

Pensions Committee

Date: **Tuesday 5 December 2023**
Time: **9:30am**
Venue: **Council Chamber, County Hall, Martineau Lane,
Norwich NR1 2DH**

Membership

Members

Cllr Judy Oliver – Chair

Cllr Alison Birmingham
Cllr Robert Colwell
Cllr Will Richmond
Cllr Martin Storey

Co-opted Members

Cllr John Fuller
Cllr Paul Hewett

Member Representative

Steve Aspin

Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and members of the public may watch remotely by clicking on the following link: [Norfolk County Council YouTube](#)

We also welcome attendance in person, but public seating is limited, so if you wish to attend, please indicate in advance by emailing committees@norfolk.gov.uk

Current practice for respiratory infections requests that we still ask everyone attending to maintain good hand and respiratory hygiene and, at times of high prevalence and in busy areas, please consider wearing a face covering.

Please stay at home if you are unwell, have tested positive for COVID 19, have symptoms of a respiratory infection or if you are a close contact of a positive COVID 19 case. This will help make the event safe for attendees and limit the transmission of respiratory infections including COVID-19.

A g e n d a

1 **To receive apologies - (please note that owing to the Trustee Status of this Committee, substitute members are not allowed)**

2 **Minutes**

(Page 5)

To confirm the minutes of the meeting held on 12 September 2023

3 **Members to Declare any Interests**

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
 - Exercising functions of a public nature.
 - Directed to charitable purposes; or
 - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4 **Administration Report**

(Page 12)

Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund

- 5 Update from the Pensions Oversight Board (Page 68)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 6 Risk Register Report and Compliance with Breaches Policy (Page 88)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 7 ACCESS Update Unrestricted Items (Page 94)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 8 Exclusion of the Public (Items 9-15 only)**
 The Committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds they involve the likely disclosure of exempt information as defined by Paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act, and the public interest in maintaining the exemptions outweighs the public interest in disclosing the information.
 The Committee will be presented with the conclusion of the public interest test carried out by the report author and is recommended to confirm the exclusion.
Comfort break
- 9 ACCESS Update - Restricted Items (Page 102)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 10 ACCESS Pool Investment Cost Benchmarking (Page 107)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 11 Changes in the Funding Environment since the triennial valuation at 31 March 2022 (Page 122)**
 Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund
- 12 Hymans Robertson Quarterly Performance Report (Page 153)**

13. Investment Update (Page 172)

Joint Report by the Director of Strategic Finance and the Director of the Norfolk Pension Fund

Comfort break

14. Investment Manager (Page 181)

15. Exempt Minutes (Page 211)

To confirm the exempt minutes of the meeting held on 12 September 2023



**Tom McCabe
Chief Executive
County Hall
Martineau Lane
Norwich
NR1 2DH.**

Date Agenda Published: 27 November 2023.



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Pensions Committee

Minutes of the meeting held on Tuesday 12th September commencing at 9:30 am and held at County Hall, Norwich

Present:

Cllr J Oliver	(Chair)
Cllr W Richmond	(Vice Chair)
Cllr A Birmingham	
Cllr J Fuller	
Cllr M Storey	
Cllr P Hewett	

Officers Present:

Glenn Cossey	Director of the Norfolk Pension Fund
Alex Younger	Head of Funding & Investment
Jo Quarterman	Head of Governance
Debra Keeling	Pension Services Manager
Charlotte Alexander	Norfolk Pension Fund Accountant
Eunice Walcott	Governance Manager
Jonathan Hall	Committee Officer

Others Present:

David Walker	Investment Adviser, Hymans Robertson
Brian Wigg	Chair of the Pensions Oversight Board

Participating via Microsoft Teams

John Wright	Hymans Robertson
Clifford Sims	Squire Patton Boggs

1 Apologies for Absence

1.1 Apologies for absence were received from Cllr Colwell and Mr Aspin.

2 Chair and Vice-Chair

2.1 The Committee noted that Cllr Oliver was appointed Chair by the County Council.

2.2 Cllr Richmond was proposed for the position of Vice Chair by Cllr Storey and seconded by Cllr Fuller. With no other nominations forthcoming, Cllr Richmond was appointed Vice Chair of the Pension Committee.

3 Minutes

- 3.1 The minutes of the previous meeting held on 13th June 2023 were confirmed as a correct record and signed by the Chair.

4 Declaration of Interest

- 4.1 The following declaration of interest was received:
- Cllr Birmingham declared an “other interest” because she is a member of the scheme.

5 Administration Report

- 5.1 The annexed report (5) by the Director of Strategic Finance and the Director of the Norfolk Pension Fund was received. The report was the quarterly update for the Pensions Committee on operational and administration matters relating to the Fund. This followed the last full quarterly report to Pensions Committee in June 2023.

- 5.2 The Committee’s attention was drawn to the following:

Governance - National picture

- Publication of the 10th LGPS Scheme Annual Report by the Scheme Advisory Board (SAB)
- Pension Dashboards – the pensions minister has announced a revised mandatory final on-boarding date of the 31 October 2026. All occupational pension schemes (including the LGPS) must be connected by this deadline.
- LGPS Pooling Consultation – launched on the 11 July with a deadline for consultation responses of 2 October 2023.
- Good Governance - no update as to when the Department for Levelling Up, Housing and Communities (DLUHC) will be consulting on SAB’s Good Governance recommendations.

Performance data

- Strong quarterly performance against Key Performance Indicators (KPI’s) for benefits administration, pension payroll and systems.

Communication and Engagement

- Members
 - Annual Benefit Statements were published online in advance of the statutory deadline of the end of August. Approximately 63,000 booklets will now be distributed to scheme members.
 - Face to face member meetings are scheduled later this year, to take place in Cromer, Great Yarmouth, King’s Lynn, and Norwich.

- Primetime Newsletter for retired members will be published in November 2023.
- Employers
 - The latest Employer Newsletter was published in June 2023
 - A hybrid Employer Forum held in July 2023.
- Team
 - A whole team meeting took place on the 12 July 2023, focussed on the Fund's Mission and Service Objectives.
 - Committee and Board training is scheduled for the 1st and 2nd November 2023 in London. Travel and accommodation arrangements are to be arranged.

Admission Agreements:

- Aspens Services (Heart Education Trust)
- Aspens Services (Diocese of Ely Multi-Academy Trust)
- Spire Cleaning (St. Francis of Assisi Catholic Primary School)

5.3 RESOLVED

That the Committee:

1. **Note the contents of the report, including the following three Admission Agreements in respect of:**
 - **Aspens Services (Heart Education Trust)**
 - **Aspens Services (Diocese of Ely Multi-Academy Trust)**
 - **Spire Cleaning (St. Francis of Assisi Catholic Primary School)**

6 Update from the Pensions Oversight Board

6.1 The annexed report (6) by the Director of Strategic Finance and the Director of the Norfolk Pension Fund was received. The report updated the Pensions Committee on the work of the Pensions Oversight Board (POB) which last reported to the Committee on 13 June 2023.

6.2 The Committee's attention was drawn to the following areas included amongst other items on the POB agenda when they last met virtually on 5 September 2023:

POB met on 5 September 2023

- Updated on LGPS reform, strategic and operational issues including progress with the employer operational issues and team news at the Pension Fund.
- Hymans Robertson presented an overview of the 'Next Steps on Investment (Pooling) consultation.
- The Board also received the latest internal audit reports.

Board Membership

- Cllr Liz Marsham has replaced Cllr Chris Walker on the board, representing precepting employers.
- The non-levying employers' seat and Trade Union seat on the Pensions Oversight Board remain vacant.

Forward work programme

7 November 2023 (face to face meeting) will focus on risk management, including cyber and data security (current highest risk area).

Knowledge and Skills

- Members of POB will join Pensions Committee for the training in London on 1st and 2nd November.

6.3 RESOLVED

That the Committee note the contents of the report.

7 Corporate Governance and Shareholder Engagement Report

7.1 The annexed report (7) by the Director of Strategic Finance and the Director of the Norfolk Pension Fund was received. The report provided a six-month update for the Pensions Committee on corporate governance and shareholder engagement matters relating to the Fund including Environmental, Social and Governance (ESG) matters relating to the ACCESS Pool. The report covered the period 1 January 2023 to 30 June 2023.

7.2 The Committee's attention was drawn to the following:

- Six monthly updates on voting and engagement activity by equity managers
- Voting performed via the ACCESS pool.
- Summary of Climate Risk Reporting.

7.3 Cllr Fuller queried whether ESG investments are appropriate in the current economic climate, given the fiduciary duties of the committee, as they could result in additional costs to the scheme. Cllr Fuller added that the Norfolk Pension Fund benefits from having the widest possible array of companies to invest in, and that to avoid certain companies due to ESG concerns could limit investment opportunities.

7.4 Cllr Birmingham stated that a large percentage of members would prefer "green" investments rather than in petrochemicals. Cllr Hewett expressed concern that ESG was acting as more of a deterrent to investment instead of an incentive and there may be an over concentration on environmental factors.

7.5 Alex Younger, Head of Funding and Investment, reminded Committee that through the adoption of good practice in corporate

governance, environmental and social matters, the management of companies is likely to improve and long-term shareholder value increase. The current investment policy of the Fund does not preclude investment in any companies or sectors but acknowledges that the incorporation of ESG factors in investment decision making should assist in optimising long-term returns. It does not invest solely in focused ESG strategies but believes they should be factors incorporated across a diverse portfolio.

7.6 RESOLVED

That the committee note the contents of the report.

8 Draft Pension Fund Accounts 2022-23

8.1 The annexed report (8) by the Director of Strategic Finance and the Director of the Norfolk Pension Fund was received. The report presented the draft annual accounts of the Norfolk Pension Fund for the year ended 31 March 2023, for consideration by the Committee.

