summary of the items discussed is provided for information.

12. PROCEDURAL MATTERS

12.1 The Committee noted the draft Minutes from the Investment Sub-Committee meeting on 14 May 2021 which had been circulated via email.

13. ADMINISTRATION DATABASE RE-TENDER OUTCOME

13.1 The Committee received a report on the outcome of the procurement exercise for pensions administration software. The procurement was carried out using the National LGPS Framework for pensions administration software.

13.2 Civica UK Limited were the winning bidder for the contract which will run for seven years from March 2022, with an option to extend for a further three years.

13.3 The Committee received details of the one-off and ongoing budgetary provision required for this contract.

The Committee:

- a) Noted the procurement outcome and the award to Civica UK Limited.
- b) Endorsed the annual and one-off budgetary provision.

14. INVESTMENT PORTFOLIO – CLIMATE RISK REPORT

14.1 The Committee received a report on the main findings of the Fund's second annual Climate Risk report.

14.2 The second Climate Risk report follows from the initial report in 2020 which concluded that the Fund's investment portfolio would be extremely resilient under all projected climate scenarios (an increase in global temperatures of 2, 3 and 4 degrees Celsius) and that the Fund's equity portfolio had a carbon footprint 30% below that of the general market as represented by the FTSE All World Index.

14.3 Following the initial Climate Risk report, the Fund had published a Climate Strategy which included an explicit and clear commitment to support the Paris Climate Agreement, which seeks to limit increases in global temperatures below 2 degrees centigrade. In addition, the Fund committed to the delivery of three shorter term but still demanding decarbonisation/green targets.



14.4 The draft Climate Risk report concludes that the Cheshire Pension Fund has made strong progress in the last year on several fronts:

- i. In 2020 the Fund had published its first TCFD (Task Force on Climate-Related Financial Disclosure) compliant report and was one of the first LGPS funds to do so.
- ii. Of the 20 recommendations included in the initial Climate Risk report, 70% have been fully implemented or are close to completion.
- iii. Strong progress had been made on engagement, voting and stewardship activities with the nine companies having the highest carbon footprint in the Fund's equity portfolio in pursuit of clearly defined engagement objectives which will continue into 2021-22.
- iv. Against its three decarbonisation/green investing targets, the Fund has considerably overachieved on two and is on track to deliver the third.
- v. With regard to the very important target of decarbonising the Fund's equity portfolio to 50% below the general market, the Fund now stood at 45%, close to delivering the target in full more than two years early.

14.5 The Committee reviewed options to move beyond the current 50% target and agreed that alternative approaches for the Fund's remaining passive equity fund with above average emissions be explored to achieve this. Any potential alternatives must comply with the Fund's policy not to exclude companies or sectors on a crude, mechanistic basis. Rather investment decisions would be evidence based and focus on reducing the Fund's exposure to high carbon companies across all sectors. A further report will be brought to the next Committee clearly setting out the financial and non-financial reasons for any proposed change.

14.6 Members welcomed the positive progress evidenced within the second Climate Risk report and were particularly pleased that the Fund was delivering its green targets earlier than anticipated. It was agreed that new publicity be generated to acknowledge progress to date. The discussion concluded with agreement that it would be useful for a future training session to explore how the Fund contributes to other aspects of responsible investment ESG (environmental, social and governance) with an emphasis on social, whilst not jeopardising the Fund's primary fiduciary duty.

The Committee:

- a) Noted Fund's second annual Climate Risk report.
- b) Authorised Officers to amend the draft Climate Risk report so that it complies with industry best practice as set out by the Taskforce on Climate Related Financial Disclosures (TCFD).
- c) Endorsed publication of the Fund's second annual TCFD climate risk report on the Fund's website.
- d) Authorised officers to conclude discussions to produce a firm recommendation for the Fund's one residual equity fund which has above average carbon emissions, for consideration at a future Committee meeting.



15. **AOB**

15.1 No matters were raised



MINUTES OF LOCAL PENSION BOARD 01 June 2021**PRESENT**

Board Members: Peter Raynes (Chair),
Geoff Wright (Member representative, Unison),
Neil Harvey (Member representative, GMB)
Adrienne Laing (Employer representative, The Challenge
Academy Trust)

Apologies: Cllr Robert Bisset (Employer Representative, CW&C)

CW&C Officers: Heidi Catherall and Cheryl Brassey

1. PROCEDURAL MATTERS

1.1 No declarations were received.

2. DRAFT STATEMENT OF ACCOUNTS 2020-21

2.1 The Local Pension Board has an important role in the governance process for the Statement of Accounts to ensure that:

- The accounts have been produced in compliance with statutory and best practice guidance, and;
- That the Pension Fund Committee discharges its duty of reviewing the accounts and recommending they are presented to Audit and Governance Committee.

