

Pension Fund Committee Minutes



Tuesday 15 October 2024

PRESENT

Committee members: Councillors Ross Melton (Chair), Florian Chevoppe-Verdier, Adam Peter Lang and Laura Janes

Co-opted members: Michael Adam, Peter Parkin

Officers: Eleanor Dennis (Head of Pensions), David Hughes (Director of Audit, Fraud, Risk and Insurance)

Pensions Board Members: Andy Sharpe and Bruce Mackay* Joined remotely

LPPA

John Crowhurst

Martin Davidson *joined remotely

Jo Darbyshire – *joined remotely

1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Councillors Ashok Patel & Adrian Pascu-Tulbure.

Apologies of lateness were received from Councillor Laura Janes.

2. DECLARATIONS OF INTEREST

There were no declarations of interest

3. KEY PERFORMANCE INDICATORS

John Crowhurst (LPPA) gave a presentation on the quarterly administration report (1st April – 30th June 2024) and performance update for Q2 2024/25. It was noted that key processes of caseworks had exceeded 95% target for two quarters consistently, indicating that LPPA was in a much better position than they were 12 months ago. Employer engagement for monthly returns as the level of engagement with LBHF employers was good. LPPA noted that response rates for the retirement surveys were low and shared that dissatisfaction from LGPS fund members typically came from delays, which was directly correlated with the timeliness of notification of retirement.

Michael Adam (Co-opted Member) thanked LPPA and Officers for their work and the resulting improved performance over the last 12 months. He enquired about the extent to which the improvement had been fully integrated and how vulnerable it might be to falling short in the future. John Crowhurst (LPPA) responded that employer performance was key to the process and that LPPA was in a much more stable position than it was a year ago with regard to retained experienced employees as the retention rate had dropped to 14%. There were potential risks if they received spikes in areas of work, however LPPA felt they were resilient enough to manage this.

The Chair asked whether taking on new fund clients would increase LPPA's workload and requested that the Committee be informed in advance of any anticipated spikes. Jo Darbyshire (LPPA) assured the Committee that clear processes were in place to manage any disruption when onboarding new clients with priority given to existing ones. She also confirmed in such a scenario relaxed SLA's would come into play for the new client for at least 12 months.

Councillor Florian Chevoppe-Verdier expressed hope for a brighter future of the pension fund administration and asked how the customer satisfaction surveys were distributed. John Crowhurst (LPPA) noted that they were distributed in an email via Survey Monkey to those they had email address for. He asked a follow up question, enquiring why the number of responses increased slightly. John Crowhurst (LPPA) explained that the ways of communication had not changed and there was no particular reason for the increase. Councillor Florian Chevoppe-Verdier requested that LPPA shared how they engaged with members in future reports.

Action: LPPA

Eleanor Dennis (Head of Pensions) remarked that it was encouraging to see LPPA continue to collaborate with the Hammersmith & Fulham Pension Fund, reflect on lessons learned and continued to improve the service for the Fund's members and beneficiaries. David Hughes (Director of Audit, Fraud, Risk and Insurance) added that it was reassuring to hear the efforts LPPA had made to reduce staff turnover.

Councillor Florian Chevoppe-Verdier asked how much time Eleanor Dennis (Head of Pensions) and her team were spending on supporting LPPA. Eleanor Dennis (Head of Pensions) explained that her team was still dedicating a significant amount of time supporting and collaborating with LPPA to escalate and resolve cases. She emphasised that the LBHF pension team continued to work to maximise the best interests of the members with their support. However, she noted that improvements in automation from LPPA would be welcome to allow her team to focus on more complex cases.

Peter Parkin (Co-opted Member) highlighted that members approaching retirement reviewing their pensions could often be a stressful time for retired members and asked whether any mechanisms were in place for instances when targets were missed. John Crowhurst (LPPA) responded that at present members typically escalated such issues through the pensions team or

directly to LPPA. However, he noted that LPPA was planning to introduce automated self-service options and assign case ownership for more complex situations.

Councillor Adam Peter Lang congratulated LPPA for the improvements made to date. He asked whether LPPA would consider doing target groups for gathering responses for customer satisfaction. Jo Darbyshire (LPPA) responded that they were looking at ways to increase responses, such as using incentives in the future.

Action: LPPA

Michael Adam (Co-opted Member) asked if there was any temporary support in place for those who did not receive their first pension payments. Eleanor Dennis (Head of Pensions) explained that there were provisions in place to facilitate payments in cases of exceptional hardship. Before reaching this point officers worked closely with LPPA to manage members expectations and ensure that most payments were made within the expected timeframe.

