

West Sussex Pensions Committee

Virtual meeting on 23 October 2020 at 10:00

I read the public papers and listened to the live webcast, but I did not join the formal meeting.

The Chairman introduced the meeting and explained the procedures in place for a virtual meeting. Video was available which improved the process although the chairman could not always see who wanted to comment.

From my perspective, I found the video was better although quite small on the screen. The rolling transcript was of limited use as it disappeared quickly (could be my set up) but had some amusing translations of what was being said. It took me a while to realise I needed to watch in HD (my problem). Also, the audio link was lost half way through and I had to rejoin but that could have been at my end.

1. Declarations of interest

Cllr Walsh confirmed that he was Leader of Arun District Council; other members confirmed their interests as recorded.

2. Part I Minutes of the last meeting - minutes agreed.

3. Urgent matters – None raised.

4. Part II Matters – None brought into Part I.

5. Pension Advisory Board Minutes 26 February and Agenda for 7 September – no questions raised.

6. Business Plan

Key points to note from the discussion were:

- Annual accounts to be presented to RAAC on 20 November
- Some reduction in income but cash flow still net positive
- Cyber crime risk rating up to amber due in part to WFH and pandemic
- New risk – impact of uncertainty about scheme changes on administration service delivery. Risk 5 to be reworded to reflect this.
- Need to note impact of COVID-19 pandemic on world economy
- Concern about data quality impact with move to Oracle – different things

7. Administration Performance

Key points to note from the discussion were:

- Performance has remained strong
- ABS delivery improved but potential breach report under review
- Employer performance is a concern and is being managed proactively
- Decision to Move to Hampshire vindicated – team thanked.
- Contribution performance has improved with no significant impact from pandemic yet

8. Scheme Changes

Key points to note from the discussion were:

- Significant changes in progress, viz: McCloud; Goodwin; Exit payments; intra valuation changes.
- Stephen Law presented very informative slides
- McCloud factored into employer contributions but not into valuation assumptions
- SAB has no powers to change cost cap, only recommend changes to MHCLG, but on pause pending HMT advice due to McCloud. SL thinks low impact but backdated to April 2019 so big data exercise.
- Goodwin exercise involves backdating with low cost but high admin.
- £95k cap has different implications for different employers and still out for consultation. Major admin impact and uncertainty for employers and employees. Concern about perverse impact on low paid. Funds not able to advise members only refer to IFA. Inconsistency on implementation dates for new legislation (i.e. national rules 4 November – LGPS December or January) could mean potential breach of regulations.
- FSS update to reflect new regs on employer deficit contributions etc.
- If employer folds, order of recovery is (1) employer assets; (2) administrators of business; (3) covenant or insurance; and (4) spread to rest of fund employers.

9. Date of next meeting – 11:00 on 17 November but all Part II

Peter Scales
Chairman, Pension Advisory Board