

Pension Board Submission to the Pensions Committee

To: Pensions Committee

From: John Jones Independent Chair Tower Hamlets Pension Board

Date: 11th November 2024

1. Because of sickness and holidays, the Pensions Board meeting arranged for Monday 4th November was inquorate and consequently no formal decisions could be made. The meeting proceeded on the basis of a meeting for noting, and was attended in the room or online by 3 of the 7 Board Members. Nonetheless there was a full discussion of the items on the agenda that are also included in the Committee's agenda today.
2. The report and update on pensions administration was reviewed in detail and several questions and comments were made on the progress being made. This included reformatting some documents so that they are more accessible in future. However, concern was expressed over an increase in outstanding cases during the 3 months to end September 2024. Out of the total of 12 case types, 10 show a rising trend over the period. A similar picture is reflected in the CIPFA monitoring statement included in the report. This highlights the importance of recruiting a full complement of staff with the right skills. The Board were given a general update on the staffing position in the team, and will review a detailed vacancy and recruitment statement at the next meeting in March. We do recognise the challenges faced by the Council in recruiting and retaining staff in the pensions team. It was suggested that the Council could examine the possibility of training their own staff and introducing an apprenticeship scheme for the pensions administration service.
3. An issue for the year ahead is the requirement to introduce the Pensions Dashboard by 31st October 2025. This will be a major project and must be adequately resourced to deliver the new requirement within a tight timescale. It is suggested that a progress report and update is included for Members at each Board and Committee meeting.

4. The proposed arrangements for the Pension Fund Information Forum were considered and discussed by the Board. This initiative is very welcome and has the Board's full support. One aspect to consider is how best to address those employees who remain undecided about joining the LGPS, and how best to target this group as part of the Forum meetings scheduled for 9th and 24th January.
5. A report on the updated risk register was reviewed and discussed by the Board. The development of the document to include more information on the mitigation actions being taken and for target dates for completing tasks be included was welcomed. It was suggested that the details of the current RAG analysis be incorporated into the report text and that additional details on SMART actions and comments on assurances be incorporated in the register. This will help develop the register into a more effective document. It was agreed to hold a training session on the risk register at a future Board meeting.
6. The Board were also updated on the current position in finalising the outstanding audits of accounts; and the liquidity and cash flow monitoring report. Questions were asked about the significant increase in deferred pensioners, and queries on some figures included the cash flow statement in the appendix.
7. In previous reports I have highlighted the importance of training and development for both Committee and Board members. In order to take this forward it is suggested that each Board and Committee Member be contacted individually to identify training needs so that these can be mapped individually and collectively to format an annual training plan.
8. The Board reviewed the potential breaches of law reported to the Pensions Regulator and were assured that progress is being made to resolve these issues. It was agreed that potential breaches of law should be a standing item on agendas in future.

John Jones

6th November 2024