8.2 The Committee's attention was drawn to the following:

Draft Annual Accounts

- Timetable for preparation and approval of the annual report and accounts. The Local Government Pension Scheme (LGPS) deadline for publication is the 1 December 2023.
- The stages involved in the accounting and audit process.

8.3 RESOLVED

That In accordance with the terms of reference the Committee:

- i) Notes the draft 2022-23 Annual Report and Accounts of the Norfolk Pension Fund.**
- ii) Notes the Financial Statements and makes a recommendation to the Audit Committee that they be approved subject to any matters arising in the ISA 260 Audit Results Report and the Letter of Representation being delegated to the Chair of the Pension Committee and Director of Strategic Finance to sign the letter on behalf of the Pension Fund.**

9 ACCESS Update Unrestricted Items

9.1 The annexed report (9) by the Director of Strategic Finance and the Director of the Norfolk Pension Fund was received. This report provides an update to the Pensions Committee on the work of the ACCESS Pool.

9.2 The Committee's attention was drawn to the following:

Joint Committee meetings

- Last meeting was held on 4th September 2023.

Business Plan & Budget 2022-23

- Reports were sent to the Pensions Committee and Pensions Oversight Board.

Business Plan and Budget 2023-24

- Approved operational budget for current year totals £1.559m (£142k per ACCESS authority)
- There was a net underspend of £52,000.

ACCESS Procurements

- Following evaluation during the autumn, the preferred supplier for the Communications Partner contract will be reported to the December Joint Committee
- Procurement for Phase II of Responsible Investment (monitoring and reporting) is currently underway.

ACCESS Support Unit

- The third-party review of the ACCESS pool including the ACCESS Support Unit has been concluded by the appointed consultant, Barnett Waddingham. Their report is to be presented to the Joint Committee in December.

9.3 RESOLVED

That the committee note the contents of the report.

10 Exclusion of the Public Items 11-17 only

10.1 The Committee was asked to consider excluding the public from the meeting under Section 100A of the Local Government Act 1972 for consideration of the items below on the grounds they involved the likely disclosure of exempt information as defined by paragraph 3 of Part 1 of the Schedule 12A to the Act, and the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

10.2 Paragraph 3 stated “information relating to the financial or business affairs of any particular person” (including the Authority holding the information).

10.3 Having applied the “Public Interest Test” it was recommended the Pensions Committee confirm the exclusions listed below:-

10.4 Items 11 to 18

The reports contain financial, business, and commercial information including details about third party company operations which could significantly weaken their position in a competitive environment by revealing this activity to competitors.

Inappropriate disclosure would or would be likely to prejudice their interests which may expose the Norfolk Pension Fund (Norfolk County Council) to legal action in the future.

10.5 In addition, agenda items 15 to 17 also included details of individual stock "buy and sell" activity which could significantly weaken their position in a competitive environment by revealing the activity to competitors.

10.6 RESOLVED

That agenda items 11-18 be excluded from public disclosure by virtue of paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 and the text applied above, confirming that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

Public meeting closed at 10.12am

Pensions Committee

Item No: 4

Report title: Administration Report

Date of meeting: 5 December 2023

Responsible Director: Harvey Bullen, Director of Strategic Finance

Director: Glenn Cossey, Director of Norfolk Pension Fund

Executive Summary

This report is the quarterly update for the Pensions Committee on operational and administration matters relating to the Fund. This follows the last full quarterly report to Pensions Committee in September 2023.

Recommendations

The Committee is asked to consider and note the content of this report including the two Admission Agreements in respect of:

- Crystal Services (Hobart High & Thurlton Primary)
- Aspens Services (Nelson Academy)

Item	Title:	Appendices
1.	Background	
2.	Governance framework for the Norfolk Pension Fund:	
2.1	Government changes	
2.3	Pensions Oversight Board	
2.5	National Scheme Advisory Board	
2.8	LGPS Code of Transparency and Cost Transparency Initiative (CTI)	
2.13	Update on Current Issues	
2.14	○ Hymans Robertsons 'Current Issues in the LGPS' Nov 2023	Appendix A
2.15	○ McCloud remedy	
2.22	○ Risk Management	
3.	Norfolk Pension Fund Service Planning and Performance Data	
3.1	○ Service Plan	
3.4	○ Key Performance Indicators	Appendix B
4.	Communication	
4.1	With Active and Deferred Scheme Members	
4.2	○ Annual Allowance	
4.3	○ Pension Clinics and Annual Meeting	
4.6	With Retired members	
4.7	Newsletter for Retired Members - Primetime Winter 2023	Appendix C
4.9	With Employers	
4.10	○ Employer Newsletters	Appendix D
4.14	○ Employer Forums	
4.18	Norfolk Pension Fund Team	
5	Collaborative Working / Value for Money	
5.1	National LGPS Procurement Frameworks	
6.	Knowledge and Skills	
7.	Admission Agreements	
7.2	○ Crystal Services (Hobart High & Thurlton Primary)	
7.9	○ Aspens Services (Nelson Academy)	
8.	Update on Bulk Transfer Values in progress	Appendix E
9.	Freedom of Information Act (FoIA)	

10	Representation on behalf of the Pension Fund	Appendix F
11.	Norfolk Pension Fund – Pensions Committee Forward Plan	Appendix G
12.	Financial and Other Resource Implications	
13.	Other Implications (inc. Equality Impact Assessment (EqIA))	
14.	Data Protection Impact Assessments (DPIA)	
15.	Risk Implications/Assessment	
16.	Recommendations	
17.	Background Papers	
17.1	Appendix A – ‘Current issues in the LGPS’ Nov 2023 Appendix B - Key Performance Indicators Appendix C – Primetime Winter 2023 Appendix D – Employer Newsletter Nov 2023 Appendix E – Update on Bulk Transfer Values in progress Appendix F - Representation on behalf of the Norfolk Pension Fund Appendix G - Pensions Committee Forward Plan	

1. Background

- 1.1 This report is the quarterly update for the Pensions Committee on operational and administration matters relating to the Fund.
- 1.2 This follows the last full quarterly report to Pensions Committee in September 2023.

2. Governance framework for the Norfolk Pension Fund

2.1 Government changes

- 2.2 Following the recent government changes, the new MP with responsibilities for Local Government at the Department for Levelling Up, Housing and Communities and will therefore assume responsibility for the LGPS is Simon Hoare MP.

2.3 Pensions Oversight Board

- 2.4 The report from the Pensions Oversight Board is covered by Agenda Item 5 at this committee meeting.

2.5 National Scheme Advisory Board (SAB)

- 2.6 Jeremy Hughes, Deputy Secretary to the SAB, recently attended Committee and Board training and provided an update on the role, structure and work of the SAB and its supporting Committees. The supporting slides from this presentation have been circulated to all Committee and Board members.

- 2.7 More information about the work of the Board is available on their [website](#).

2.8 LGPS Code of Transparency and Cost Transparency Initiative (CTI)

- 2.9 At the in-person Pension Oversight Board meeting in October, the Board received a presentation on the LGPS Code of Transparency and Cost Transparency Initiative from the Pension Fund Accountant, a copy has been attached with Agenda Item 5 - Update from POB - Appendix B.

- 2.10 The Code of Transparency was developed by the LGPS Scheme Advisory Board and is a pledge to provide transparent and consistent cost and fee information between fund managers, pool operators and the LGPS and its administering authorities. At the time of introduction, the Financial Conduct Authority had undertaken a market review of the asset management industry and building on the success of the Scheme Advisory Board, established the CTI Board to take forward this work across the market.

- 2.11 CTI Templates were introduced to the LGPS in the 2019/20 year to bring consistent and standardised disclosure of costs and charges for institutional investors. Completing the CTI template is not a regulatory requirement; however, it does

support best practice and allows Norfolk and other LGPS organisations to demonstrate commitment to being a best value scheme administrator. For the 2022/23 financial year Norfolk Pension Fund received CTI or equivalent ILPA data for all fund managers and all asset classes. Under the CIPFA accounting guidelines, this information is collated into the Annual Report and includes direct and indirect costs.

2.12

	2022-23 Asset Pool				Non-Asset Pool				Fund Total	
	Direct £000s	Indirect £000s	Total £000s	bps	Direct £000s	Indirect £000s	Total £000s	bps	£000s	bps
Management Fees										
Invoice Fees (excl. VAT)	0	0	0	0	1,777	0	1,777	5	1,777	5
Performance	0	0	0	0	0	1,151	1,151	3	1,151	3
Fees paid from NAV Pooled Funds	0	5,774	5,774	15	0	20,453	20,453	53	26,227	68
Broker Commission	345	0	345	1	23	0	23	0	367	1
Transaction Taxes	0	0	0	0	3	0	3	0	3	0
Implicit Costs	541	0	541	1	35	0	35	0	576	1
Legal and Advisory Fees	0	0	0	0	0	0	0	0	0	0
Other Transaction Costs	454	0	454	1	872	0	872	2	1,326	3
Indirect Transaction costs	0	0	0	0	0	6,692	6,692	17	6,692	17
Custody	0	0	0	0	21	0	21	0	21	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1,340	5,774	7,115	18	2,727	28,296	31,023	80	38,138	98

2.13 Update on current issues

2.13 Hymans Robertson's 'Current issues in the LGPS' November 2023 edition (Appendix A) provides an overview of some of the latest issues.

2.15 McCloud remedy

2.16 The McCloud remedy came into effect from 1 October 2023, changing LGPS rules to remove the age discrimination against younger members which occurred when public service pension schemes changed from final salary to career average benefits in 2014 and 2015.

2.17 The changes may affect scheme members if:

- they were paying into the LGPS or another public service pension scheme before 1 April 2012
- they were also paying into the LGPS between 1 April 2014 and 31 March 2022
- they have been a member of a public service pension scheme without a continuous break of more than five years.