The Chair enquired if there was a list of employers who repeatedly failed to provide basic information to LPPA. Eleanor Dennis (Head of Pensions) explained her team managed this issue and worked, with the respective payroll providers and employers to remind them of their obligations in accordance with the pension administration strategy.

RESOLVED

That the Pension Fund Committee noted the update.

4. PENSION ADMINISTRATION UPDATE

Eleanor Dennis (Head of Pensions) introduced the report which covered a summary of activity in key areas of pension administration for the Council's Pensions Fund.

John Crowhurst and Jo Darbyshire (LPPA) provided a presentation on the Efficiency and Service Improvement (ESIP) Programme which gave an overview of the following key aspects:

- ESIP focused on 3 clearly defined areas this year including monthly returns, automation and portal enhancements.
- McCloud - All employers were given a deadline of 31st May 2024 for their final data submission to LPPA.
- Pension Dashboard – Hammersmith & Fulham Pension Fund will need to be connected to the Pensions dashboard ecosystem by 31st October 2025. This project was running in parallel with LPPA's data strategy project.

Councillor Florian Chevoppe-Verdier suggested that the Council's dedicated digital inclusivity group, which previously reviewed the Council's services could also provide feedback on the member portal. Their feedback would provide valuable insights and help improve the services.

Councillor Florian Chevoppe-Verdier enquired whether members were informed in advance about the digitalisation of their services, and at what stage they were given the opportunity to opt out of having their services transitioned to a digital platform.

John Crowhurst (LPPA) explained that when the annual benefit statements were issued to members, they would be given the option to receive communications digitally as part of this process.

Peter Parkin (Co-opted Member) echoed Councillor Florian Chevoppe-Verdier's views and requested further clarity on when members were given the option to opt out or opt in receiving digital communication. John Crowhurst (LPPA) noted that LPPA would investigate and feedback to the Committee.

Action: LPPA

Micheal Adam (Co-opted Member) referring to McCloud remedy asked if LPPA had any indication of the financial impact on scheme liabilities and whether it would be significant. Jo Darbyshire (LPPA) noted that she didn't anticipate the financial impact to be considerable and LPPA was already observing the expected outcomes. As she highlighted that the remedy would not be beneficial for most LGPS members, with varying outcomes across different public sector schemes.

Councillor Florian Chevoppe-Verdier asked if LPPA felt they were sufficiently resourced to manage the implementation of the pension's dashboard. In response Jo Darbyshire (LPPA) noted that LPPA was about to enter its budget cycle for the 2025/25 financial year. She explained that LPPA was making assumptions based on the available information regarding their resources needs. Additionally, LPPA would be training their contact centre staff to handle dashboard related enquiries.

Councillor Adam Peter Lang noted that the pensions dashboard preparation appeared to be progressing well. He encouraged LPPA to review their internal controls to support the development and ensure that appropriate safeguards were in place. The Committee requested that communications relating to the pension's dashboard be shared with them.

Action: LPPA

Eleanor Dennis (Head of Pensions) detailed that the Council had launched some pre-retirement courses run by a third-party organisation which received positive feedback for helping individuals better understand their transition into retirement.

RESOLVED

That the Pension Fund Committee noted the update

5. PENSION ADMINISTRATION BUSINESS CONTINUITY PLAN

Eleanor Dennis (Head of Pensions) introduced the report which covered the business continuity plan for the pension administration provider LPPA.

The remainder of this discussion was held in the exempt part of the meeting.

RESOLVED

That the Pension Fund Committee noted the update.

6. PENSION ADMINISTRATION CYBER SECURITY

Eleanor Dennis (Head of Pensions) introduced the report which covered the cyber security activity by the pension Fund's pension administration provider LPPA.

The remainder of this discussion was held in the exempt part of the meeting.

RESOLVED

That the Pension Fund Committee noted the update.

7. PENSION FUND CESSATIONS

Eleanor Dennis (Head of Pensions) introduced the report which covered the pension fund cessations for the Hammersmith & Fulham Pension Fund.

The remainder of this discussion was held in the exempt part of the meeting.

RESOLVED

The Pension Fund Committee approved the recommendation included in the exempt section.

8. EXCLUSION OF THE PUBLIC AND PRESS (IF REQUIRED)

The Committee agreed, under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

Meeting started: 7:05pm
Meeting ended: 9:00pm

Chair

Contact officer: Amrita White
Committee Co-ordinator
Governance and Scrutiny
☎: 07741234765
E-mail: Amrita.White@lbhf.gov.uk