2.2 To satisfy the first requirement, the Board received a presentation from Officers confirming the detailed steps taken in order to produce the statement of accounts.

2.3 Board members were advised that the statement of accounts are produced in accordance with the CIPFA Example accounts guidance. This guidance includes a checklist which allows Funds to ensure they have met all of the requirements.

- 2.4 The Board were reminded of the timetable for the accounts which is set out in the table below.

Date	Action
1 June	The draft accounts will be reviewed by the LPB prior to review by the Pension Fund Committee
4 June	Pension Fund Committee review the draft accounts, provide comment and recommend that the accounts are presented to Audit and Governance Committee for approval following the completion of the audit
1 July	Grant Thornton commence the audit testing of the accounts
10 Sept	The majority of the audit completed and Grant Thornton will produce their Audit Findings Report
10 Sept	The Audit Findings Report and Annual Report, including the Statement of Accounts, presented to the Pension Fund Committee
TBC	The Audit Findings Report and audited Statement of Accounts presented to the Audit and Governance Committee
30 Sep*	Audited Statement of Accounts to be published on CW&C website and Annual Report including the Audited Statement of Accounts to be published on the Fund's website

*The Cheshire West and Chester Council Audit must be signed off before the Pension Fund Accounts can be published

- 2.5 To satisfy themselves that the Committee discharges its duty of reviewing the accounts and recommending commencement of the audit, Board members were invited to attend the Committee meeting on the 4 June in an observer capacity.

3. DRAFT ANNUAL REPORT

- 3.1 The Fund's Annual Report is produced in accordance with the CIPFA Annual Report guidance.
- 3.2 The guidance states that the Board has an important role in the governance process for the Annual Report and should undertake a review of how the Annual Report is produced in order to ensure that:
- The Annual Report has been produced in compliance with statutory and best practice guidance, and;
 - That the Pension Fund Committee discharges its duty of reviewing the Annual Report.
- 3.3 To satisfy the first requirement, members of the Board received a presentation from Officers providing an overview of the information required in the Annual Report and how the Fund meets those requirements.

- 3.4 It was noted the Annual Report was not yet fully completed although the majority of the report had been written. Officers will complete the Annual Report in line with statutory deadlines.

4. BOARD DECISION

- 4.1 The Board resolved that in their opinion the draft Statement of Accounts and the draft Annual Report for the year ending 31 March 2021 have been produced in accordance with statutory and best practice guidance.

- 4.2 The Board noted that Board members are invited to attend the Pension Fund Committee meeting on the 4 June to observe the discussion on the item on the draft Statement of Accounts

5. AOB

- 5.1 No matters were raised.

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MINUTES OF LOCAL PENSION BOARD – 20 July 2021

PRESENT

Board Members: Peter Raynes (Chair),
Geoff Wright (Member representative, Unison),
Neil Harvey (Member representative, GMB)
Cllr Robert Bisset (Employer Representative, CW&C)
Adrienne Laing (Employer representative, The Challenge
Academy Trust)

CW&C Officer: Heidi Catherall

Apologies: Maggie Sheppard, Dan Harte and Aaron Austin – CW&C
Officers

1. PROCEDURAL MATTERS

1.1 This Local Pension Board meeting was again held virtually.

1.2 No declarations of interest were received.

1.3 The Board reviewed the minutes from the last meeting on 4 May 2021 having previously approved them by email. Board members also reviewed the minutes from the special meeting on 1 June 2021 where they considered the production of the statement of accounts and annual report.

1.4 The Board also reviewed the Pensions Consultative Forum minutes from 25 June 2021.

1.5 The action tracker was reviewed, and the contents noted. Board members determined that a special meeting would be held on 15 September to undertake a self-assessment of its own performance.

1.6 Board members noted the re-appointment of three members for three years commencing from 26 June 2021, as follows:

- Peter Raynes – Chairman
- Councillor Robert Bisset – Employer Representative
- Geoff Wright – Member Representative

2. REVIEW OF PENSION FUND AND INVESTMENT SUB COMMITTEE MINUTES

2.1 The Board reviewed the minutes from the Pension Fund Committee meeting held on 4 June 2021.



- 2.2 The Board also reviewed the minutes from the Investment Sub Committee held on 14 May 2021.

RESOLVED that the Board: Noted the minutes of the Pension Fund Committee and Investment Sub Committee meetings.

3. PENSIONS PROGRAMME

- 3.1 The Board received a verbal update on the pension change programme.
- 3.2 The Board noted that significant progress is being made in each area of the programme and the governance process to manage the programme is working well and helping to keep progress on track.
- 3.3 Workstream 4, which focussed on the change of back office systems for the general ledger and exchequer functions provided by the Council, has now been completed.
- 3.4 A communications manager has been appointed and will join the Fund towards the end of August. This will allow the Fund to begin the process of updating the engagement and communication strategy.
- 3.5 Board members will be kept informed of progress in meeting the programme aims.