- they were under age 65 in the remedy period (the underpin will have stopped earlier if a member has reached age 65 before 31 March 2022)

- 2.18 The Pensions Services team are currently testing calculations and reviewing member records to identify any member of the Norfolk Pension Fund who may be affected. Indications are that this will affect very few members where pensions are already in payment (estimated at around 150 currently) and with limited impact on pension payments (pensions in payment will only go up because of the remedy, not down).
- 2.19 There is no action for scheme members to take. If they are in receipt of a pension and it is affected, the Pension Fund will contact them; if their pension is not yet in payment, the final calculation and payment of benefits will take into account the new rules.
- 2.20 To help members (and employers) understand what the rule changes mean for them, the LGA has published some useful resources on its scheme member website. The range of information provided includes an interactive 'Am I affected?' tool as well as a video, FAQs and also example case studies detailing how the remedy affects different types of members.
- 2.21 Information for employers and scheme members will continue to be published in newsletters and statements
- 2.22 **Risk Management**
- 2.23 This is reported on separately under Item 6 of this Agenda.

3. Norfolk Pension Fund Service Planning and Performance Data

3.1 Service plan

- 3.2 The Norfolk Pension Funds Mission Statement and strategic objectives were considered in detail at the whole team meeting earlier this year. Building on this work, a new service plan is being developed to support the delivery of the mission and objectives. The December team meeting will provide a further opportunity for the whole team to reflect on the mission and objectives and how collectively and individually we can deliver these.
- 3.3 The updated service plan will form the basis for the performance appraisal process and also inform the budget setting process for 2024 – 2025.

3.4 Key Performance Indicators

- 3.5 The latest Norfolk Pension Fund benefits Administration Key Performance Indicators (KPI's) are at Appendix B.

4. Communication

4.1 With Active and Deferred Scheme Members

4.2 Annual Allowance

Pension Savings Statements were issued to all scheme members who exceeded the Annual Allowance in 2022/23 before the statutory deadline of 6 October 2023.

4.3 Pension Clinics and Annual Meeting

- 4.4 This Autumn we offered face to face meetings with scheme members at Pension Clinics, being held in Norwich, Cromer, Great Yarmouth, and King's Lynn.
- 4.5 All clinics were extremely popular again this year and were appreciated by scheme members.

4.6 With Retired members

4.7 Newsletter for Retired Members

- 4.8 The November edition of Primetime (our newsletter for retired members) was published in November. A copy can be found at Appendix C.
- 4.9 **With Employers**
- 4.10 Employer Newsletters
- 4.11 Our latest Employer Newsletter was published in November 2023. Amongst other regular items it included updates on:
- 4.12
- the recent investment consultation and ACCESS data
 - Responsible investment
 - the McCloud remedy
 - Pensions Dashboards and data quality
 - Vacancies on the Pensions Oversight Board
 - Scams
 - Employer’s pensions policies
- 4.13 A copy of the Newsletter is at Appendix D.
- 4.14 Employer Forums
- 4.15 We held our latest hybrid Employer Forum on Wednesday 29 November.
- 4.16 The agenda included:
- Administration update - latest operational developments and changes coming along.
 - Recap on the McCloud remedy - implications for scheme members
 - Investment overview – including our ESG (Environmental, Social and Governance) strategy.
 - Ask the Panel Q&A session – a chance to put questions to the Norfolk Pension Fund team
- 4.17 The Forum is recorded and made available to all employers after the event.
- 4.18 **Norfolk Pension Fund Team**
- 4.19 We continue to maintain a weekly newssheet to help keep the team connected, supported, and informed while hybrid remote working, alongside regular team meetings and less formal connections.
- 4.20 We are also continuing our regular ‘Spotlight’ sessions, focussing on different areas of the team.
- 4.21 We next whole team meeting will take place on Wednesday 13 December. This will be an opportunity to reflect on the year past and focus on the service plan for 2023 – 2028 and how this will help deliver the Funds Mission Statement.
- 5. Collaborative Working / Value for Money**
- 5.1 **National LGPS Procurement Frameworks**
- 5.2 The National LGPS Frameworks operate on a self-funding model, with liability shared between all Founding Authorities. They are hosted by the Norfolk Pension Fund, supported by a dedicated team of professionals with assistance from other external support as necessary (for example, legal and procurement specialists from Norfolk County Council).
- 5.3 Using the National LGPS Frameworks saves LGPS Funds considerable time and money by allowing quicker and more efficient procurement of high-quality and value for money services. The frameworks mean users leverage better prices whilst still making local decisions about service requirements. The LGPS is already

collectively benefiting from projected savings estimated in excess of £172m, as well as 217 years effort saved to date since 2012. £4.2m+ cumulative rebate has been shared between 98 funds as a result of the National LGPS Frameworks programme. To date over 520 contracts have been let via the Frameworks by users.

- 5.4 The team is currently collaborating with Founders on an Integrated Service Provider (ISP) and Member Data Services Framework to support Funds in preparation for and meeting the Pensions Dashboards requirements; and AVC Services Framework for Funds. Both procurements are out for tender responses, with evaluation and moderation scheduled for early 2024. Both new Frameworks should be live around April 2024.
- 5.5 The current Pensions Administration Software Framework has been extended so that the replacement Framework can be let under the new Procurement regulations. The new Procurement Bill will offer greater flexibility in some areas which we anticipate will benefit this marketplace.
- 5.6 Work is progressing with the development of a new secure website for the National LGPS Frameworks. The new website will replace the current website early in 2024.
- 5.7 The Annual Meeting for Framework Founders was held on 15th November 2023. This was well attended. Founders received operational updates covering November 2022 – October 2023 report was given; and a financial statement and report was shared for April 2022 – March 2023. The Founders considered and agreed the forward plan for 2023 – 2028, alongside the risk register and mitigations.

6. Knowledge and Skills

- 6.1 There is an ongoing requirement for members of the Pensions Committee, Pensions Oversight Board and Officers to evidence a level of knowledge commensurate with the decisions they are making. The Fund maintains a Training Strategy to support Pensions Committee, Pensions Oversight Board and Officers.
- 6.2 Members of Pensions Committee, the Pensions Oversight Board and Officers attended bespoke training on 1 and 2 November. The programme included a range of relevant subjects and speakers and also addressed some of the areas highlighted by participation in the 2022 LGPS National Knowledge Assessment.
- 6.3 Details of training events, conferences and webinars that may be of interest are shared with members of Pensions Committee and the Pensions Oversight Board; and training records are maintained.
- 6.4 All members of Committee and POB have access to the LGPS online learning academy to support them in gaining and maintaining their knowledge.
- 6.5 All mandatory officer training is up to date.

7. Admission Agreements

- 7.1 There are two additional admission agreements for the Committee to note.
- 7.2 **Admission Agreement – Crystal Services (Hobart High & Thurlton Primary)**
- 7.3 We have received application for a new admission agreement from the facilities management contractor Crystal Services, as they onboard a new contract win.
- 7.4 The admission application is in respect of a cleaning contract with Clarion Corvus Trust at the sites Hobart High and Thurlton Primary commencing 1 August 2023 for a contract length of 3 years.
- 7.5 The admission agreement will cover three members of staff transferring in respect of the contract, with the current right to LGPS membership. It will not cover any other staff of the contractor and will be closed to new hires working on the contract.

- 7.6 The Scheme Employer (Clarion Corvus Trust) will be party to the admission agreement.
- 7.7 The admission agreement will be constructed on the “pass through” basis agreed at the September 2018 meeting of Committee for new agreements with staff transfer dates on or after 1 October 2018.
- 7.8 The legal agreements will be sealed under Chief Officer powers by the Director of Strategic Finance.
- 7.9 **Admission Agreement – Aspens Services (Nelson Academy)**
- 7.10 We have received application for a new admission agreement from the catering contractor Aspens Services, as they onboard a new contract win.
- 7.11 The admission application is in respect of a catering contract with Eastern Multi Academy Trust at the Nelson Academy site commencing 1 September 2023 for a contract length of 2 years.
- 7.12 The admission agreement will cover three members of staff transferring in respect of the contract, with the current right to LGPS membership. It will not cover any other staff of the contractor and will be closed to new hires working on the contract.
- 7.13 The Scheme Employer (Eastern Multi Academy Trust) will be party to the admission agreement.
- 7.14 The admission agreement will be constructed on the “pass through” basis agreed at the September 2018 meeting of Committee for new agreements with staff transfer dates on or after 1 October 2018.
- 7.15 The legal agreements will be sealed under Chief Officer powers by the Director of Strategic Finance.

8. Update on Bulk Transfer Values in progress

- 8.1 Please see Appendix E for Bulk Transfer Values in progress.

9. Freedom of Information Act (FOIA)

- 9.1 Since the last Committee papers were finalised, we have provided the following responses to Freedom of Information Act enquiries. All responses have been made via the Corporate Freedom of Information Act Officer within statutory deadlines.

ENQ Reference / Requester	Details	Date Received	Action
ENQ-670399-W4D8K0 Factset.com	Fund level performance reports for private equity, private debt, real asset, and real estate portfolios for Q2 2023	15/11/2023	Responded
ENQ-670190-C8P1W5 With Intelligence	Performance metrics of all closed-end funds including Private Equity, Venture Capital, Private Debt, Real Estate, Real Assets/Infrastructure funds for Q4 2022 to Q2 2023	15/11/2023	Responded
ENQ-664702-Y7L0N4 PEI Group	Cash-flow reports from Q1 2023 of all private capital investments	16/10/2023	Responded
ENQ-660986-C1F8L4 Steve Baille	Transactions and investments with BlackRock and Vanguard	27/09/2023	Responded
ENQ-659425-J3Y0P6 Preqin	A list of all hedge funds and fund of hedge funds in which Norfolk Pension Fund is an investor	20/09/2023	Responded
ENQ-654626-K8X5T8 Preqin	Commitment, Contribution, Distribution, Value, and IRR as of 30 September 2022 and 31 March 2023	29/08/2023	Responded
ENQ-653000-F3P3D1 Pitchbook Data	Details of alternative asset holdings for Q1 2023	21/08/2023	Responded
ENQ-652337-Y9B3F9 Factset.com	Fund level performance reports for private equity, private debt, real asset, and real estate portfolios Q1 2023	17/08/2023	Responded

10. Representation on behalf of the Pension Fund

10.1 Please see Appendix F for meetings and events which have taken place since the last Pension Committee.

11. Norfolk Pension Fund – Pensions Committee Forward Plan

11.1 The rolling one-year Pensions Committee Forward Plan is attached at Appendix G.

12. Financial and Other Resource Implications

12.1 At the time of writing this report there are no additional financial or other resource implications beyond those already budgeted for and approved by Committee.

12. Other Implications (Inc. Equality Impact Assessment (EqIA))

12.1 Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to take into account.

14. Data Protection Impact Assessments (DPIA)

14.1 We have not identified any data protection implications for the content of this report.

15. Risk Implications/Assessment

15.1 Any risk implications relating to this report will be recorded on the Fund's risk register.

16. Recommendations

16.1 The Committee is asked to consider and note the content of this report including the two Admission Agreements in respect of:

- Crystal Services (Hobart High & Thurlton Primary)
- Aspens Services (Nelson Academy)

17. Background Papers

17.1 Appendix A - 'Current issues in the LGPS' Nov 2023
Appendix B - Key Performance Indicators
Appendix C - Primetime Winter 2023
Appendix D - Employer Newsletter Nov 2023
Appendix E - Update on Bulk Transfer Values in progress
Appendix F - Representation on behalf of the Norfolk Pension Fund
Appendix G - Pensions Committee Forward Plan

Officer Contact

If you have any questions about matters contained in this paper, please contact:

Officer name: Glenn Cossey **Tel No:** 01603 228978
Email address: glenn.cossey@norfolk.gov.uk



If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Current issues in the LGPS

November 2023

2024 Pension Increase Order

The Office of National Statistics has [published](#) the latest Consumer Prices Index (CPI) which rose by 6.7% in the 12 months to September 2023. LGPS benefits can therefore expect a 6.7% increase in April 2024 (subject to the possibility of political intervention) which may significantly shift the cashflow position of LGPS funds in a short space of time. Our [recent webinar](#) discusses the current market outlook for inflation and the impact on the future cashflow position of LGPS funds.

Keeping a watch on inflation

With inflation remaining at 6.7% year-on-year in September, recent data encouraged the Bank of England (BoE) to leave interest rates unchanged at 5.25% pa. at their September and November meetings. Indeed, inflation is expected to fall below 5% year-on-year in October as the energy price cap falls relative to last autumn's large increase. With the easy wins from moderating energy and foods price inflation largely played out, our latest [InflationWatch](#) considers how cautious the BoE may be as attention shifts from how high rates might go, to how long they will stay there.

Update on the Scottish valuations

Our [video](#) highlights that plenty of work is still to be done, around drafting funding strategy statements (FSS) and calculating employer results. Discussions are ongoing on striking a balance between reducing contributions and retaining some surplus as a future buffer, with most funds hoping to meet both aims. However, the general trend of contributions is downwards, with many employers expected to receive the benefit of improved funding positions. FSS's are being complemented by associated policies, setting out each fund's approach to dealing with specific areas of funding policy. Expect draft FSSs to be landing in inboxes before the end of the year!

Evolving our climate scenario modelling

When it comes to investing to combat climate change, we need quality data and information. And by using models to simulate future climate scenarios, we can analyse how assets and portfolios might fare and test their resilience. We're changing [how we approach climate scenario modelling](#), to help our clients to recognise the systemic nature of climate risk and better understand its inherent uncertainty. A clearer picture of the risks from climate change can help institutional investors make crucial decisions like the following: to what extent should you be an 'impact' investor? How should you allocate your assets in light of climate risks?

TPR General Code - compliance made easy?

We're expecting the imminent release of the Regulator's General Code of Practice (GCOP). To help you prepare for this and assess your current level of compliance for each section of the Code, we have created a self-service compliance checker tool (final touches will be made with GCOP's release). Our checker allows a fund to score itself against the key areas of compliance set out in the Code. A summary report can be produced at the touch of a button, with progress tracked and a scorecard generated for each section. This will make it easier for officers to communicate a fund's GCOP position to their Committee and Board. Please get in touch if you'd like further details.

Events, webinars & training

Managing risk in the LGPS

If you've been following our risk management webinar series, you will have seen that we hosted two webinars during October. Both are now available on-demand:

- **Cash flow risk** - Robbie McInroy was joined by Chris Arcari and Reece Notman for a discussion on cash flow risk, and the impact of the ONS announcement (see earlier article) on the September CPI figure. Watch on-demand [here](#).
- **Administration risk** - In this [session](#), Susan Black was joined by Ian Colvin and Kate Dickson to shine a spotlight on administration risk. We looked at key administration risks and how funds can address, monitor and mitigate these risks.
- **Climate risk** - [Join us on 29 November](#) for the next webinar in our LGPS risk management series, where Greer Flanagan will be joined by Peter MacRae and Sanjay Joshi for a discussion on climate risk. We'll explore how climate scenarios are currently used, our latest thinking on climate scenarios and what the next step might look like, what actions funds can take in response to climate risk.
- You may also recall that we ran a [webinar](#) during September about **longevity risk**. Jill Jamieson, Head of Pensions at Club Vita UK, shared Club Vita's latest insights into whether there have been excess deaths among LGPS pensioners. The results were perhaps surprising. A [publication](#) is now available to accompany the webinar.

Conference highlights - LGC Investment Seminar Scotland, 19-20 October

The [LGC Investment Seminar Scotland](#) took place 19-20 October, and the programme was packed full of insightful sessions. Our very own Iain Campbell chaired the conference, and Steven Scott delivered a session on what the valuation data is telling us about the LGPS. You can download our [conference highlights](#) for more on each session.

Pensions Managers' Conference – Torquay, 21-22 November

The ever-popular Pension Managers' Conference is in Torquay again this month. Steve Law will be there to share an actuarial update. We also have several of our Governance, Administration and Projects team attending. In addition, Brenda Kite from our DC team will be at our stand to share details on the Additional Voluntary Contribution reviews she's carried out recently with funds. We hope to see lots of you there! Register your place [here](#).

Market brief

Growth has confounded downbeat expectations in 2023 as consumers continue to spend, particularly in the US. But as the lagged impact of higher borrowing costs increasingly weighs on consumers and businesses, what is the macroeconomic outlook for growth, inflation, and interest rates? In this [update](#), we consider the fundamental implications for the major asset classes, and how current valuations look against this backdrop.

New SAB academy guidance

Over 10,000 academies and free schools in England now participate in the LGPS, with each fund having its own policies around new academies. The Scheme Advisory Board has compiled helpful [guidance](#) that explains the most common terminology and actuarial approaches in use across the 77 relevant funds. The guidance was prepared collaboratively with input from the LGPS actuarial firms, LGPS officers and academy representatives, among others. It will be particularly useful for multi-Academy trusts who may have to contend with different approaches across multiple LGPS funds.

Academy accounting

With the majority of academies reporting at 31 August 2023 now in receipt of FRS102 disclosures, we hosted another [webinar](#) to discuss the emerging picture at this year-end. Our accounting specialists talked through a set of example academy figures, highlighting the trends we're seeing across the LGPS and considering the very hot topic of net asset position disclosure.

In brief...

PLSA paper – the PLSA has published a [paper](#) outlining policy recommendations to the Government to encourage further pension asset investments to drive growth in the UK economy.

Pension dashboards – the Local Government Association (LGA) has published a [draft guide](#) for LGPS administering authorities about connection to pensions dashboards.

Social investing - the DWP-established Taskforce on Social Factors has released a [guide](#) for consultation on how the industry can incorporate social factors into investment decision-making. Feedback is sought by 1 December.

Triple lock - the House of Commons Library has [published](#) information about the state pension triple lock, including a summary of the debates around its sustainability.

Interfund payments – the LGA has sent a message to LGPS funds in E&W about upcoming GAD guidance covering transfers affected by McCloud. Certain transfer calculations are currently on hold.

Public sector exit payments – the [Second Reading](#) of the Public Sector Exit Payments (Limitation) Bill resumed on 20 October, after a seven-month hiatus. As a Private Member's Bill, it needs Government support to proceed.

LGPS statistics – DLUHC has published [2022/23 statistics](#) for the LGPS in England and Wales.

Climate analysis – the Government Actuary's Department (GAD) has published a [news story](#) about the climate-change analysis that it has performed in public service pension scheme valuations.

King's Speech – the anticipated pensions bill, which would have included the Chancellor's [Mansion House reforms](#) and their impact on the LGPS, was not mentioned in the Speech. The focus now moves to the Chancellor's Autumn Statement on 22 November.