4. UPDATE FROM THE SCHEME ADVISORY BOARD

- 4.1 Board members noted the agenda which was considered by SAB at its meeting on 10 May.
- 4.2 The Board would be interested to review the content of the SAB 2021/22 workplan once it is published.

5. PERFORMANCE MANAGEMENT FRAMEWORK Qtr 1 – 2021/22

- 5.1 The Board reviewed the Performance Management Framework (PMF) for quarter 1 (April to June 2021), which contained updates on key areas of performance and comparator information from previous quarters.
- 5.2 Board members noted the continued red rating on administration casework with backlogs exceeding 10% of membership. It was again noted that this is likely to continue in the medium term whilst the pension team continue to resolve old casework and implement the developments outlined in the pensions programme.
- 5.3 The Board also noted the red rating on aged debt. This relates to pension strain payments due from employers. There are no concerns about the ability to recover outstanding debt to the pension fund.



- 5.4 The Board received two direct submission from members during the quarter via the link on the Board section of the website, covering issues around responsible investing and asset pooling. The Board responded to each enquiry.
- 5.5 The Fund has subscribed to an online learning facility provided by Hymans Robertson. The LGPS Online Learning Academy (LOLA) is based on the areas of knowledge and understand outlined in CIPFA guidance. All Board and Committee members, along with senior officers are requested to undertake the online training.
- 5.6 Board members noted the findings from the 2020 TPR scheme survey. The survey covers all public sector pensions including the LGPS. The report outlines a general improvement in governance and administration in all areas.

6. RISK REGISTER

- 6.1 The Board reviewed the risk register and suggested a few changes to reflect the current position.
- 6.2 The Board held a discussion about cyber security and the requirement for the Board to have a clear understanding of how the Fund manages this risk. The Board requested that this risk be included on the register.
- 6.3 Cyber security issues should be understood by all parties; including Board members, and appropriate actions taken to prevent any issues.
- 6.4 Officers will amend the risk register and present the updated version to the Board at the next meeting in October.

RESOLVED that the Board:

- Reviewed the risk register and identified a number of changes required
- Identified that further action is required in order to assess how the Fund manages cyber security risks.

7. DATA QUALITY

- 7.1 The Board received the updated TPR Data Scores produced as at 1 July 2021.
- 7.2 The scores for July were provided alongside the scores submitted for the previous three years for the Pensions Regulators scheme return.
- 7.3 Board members noted the scores had remained consistent to previous years.

	TPR Scheme Return			Latest Scores
	1-Sep-18	1-Sep-19	25-Sep-20	1-Jul-21
Common Data	98.10%	98.07%	98.73%	98.81%
Scheme Specific Data	68.80%	74.18%	74.01%	77.18%



- 7.4 The data scores were again produced using the local foundation report.
- 7.5 The Board were reminded that the Fund is continuing to work with its database provider to move to the new measurement report which will provide the scores from directly within the database.
- 7.6 It is expected that the Fund can move to using the new measurement report later this year.

RESOLVED that the Board noted the position on the common and scheme specific data scores.

8. COMPLIANCE UPDATE

- 8.1 The Board were presented with a summary of the breaches log for the period 1 April to 31 March 2021, noting that 103 breaches had been logged over the period.

RESOLVED that: Board members noted the summary breaches log covering the period 1 April to 31 March 2021.

9. FEEDBACK FROM EVENTS

- 9.1 Members of the Board and officers provided feedback from the various events they had attended.

- PLSA Local Authority Conference – 18/19 May 2021
- CIPFA/BW LPB Annual Conference – 23 June 2021

- 9.2 PR attended the PLSA conference on the 19 and 19 May. Attendees discussed the impact of covid-19 and the majority of funds reported that working remotely had not had a detrimental impact on the performance of their teams.

- 9.3 PR and NH attended the CIPFA / Barnett Waddingham conference on 23 June 2021 which provided an update on a number of topical issues.

RESOLVED that:

- Board members will circulate copies of event slides to share knowledge.

10. REVIEW OF THE WORK PLAN for 2021/22

- 10.1 The Board reviewed the work plan for 2021-22.
- 10.2 Following the suggestion at the CIPFA / Barnett Waddingham event on 18 February Board members would like to consider the steps required to undertake a self-assessment and a special meeting has been arranged for 15 September to undertake the assessment.



10.3 Board members also identified cyber security as an area that they would like to receive further information on and this will be included as an agenda item for the next meeting in October.

RESOLVED that: Officers will update the workplan to capture the actions outlined above.