Appendix

2024 Pension Increase Order

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/september2023>

<https://event.on24.com/wcc/r/4366370/2A1C3FA73A9FAA7EB4E7A03F3C23E599>

Keeping a watch in inflation

<https://www.hymans.co.uk/insights/research-and-publications/publication/inflationwatch-november-2023/>

Update on the Scottish valuations

<https://vimeo.com/870653390/faaf1fc671?share=copy>

Evolving our climate scenario modelling

https://www.hymans.co.uk/media/uploads/Achieving_Net_Zero_Building_Narrative-driven_Climate_Scenarios.pdf

Events, webinars & training

Managing risk in the LGPS

<https://event.on24.com/wcc/r/4366370/2A1C3FA73A9FAA7EB4E7A03F3C23E599>

<https://event.on24.com/wcc/r/4382329/78C6771D6970CDFEB764CBFD1F7EC60D>

<https://event.on24.com/wcc/r/4333297/561146F3A466021CC70980D7E8FE841A>

https://www.hymans.co.uk/media/uploads/Managing_risk_in_the_LGPS_-_a_spotlight_on_longevity_risk.pdf

Conference highlights - LGC Investment Seminar Scotland, 19-20 October

<https://investmentseminarscotland.lgcplus.com/scotland2023/en/page/home>

https://www.hymans.co.uk/media/uploads/Conference_Highlights_-_LGC_Investment_Seminar_Scotland_19-20_October_2023.pdf

Pensions Managers Conference – Torquay 21-22 November

<https://swcouncils.gov.uk/events/pension-managers-conference/>

Market brief

<https://www.hymans.co.uk/insights/research-and-publications/publication/market-brief-october-2023/>

New SAB academy guidance

<https://lgpsboard.org/images/Guidance/Oct2023SABGuidanceonAcademyConversions.pdf>

Academy accounting

<https://www.hymans.co.uk/insights/webinars/lgps-academy-accounting-disclosures-the-results/>

In brief...

<https://www.plsa.co.uk/Press-Centre/Press-Releases/Article/PLSA-asks-for-policy-regulatory-and-fiscal-changes-to-encourage-UK-growth>

<https://lgpslibrary.org/assets/gas/uk/PDv0.1.pdf>

<https://www.taskforceonsocialfactors.co.uk/>



<https://commonslibrary.parliament.uk/the-triple-lock-how-will-state-pensions-be-uprated-in-future/>

[https://hansard.parliament.uk/commons/2023-10-20/debates/7FAFF960-2EFE-4413-B04E-2DD7FE5A0E40/PublicSectorExitPayments\(Limitation\)Bill](https://hansard.parliament.uk/commons/2023-10-20/debates/7FAFF960-2EFE-4413-B04E-2DD7FE5A0E40/PublicSectorExitPayments(Limitation)Bill)

https://www.gov.uk/government/statistics/local-government-pension-scheme-funds-for-england-and-wales-2022-to-2023?utm_medium=email&utm_campaign=govuk-notifications-topic&utm_source=be65d12f-89b8-46b0-8a74-e7f9416f9b2f&utm_content=immediately#full-publication-update-history

<https://www.gov.uk/government/news/climate-change-scenarios-in-public-service-pensions-valuations>

<https://www.gov.uk/government/news/chancellors-mansion-house-reforms-to-boost-typical-pension-by-over-1000-a-year>

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Admin KPIs

Target = 100%

RAG Status

<75%

76% - 84%

>85%

This table shows the volume and percentage within target number of days for Admin KPIs.

Task	Days	Aug-22		Sep-22		Oct-22		Nov-22		Dec-22		Jan-23		Feb-23		Mar-23		Apr-23		May-23		Jun-23		Jul-23		Aug-23		Sep-23		Oct-23		Monthly Average	
		Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%
Transfer In Quotes	10	22	100	19	95	20	95	16	100	9	89	21	86	18	94	21	86	3	33	3	100	1	100	23	52	43	86	20	85	22	91	17	86
Transfer Out Quotes	10	50	90	63	94	46	96	39	90	25	88	23	65	29	100	35	94	6	100	4	100	34	97	33	94	26	85	18	100	11	91	29	92
Refund Payments	5	45	100	61	100	42	100	57	100	28	100	71	100	52	100	57	100	39	100	49	100	44	100	55	100	54	100	44	100	64	100	51	100
Estimate of Retirement Benefits	10	99	100	84	94	146	93	94	99	72	96	92	100	123	100	96	98	117	99	98	96	136	100	113	97	121	98	58	100	93	91	103	97
Actual Retirement Benefits	5	171	100	180	100	140	99	158	99	85	100	138	99	108	100	102	95	100	95	123	99	139	100	122	100	147	100	161	99	179	99	137	99
Acknowledge Death of Member	5	63	97	68	94	70	94	79	95	65	97	83	98	96	92	82	94	42	95	76	88	85	100	69	97	72	97	87	95	72	100	74	96
Notify Dependant's Benefits	5	22	95	27	96	31	100	29	100	11	100	18	89	25	56	38	97	27	70	36	86	26	77	37	92	21	95	30	100	32	91	27	90
Notify Deferred Benefits	10	123	93	153	99	138	97	251	92	180	99	212	98	175	99	175	98	79	96	159	99	224	99	149	99	193	99	190	93	247	98	177	97
Altair Housekeeping	5	9	78	8	100	9	100	8	88	9	100	9	100	8	100	9	100	8	100	9	100	9	100	8	50	9	100	9	100	9	100	9	94

Estimate of Retirement Benefits and Actual Retirement Benefits take priority over other tasks.

Prime Time



APPENDIX C

Norfolk Pension Fund

Delivering the Local Government
Pension Scheme

Winter 2023 | Issue 20

Pension fund newsletter

for retired members

27

Please keep in touch!

Keeping us informed of your correct contact details is very important - it could make the difference between your pension being paid or being suspended, whilst we trace your new address.

So please let us know if you move house or if this edition of Primetime didn't arrive at your correct address. A good way to do this is by using Member Self-Service (please see **page 10** for more details) on our website www.norfolkpensionfund.org

Other ways you can tell us your new address are:



Email

pensions@norfolk.gov.uk

If you email us your new address, please include the following information:

- Your FULL NAME
- Your Norfolk Pension Fund payroll number
- Your date of birth
- The name of the bank to which we pay your pension



Telephone

01603 495788

Our phone lines are open 8.45am to 5.00pm Monday to Thursday and 8.45am to 4.00pm on Fridays.



Post

**Norfolk Pension Fund
County Hall
Martineau Lane
Norwich, NR1 2DH**

If you are writing to tell us of your new address, please remember to sign your letter with your usual signature.



Website

Complete the 'Change of Name or Address' form which you can download from the 'Resources' page on our website

www.norfolkpensionfund.org

Season's Greetings

Welcome to the Winter edition of Primetime

In this issue you'll find all the regular information to help you keep in touch with your pension including our annual update on the Fund's accounts and investments for 2022-23.

A great way to view your payslips and P60s is by registering with our online Member Self-Service – an easy and secure way to access your LGPS pension. You can find details on how you can use this service on page 10.

We have an update from our friends at Norfolk Fire Services on what you can do to prevent fire in your home on page 20. And on page 22, there's advice on how to protect yourself from the devastating impact of scams and fraud.

Many people in retirement take the opportunity to care for a child in their home, so if fostering is something of interest to you, please read the article on page 12 from Norfolk County Council Adult Services for more information on what you could offer.

Please could I take this opportunity to wish you a very Merry Christmas and a Happy New Year from us all at the Norfolk Pension Fund.

Best wishes,



Glenn Cossey,
Director of the
Norfolk Pension Fund



Contents

When is my pension paid?	4
Pensions Committee and Pensions Oversight Board	5
Pensioner Support Team News	6
Meet the Pensioner Support Team	7
Useful reminders	8
Member Self-Service	10
You could be a foster carer	12
Christmas Quiz	14
Accounts and investments	16
Norfolk Pension Fund's approach to ESG Investment	18
Please tell us what you think	19
Protect your home from fire	20
Don't be a victim of scams	22
Tell us once	23



Norfolk Pension Fund



When is my pension paid?

Your pension goes into your bank account on the last working day of the month.

2024 payment dates will be...

January 2024	Wednesday 31 January
February 2024	Thursday 29 February
March 2024	Friday 29 March
April 2024	Tuesday 30 April
May 2024	Friday 31 May
June 2024	Friday 28 June
July 2024	Wednesday 31 July
August 2024	Friday 30 August
September 2024	Monday 30 September
October 2024	Thursday 31 October
November 2024	Friday 29 November
December 2024	Tuesday 31 December

When do I get my payslip?

Generally, we don't send payslips to all our pensioners every month.

A full payslip run usually only happens twice a year in April and May.

We only print payslips to send to you when:

- the amount you receive changes by more than £1 from your last payment, or
- HM Revenue & Customs change your tax code, or you change your bank details, or
- you change your address

When you receive a payslip, look out for any messages printed on the front. There will be months when you will not receive a payslip, but please don't worry as your pension will be paid into your account on the above dates.

REGISTER AT

www.norfolkpensionfund.org

to view your
payslip online!

Pensions Committee

Norfolk County Council is the administering authority of the Norfolk Pension Fund. The Pensions Committee is responsible for decisions about running the Norfolk Pension Fund.

The eight members of the Pensions Committee act as trustees and supervise the management of the Norfolk Pension Fund. Their aim is to manage the Pension Fund in the best interest of scheme members and participating employers. To help them do this, they get advice from Pension Fund officers, professional advisors and external experts.

Pensions Oversight Board

The Pensions Oversight Board helps the Pensions Committee ensure that the Pension Fund is well managed. Unlike the Pensions Committee, the Pensions Oversight Board doesn't have the authority to make decisions. Its job is to make sure that the Pension Fund carries out all its duties appropriately and well.

Peter Baker is the current retired scheme member representative. Peter's four year term is due to end in February 2024. He's happy to continue beyond then unless there's any retired member who would like to put their name forward to be considered as the pensioner representative on the Board. To find out more, or to express an interest, please contact eunice.walcott@norfolk.gov.uk or call **01603 222960**.

Vacancy on the Pensions Oversight Board

We currently have a vacancy on the Pensions Oversight Board for a member representing trade unions.

The new member will receive training from the Norfolk Pension Fund, with support from their union. The role offers a rewarding opportunity to represent the views of trade union members, and report back to the union with an update after each Board meeting.

If you are a trade union member interested in this important and fulfilling role, please contact jonathan.dunning@unisonnorfolkcounty.co.uk for more details.

Pensioner Support Team News

A message from Paul Stimpson,
Pensions Payroll Manager



As we draw closer to the end of another calendar year, I trust that the service you have received from the Pensioner Support Team has again been of excellent standard.

Whilst the team is available to help you with your own pension payroll questions, we can also tell you what your eligible survivors may receive from Norfolk Pension Fund once your pension stops. If you require specific amounts, we will respond by letter with the details.

At certain times of the year, trying to contact us by telephone can be difficult due to the high volume of calls being received, but if your call isn't answered you can leave a brief message and we will always call you back at our earliest opportunity.

Please remember to tell us your National Insurance number or your Pension Payroll Identification number if you leave a phone message. Alternatively, please send us an email. Our contact details can be found on **page 2**.

You also have the option of sending an email, or raising a query, via our Member Self-Service website (see **page 10** for more details).

Whilst most of you continue to live in Norfolk, many of you are spread further around the World.

So, wherever you currently find yourself, if you have a question to put to us, please don't hesitate to contact us. Many times have we received a phone call from someone living further afield and are told, 'how lovely it is to hear the Norfolk accent.' We love hearing yours too!

Nearly **26,000** members receive a pension payment from us every month!

Nearly **9 in 10** of our retired members live in Norfolk!

Over **350** of our retired members live overseas!

Meet the Pensioner Support Team



Here's the Pensioner Support Team, pictured at a team lunch earlier in the year. From left to right they are: James, Paul, Nicky, Sandra, Helen, Gary and Shenda. The team is here to help and can be contacted by telephone on **01603 495788** or by email at pensions@norfolk.gov.uk

The McCloud remedy

The McCloud remedy came into effect from 1 October 2023. This changed LGPS rules to remove an age discrimination against younger members which occurred when public service pension schemes changed from final salary schemes to career average schemes in 2014 and 2015.

Not all LGPS members are affected by the changes. Some members will get a small increase in their pension. No members will have their pension reduced.

You do not need to do anything. If you are affected, we will contact you.

For more information, and to see if you're affected by the McCloud remedy, please visit the LGPS member website at www.lgpsmember.org/mccloud-remedy/



Useful reminders

You may remember these items from previous editions of Primetime. We often get questions about them so feel they are worth repeating.

Entitlement to pension

Some of you may receive a 'Continued entitlement to pension' form. If you receive one, please don't let it worry you, but we do need you to complete and return it by the date shown in the accompanying letter.

Change of Address

Keeping us up to date with your current address is really important. If any mail from us to you comes back undelivered we will stop paying your pension whilst we trace your new address.

Please see **page 2** on how to tell us if you move.

Are you one of our pensioners who live abroad?

If so, you may be interested in a service provided by Citibank. For just £2.74 a month – collected from your payment – Citibank will pay your pension directly to your overseas bank account in local currency, via their WorldLink system.

Payment this way does take a little longer to process, so your pension will arrive a few days after the UK credit date. If you would like to know more then please contact the Pensioner Support Team on **01603 495788** or email

pensions@norfolk.gov.uk



Changes to your bank details

Please let us know if your bank details change. You can do this by using Member Self-Service (please see **page 10** for more details) on our website **www.norfolkpensionfund.org**

Alternatively, please send a letter or return the 'Bank or Building Society Payment Details' form (which you can download from our website **www.norfolkpensionfund.org** under the 'Resources' section) to us at the address shown on the back page.

Please remember to sign your letter or form.

Power of Attorney (POA)

If a family member or friend is dealing with your financial affairs by way of a Power of Attorney, please send us a copy of the full document or the online LPA (Lasting Power of Attorney) access code to enable us to view online. Please do not send the original document. We can then work with your Attorney. Remember though, we only need to see a POA if it is being used – **please do not send us a POA if you are still managing your finances.**

If you don't have a POA but need someone to act on your behalf, our Appointee Indemnity Form may be used – please ask us for more details.

State Pension Forecast

If you are not yet in receipt of your State Pension, you can visit **www.gov.uk/check-state-pension** or call **0800 731 0469** to find out:

- how much State Pension you could get
- when you can get it
- how to increase it (if you can)



Member Self-Service

Check out your pension online...

Member Self-Service is a secure, dedicated area on our website www.norfolkpensionfund.org where you can access and view your pension details.

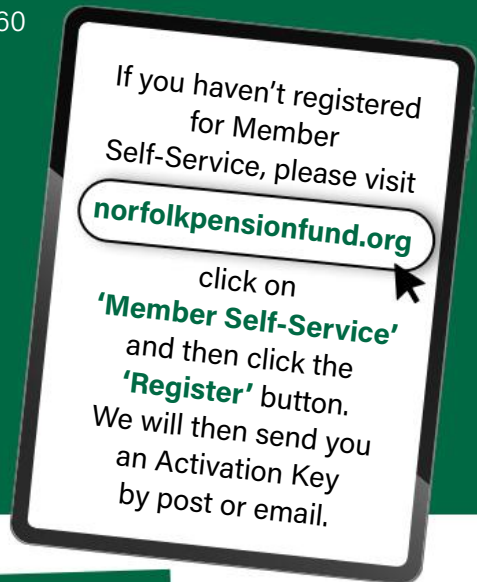


Member Self-Service allows you to:

- update your contact details including your address and bank account
- see and download your payslips and P60
- upload documents to us
- contact us securely

For help with registering, please call us on **01603 222132** or email us at pensions.mss@norfolk.gov.uk

For questions about your pension, please call us on **01603 495788** or email us at pensions@norfolk.gov.uk



Member Self-Service Top Tips!

Have you got more than one pension account with us?

To view all your accounts, click on the arrow towards the top of the screen and then select the one you would like to view.



Want to look at your payslips?

Your payslips can be found under 'Payroll' on your Dashboard.

Just click on **'Payslip'**



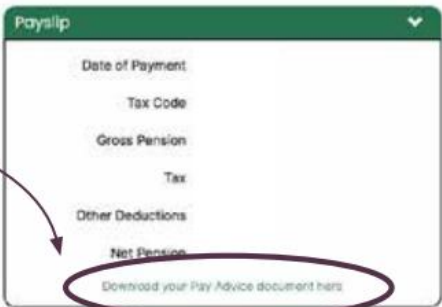
Select the payslip you want to see on the left and the details are displayed on the right.



For payslips **from October 2021** onwards you can click on the words

'Download your Pay Advice document here.'

This will download a copy of your payslip to your device which you can save or print as you wish.



Want to look at your P60?

You can view your P60s under the 'Payroll' section on your dashboard. Just click on **'P60 End of Year Certificates'**



To download your P60 click on the words

'Download your P60 document here'

Could you give a weekend a month?

You could be a foster carer.



**norfolk
fostering**

Claire* and her husband had discussed the possibility of fostering before they got married.

"We're both very family-orientated and wanted children of our own, but right from the start we said we'd like to adopt or foster too."

Claire's career has mostly involved working with children. As a civilian station officer for the police, she would regularly see children arriving with a parent who had been arrested, often in very distressing circumstances. One incident when a two-year old came in with his mother on Christmas Eve made a deep impression and strengthened Claire's resolve to become a foster carer.

"I looked after him all night, then in the early hours of Christmas morning, we had to take him to a children's home. The staff were amazing, warm and welcoming but I couldn't help feeling that it would have been better for such a young child to go to a foster family."

Claire and James have five children of their own and have been foster carers for five years.

"We chose to foster through Norfolk County Council because I know they have secure structures and systems in place. Learning and development is very important, and we have that all the way through as a safety net. We feel very well supported."

The couple were allocated a social worker to take them through the process of becoming a foster carer.

"We bonded with her very quickly. The process is very in depth which might put some people off. But when you start your fostering journey, you realise why so much information is needed."

For Claire, the best thing about being a foster carer is seeing a child's confidence and happiness increase.

"That moment when a child looks back at you for reassurance – whether it's riding a bike for the first time or tying their shoelaces – it's so moving

and rewarding. This may seem like small gains, but everything progresses from there."

Claire is planning to retire next year and plans to foster more children. "I feel we're growing into fostering and I'm looking forward to doing more when I retire."

From short-term respite care to longer-term fostering, adults with experience of working with or bringing up children could become a foster carer.

Find out more from Norfolk Fostering Service. Call **01603 306649** or see www.norfolk.gov.uk/fostering

*Name changed to protect identity



Christmas Quiz


Get in the festive mood with our fun Christmas Quiz!

You can find the answers at the bottom of page 18.



1. Which word often used to describe Christmas means 'turning of the sun'?
2. Which festive drink is made with eggs, milk, cream, nutmeg, vanilla, and fortified with brandy or whisky?
3. Christmas Island is a territory of which country?
4. In the song 'Frosty the Snowman', what is Frosty's nose made from?
5. What day is St Stephen's Day also known as?
6. In which pantomime does the character Buttons appear?
7. What colour are mistletoe berries?
8. Which Christmas carol has the lyrics, 'Oh tidings of comfort and joy'?
9. Which ballet, composed in 1892 by Tchaikovsky, is traditionally performed at Christmas?
10. London's Trafalgar Square Christmas tree is traditionally given by which country?
11. In which Charles Dicken's festive tale does the character Bob Cratchit appear?



- 
12. Which Christmas item was invented by Tom Smith in 1847?
 13. In Holland, what do children put out on Christmas Eve instead of stockings?
 14. In the poem, 'Twas the Night Before Christmas,' visions of what dancing were in children's heads?
 15. Kevin McCallister is the main character in which 1990 Christmas comedy movie?
 16. In which London body of water has a swimming race been held on Christmas Day since 1864, with the winner awarded the Peter Pan Cup?
 17. What ornaments do elves have on the toes of their shoes?
 18. Complete the lyrics, 'On the fifth day of Christmas, my true love sent to me...'
 19. Who, in Victorian England, were called Robins because of their red uniforms?
 20. 'Feliz Navidad' means 'Happy Christmas' in what language?