AOB

10.4 The next Board meeting will take place on 5 October 2021.

10.5 Dates for future meetings in 2022 were agreed as follows:

- 15 February
- 3 May
- 31 May (to review the production of the Statement of Accounts/Annual Report)
- 19 July
- 8 October



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GROUP : PENSION CONSULTATIVE FORUM
DATE : 25/06/2021
TIME : 10am
VENUE : Virtual Meeting via Microsoft Teams

Present:

Chair	Peter Raynes (PR)
Cheshire West and Chester Council	Rosemary Hodgson (RH) and Chris Pleavin (CP)
Cheshire East Council	Craig Hughes (CH)
Cheshire Police	Michael Nulty (MN) and Jude West (JW)
Halton BC	Yvonne Caldwell (YC)
Warrington BC	Helen Barr (HB)
Guinness Partnership	Andrew Wilson
Cheshire Pension Fund	Heidi Catherall (HC), Nick Jones (NJ), John Coombes (JC) and Jenny Brien (JB)

Apologies:

Cheshire Pension Fund	Maggie Sheppard
Cheshire Police	Wendy Bebbington
Halton BC	Richard Route
Warrington BC	Nicola Kane
Adoption Matters	Karen Davies

Item	Minute
1	<p>Minutes of the Last Meeting</p> <p>The minutes of the 5 February 2021 meeting were reviewed and approved, having previously been circulated via email.</p>
2	<p>Administration Strategy</p> <p>The Pensions Administration Strategy (PAS) has been in place since 1 April 2019.</p> <p>At the last meeting on 5 February Forum members reviewed the PAS and identified the areas that required amendment. The areas identified for amendment included the following:</p> <ul style="list-style-type: none"> • What should be considered as core deliverables by the Fund and what services should attract additional charges for employers • What requirements should be placed upon employers who require bulk estimates – i.e. what notice period should be given to the Fund, any potential limit on the number of requests per year <ul style="list-style-type: none"> ○ Any policy applied to this will need to consider the disparity between employers in terms of numbers of employees.

Item	Minute
	<ul style="list-style-type: none"> ○ Requests may also vary year to year – in one year an employer may not require any bulk estimates but the following year may have more than one exercise. Any policy would have to be fairly applied. <p>Forum members were presented with a summary of the main findings from the 5 February review with the view to agreeing a way forward on bulk estimates, member estimates and retirements.</p> <p>Forum members shared their views on the suitability of proposals suggested but broadly agreed with the proposals.</p> <p>A discussion was held around engagement and how the Fund can work with employers in future. Attendees felt that the Employer Meetings held by the Fund were an effective way of engaging with employers.</p> <p>A couple of Forum members had not been able to attend that last Employer meeting which took place in March and requested that the slides be re-circulated.</p> <p>The next steps were agreed as follows:</p> <ul style="list-style-type: none"> ● Officers will update the PAS and share with PCF members for final comment. ● The draft PAS will then be issued to all employers as part of a consultation. ● The Fund will develop a reporting and monitoring framework for compliance against the PAS. ● The Fund will develop an employer engagement strategy. ● Officers will circulate the slides from the last Employer Meeting.
3	<p>Pensions Programme</p> <p>Officers presented an overview of progress on the pensions programme.</p> <p>Since the last meeting in February the Fund has appointed a Project Manager to assist with managing the programme. A Communications Manager should also be in post within the next couple of months.</p>
4	<p>Monthly Interfacing (MI)</p> <p>Forum members received an update on the transition of employers onto MI. There were now 71% of employers are live on MI, up from 60% at the last meeting.</p> <p>Several other employers due to the join in the next few weeks.</p> <p>All employers must convert to MI this year. Forum members were requested to encourage any employers who are not yet live on MI to contact the Fund.</p>
5	<p>Funding Strategy Statement</p> <p>Forum members were advised that the Fund had published a revised Funding Strategy Statement (FSS) which was now in force.</p>

Item	Minute
	<p>This followed a four-week consultation with employers.</p> <p>The revisions to the FSS set out the administering authority’s policies in regard to new powers to:</p> <ul style="list-style-type: none"> • review employer contributions outside of the normal triennial valuation cycle. But only in specified circumstances • to spread exit payments for exiting employers rather than require a lump sum payment • or alternatively set up Deferred Debt Agreements for exiting employers <p>The revised FSS can be found on the Fund’s website:</p> <p>https://www.cheshirepensionfund.org/members/wp-content/uploads/sites/2/2021/06/June-2021-FINAL-.pdf</p>
7	<p>Round Table Briefing</p> <p>No issues were raised.</p>
8	<p>AOB</p> <p>Forum members discussed how future meetings should take place i.e. virtually or face to face. On the whole it was agreed that virtual meetings should remain the default method for PCF meetings but that an occasional face to face meeting would be considered, perhaps once a year to allow for networking.</p>

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