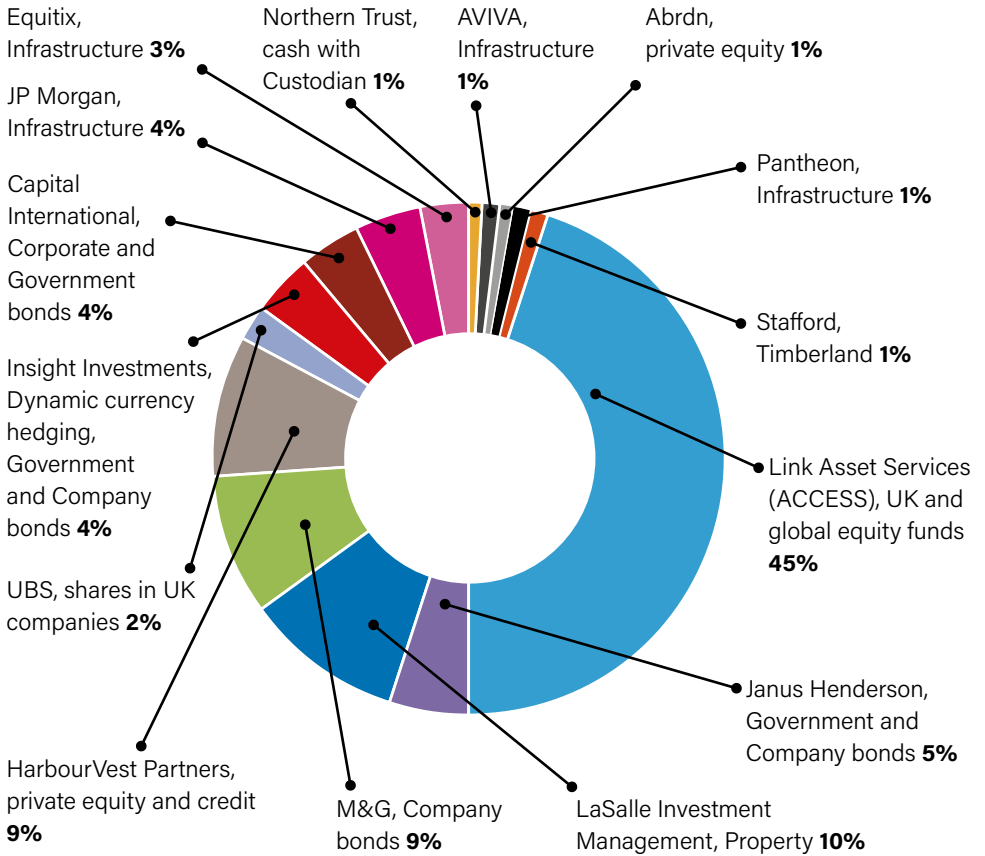
Accounts and Investments

This is a summary of the Norfolk Pension Fund accounts and investments. Our full accounts for 2022-23 will be published on our website at www.norfolkpensionfund.org following full external audit.

Also published on the website is our Investment Strategy Statement, which includes details of our Socially Responsible Investment and Corporate Governance activities. If you would like a paper copy of either document please call us on **01603 222824**.

	2022-23 £000s	2021-22 £000s
Opening net assets of the scheme	4,912,180	4,527,097
Employees' contribution to the Fund	38,193	35,093
Employers' contribution to the Fund	146,765	134,717
Transfer values received	11,626	7,819
Payments to pensioners and dependants	-160,774	-155,016
Transfers out and other payments to leavers	-6,883	-12,648
Investment and administration costs	-31,433	-26,760
Net investment return – including income and the change in value of investments	-30,053	401,878
Closing net assets of the scheme	4,879,621	4,912,180

Following substantial increases in the value of our investments over the last two financial years, 2022-23 was marked by bouts of financial market volatility. However, these ultimately resulted in little movement in the overall value of investments. Markets continue to be concerned with geopolitical risk, potential economic downturn, the spectre of inflation and interest rates at levels that have not been seen for many years. That said, our diversified portfolio has remained resilient, and our total assets were down by less than one percent over the year to 31 March 2023.



Please note: due to rounding, disclosures in the chart may not sum to 100%.

Our diversified approach means that we always have a mix of investment methods and asset types as we aim to get the best return on investment we can, whilst at the same time managing risk.

Through the ACCESS pool we are working with 10 other like-minded LGPS Funds to bring the management of many of our investments together, in order to reduce costs whilst maintaining investment performance. The pooling arrangements currently encompass the assets above managed by Link Asset Services and UBS. This will not change Pensions Committee’s overall responsibility for the Norfolk Pension Fund.

Norfolk Pension Fund's approach to ESG Investment

The primary objective of the Norfolk Pension Fund is investing money to provide pension benefits to our members, which we do responsibly.

You can find out more about how we do this by reading our **Statement on Disinvestment/ Exclusion & ESG (Environmental, Social and Governance)** which is available on the **Investment and Stewardship** page of our website together with the latest **Climate risk reporting** on our quoted equity portfolio.



www.norfolkpensionfund.org

Please contact us to request a printed copy of either document.

Christmas Quiz

How did you do? Here are the answers to our Christmas Quiz on pages 14 and 15.

- | | |
|--------------------------------|-----------------------|
| 1. Yuletide | 11. A Christmas Carol |
| 2. Eggnog | 12. Christmas cracker |
| 3. Australia | 13. Clogs |
| 4. A button | 14. Sugar plums |
| 5. Boxing Day | 15. Home Alone |
| 6. Cinderella | 16. The Serpentine |
| 7. White | 17. Bells |
| 8. God Rest Ye Merry Gentlemen | 18. Five gold rings |
| 9. The Nutcracker | 19. Postmen |
| 10. Norway | 20. Spanish |



Please tell us what you think

Our aim is to provide you with the best possible service to help you with your pension.

We would therefore love to hear your feedback on Primetime and the service that you receive from the Norfolk Pension Fund. We would really appreciate it if you could spare a couple of minutes to complete our online survey at

www.smartsurvey.co.uk/s/primetime23/

It is only a very short survey and your views will help us provide you with the service you need. If you would like us to post you a paper copy of the survey, please call us on **01603 222824**.



Looking after your data...

Norfolk County Council (as administrator of the Norfolk Pension Fund) on behalf of the Norfolk Pension Fund is a Data Controller under the General Data Protection Regulations. This means we store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services.

To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances.

For more information about how we hold your data, who we share it with and what rights you have to request information from the Fund, please visit www.norfolkpensionfund.org





Protect your home from fire

Norfolk Fire and Rescue Service's Prevention Team helps provide people in Norfolk with advice and education around fire safety in the home.

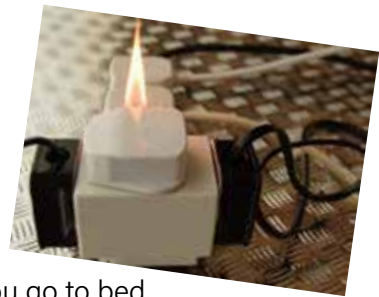
Here are some of our essential tips to help keep you safe this winter.

Smoke alarms

- Fit smoke detectors on every floor of your home, ideally on the ceilings in hallways or landings.
- Don't put a smoke detector in the kitchen, where it can be set off accidentally.
- Test your smoke alarm weekly. Test It Tuesday!

Electrical Safety Advice

- Don't overload sockets, keep to one plug per socket.
- Unplug appliances when not in use or when you go to bed.
- Always use the correct fuse.
- Check and replace old cables and leads.
- Do not charge electrical items, such as your mobile phone, at night.



To find a reputable electrician or tradesperson, please visit Norfolk County Council's Trusted Trader Scheme at www.norfolk.gov.uk/business/trading-standards/trusted-trader

Stay safe when using your electric heaters

- Keep electric heaters at least one metre away from people, furniture, and items such as blankets, cushions, and newspapers.
- Place heaters on a solid surface to keep them stable.
- Never use an electric heater to dry clothes.
- Stow cables safely to avoid tripping over them.
- Emollient creams are highly flammable and can absorb into clothing and surfaces, as well as your skin. So, always stay at least one metre away from any electric heater if you are using these creams.

Fireplace and wood burner safety

- Use a CO alarm to detect any escaped gases.
- Have your chimney swept annually.
- Use a metal fire guard.
- Keep people, furniture, and items such as blankets, cushions, and newspapers at least one metre away from the fireplace.



Make an escape plan

- Plan your escape routes and keep your exits clear.
- The best route is the usual way in and out of your home.
- Get everyone to test your plan regularly throughout the year.
- Keep door and window keys handy – tell members of your household where they are.

For further information and advice on any aspect of fire safety in the home please contact our Prevention Team on:

Telephone: **0300 1231669**

Email **hq@fire.norfolk.gov.uk**

Website **www.norfolk.gov.uk/fire**

Scan the QR code to see how safe your home is



Don't be a victim of scams

Criminals are using increasingly sophisticated ways to con people out of their pension savings and investments. Please take action to protect yourself from the devastating effects scams can have on your life and finances.

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they're only making the offer available to you or even ask you to not tell anyone else about it



How to avoid investment and pension scams

1. Reject unexpected offers

Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's very high-risk or a scam.

2. Check the FCA (Financial Conduct Authority) Warning List

Use the FCA's Warning List on their website www.fca.org.uk/scamsmart/warning-list to check the risks of a potential investment – you can also search to see if the firm is known to be operating without FCA authorisation.

3. Get impartial advice

Get impartial advice before investing – don't use an advisor from the firm that contacted you.

To report a scam, please contact Action Fraud on **0300 123 2040** or www.actionfraud.police.uk

For more information on investment and pension scams, visit the FCA website at www.fca.org.uk/scamsmart

Tell Us Once



The Norfolk Pension Fund is signed up to Tell Us Once, a service that lets you report a death to the relevant Government departments and local authorities in one go.

As part of this service, we are **automatically notified** once the death of any of our scheme members is reported to a **Registrar** as long as the National Insurance number has been recorded.

This means the scheme member's records can be processed more **quickly and simply** than would otherwise be the case.

If you live in Norfolk, you can book an appointment with the Registrar online at www.norfolk.gov.uk or by calling **0344 800 8020**.

Bereavement support

If you, or someone you know, has suffered a loss, you'll find information on where to go for help and support at www.norfolk.gov.uk/grief



Finding support

If you feel you need additional support, there are many ways to get help. Volunteer bereavement support workers, self-help groups, faith groups and community groups can all provide support. You can also seek professional counselling if you feel you need it.

You can find these groups in the following ways:

- Search for local support groups using the www.norfolk.gov.uk/directory
- Ataloss can help you find national help groups and services www.ataloss.org
- Cruse Bereavement support offers a helpful tool that can help you identify what type of support will be best for you. Please call **0808 808 1677** or visit www.cruse.org.uk



Do you have a query about your pension?

Please let us know as soon as possible if you have a query, or think there has been an error with your pension. Most issues are easily sorted out this way. However, if you disagree with any decision about your membership of the Local Government Pension Scheme, you're entitled to put your complaint through the official dispute procedure.

You can find a guide to the dispute procedure on our website at

www.norfolkpensionfund.org

Alternatively, please contact us and we will send you a copy.

Contact details

**Post Norfolk Pension Fund, County Hall, Martineau Lane,
Norwich, NR1 2DH**

Telephone 01603 495788

Email pensions@norfolk.gov.uk

Website www.norfolkpensionfund.org

Disclaimer the information in this newsletter is for general use only and does not cover every personal circumstance. If there is any disagreement over your pension benefits due under the Local Government Pension Scheme, the appropriate legislation will apply. This newsletter does not give you any contractual or legal rights, and is provided for information purposes only.

Printed on paper sourced from sustainable forests using vegetable based inks.



Employer Newsletter November 2023

Welcome to our Employer Newsletter

This time we have a update on the Government's *Next Steps on Investments* consultation regarding the future of LGPS investment pooling. Plus, we have an overview of our Responsible Investment policy, which rightly generates much interest from our stakeholders.

The McCloud remedy finally came into effect from 1 October 2023 and there is more about this on page 6, together with information about resources available for members to find out what it all means for them.

The launch of the widely anticipated Pensions Dashboards Programme has been delayed. Despite this, in readiness, the Fund needs to work together with you to ensure the member data we hold is of the highest quality - please see page 7 for more details.

Another good way of keeping up to date with Pension Fund and LGPS news is at our next Employer Forum which we are holding on 29 November at The Space in Norwich and online via MS Teams - it would be great if you could join us, be it in person or virtually!

Best wishes,

Glenn Cossey
Director of the Norfolk
Pension Fund



In this issue

- **Employer Forum**
- **LGPS Summer Investment Consultation**
- **Responsible Investment policy**
- **The McCloud remedy**
- **Pensions Dashboards Programme**
- **Updating your contact details**
- **Members leaving the LGPS**
- **Member Self-Service**
- **Member help and support**
- **New Member Joiner Pack**
- **Norfolk Pension Fund governance**
- **Pensions Committee news**
- **Pensions Oversight Board employer vacancy**
- **Be ScamSmart with your pension**
- **Pre Retirement Planning Course**
- **Employer's Pension Policy**

Christmas Opening Hours

Please note, the Norfolk Pension Fund will close for the festive holiday period from 12.00pm midday on Friday 22 December 2023.

We will reopen at 8.45am on Tuesday 2 January 2024.

Employer Forum

Wednesday 29 November

Please join us on Wednesday 29 November for our next hybrid Employer Forum which you can attend either:

- In person at **The Space, Roundtree Way, Norwich, NR7 8SQ** or;
- Virtually online via MS Teams.

The Forum offers a great opportunity to keep up to date with scheme developments, which is an important part of your responsibility as an LGPS employer.

AGENDA

The Agenda includes the following items:

- **Update from the Fund Actuary, Hymans Robertson** – in this session, the Fund Actuary will be focussing on two important areas affecting you as an employer:
 - as we reach the half way point between the 2022 Triennial Valuation and the 2025 Valuation, which includes the review of employer contribution rates payable from 1 April 2026 to 31 March 2029, the Fund Actuary will provide an update on the current outlook for funding levels and employer contributions.
 - a look at the issue of asset ceilings as a consideration for employers as part of their financial reporting for pensions.
- **Investment overview** – focussing on the investment pooling environment.
- **Recap on the McCloud remedy** - implications for scheme members.

- **Administration update** – an update on i-Connect plus latest operational developments and changes coming along.
- **Ask the Panel Q&A session** – your chance to put questions to the Fund Actuary and the Norfolk Pension Fund team.

The meeting will commence at 10.00am. If you plan to attend at The Space, you're welcome to register and join us for a coffee from 9.30am.

We aim to finish by 12.30pm, followed by a buffet lunch, giving you the opportunity to speak 1:1 with Hymans Robertson and our team members, and chat to other employer colleagues.

If you would like to join the Forum virtually, or in person, please email:

richard.ewles@norfolk.gov.uk

or call 01603 222824



LGPS Summer Investment Consultation

Over the summer, the Government conducted an LGPS consultation on *Next Steps on Investments*.

In substance, this was the long awaited consultation on the future of LGPS pooling with some other investment matters thrown in.

The Norfolk Pension Fund is one of eleven local authority funds that form the ACCESS LGPS pool, which brings together more than £60 billion in investable assets.

Although the consultation is now closed, it can still be found on [GOV.UK here](#). It was launched on 11 July 2023 and closed on 2 October 2023.

We believe that reference to the consultation outcome will be made in the Chancellor's Autumn statement later this week. We know that a large number of interested parties responded to the consultation and there were common themes in their concerns and only a short period has passed to assess these responses.

All LGPS stakeholders will be listening to the statement carefully and we hope it will not undermine the success of pooling for the LGPS to date and, in particular, what has been achieved by the partner funds in ACCESS.

This comes against the background where the LGPS has achieved probably its strongest ever funding position and, for many funds, including Norfolk, the pooling project has developed successfully to deliver savings and additional investment opportunities.

The consultation launch coincided with the Chancellors' Mansion House speech, which

Continued...



ACCESS (A Collaboration of Central, Eastern and Southern Shires) is 11 like-minded Local Government Pension Scheme Authorities who formed a collaboration to collectively invest, achieve greater cost efficiency and deliver strong performance.

This is delivered through a strong governance framework, an efficient operating model and by bringing the best of local authority procurement to select the best value suppliers for the pool's structure.

£34bn

**Pooled assets
to date**

£53.4m

Net savings

1.2m

Members

3,500+

Employers

340,000+

Pensioners

www.accesspool.org

LGPS Summer Investment Consultation cont...

centred on private equity investment by UK investors and pension funds in particular. This received extensive media coverage and was the subject of much analysis and discussion of its merits (or not).

The consultation has provoked a range of responses, but one of the common concerns has been an apparent misunderstanding from Government about the role of monies held by the LGPS.

The sole purpose of an LGPS Fund is to pay the pension benefits earned by its members during their working life. Some of the early rhetoric about pooling from George Osborne in 2015 incorrectly referred to “Sovereign Wealth Funds”.

A hint of this exists in the conversation about the LGPS and other pension capital as vehicles to encourage UK economic development and for the LGPS in particular, contributing to the “Levelling Up” agenda.

There is clear legal precedent that the LGPS is not public money and that it should not be subject to investment direction. LGPS pension funds, including the Norfolk Pension Fund, are already substantial investors in the UK across public and private markets. Funds should be making those investments because of the returns provided, not to meet an arbitrary instruction, which may result in sub-optimal outcomes.

The Norfolk Pension Fund provided its own response to the consultation and was also signatory to the response provided by the ACCESS LGPS pool. ACCESS also used a respected independent consultancy (Clearglass) to demonstrate the clear savings and value for money



provided to partner funds.

The Norfolk County Council Pensions Committee agreed the response and took additional legal and investment advice to ensure the completeness and accuracy of the document.

Although the response included analysis for the specific investment points, the executive summary concentrated on the legal and regulatory issues with the framework under which the consultation proposals needed to be assessed.

We highlighted the legal status of the LGPS and the case law around it to highlight the difficulty of some aspects suggested by the Government.

This included the purpose of the funds, fiduciary responsibility, responsibility for the liabilities and the role of Administering Authorities in local decision making and responsibility.

We intend to discuss progress with pooling further as part of the Employer Forum on 29 November. We hope that you can join us at the event and would welcome further questions and engagement.

Responsible Investment policy

The world is a complicated place, with multiple interactions and questions without simple answers.

Against this backdrop, there continues to be considerable interest in the application of ESG (Environmental Social and Governance) factors by pension funds in their investment processes.

The Norfolk Pension Fund is no different to other institutional investors that operate in this environment. We frequently receive enquiries from scheme members, employers, and other stakeholders or unrelated but interested parties.

The Fund sets out its policies on responsible investment within our [Funding Strategy Statement](#) and [Investment Strategy Statement](#). The ACCESS LGPS pool, of which the Norfolk Pension is a member, has also recently published an updated Responsible Investment policy on its website www.accesspool.org

To assist communications in this area, the Fund has set the key points out in its [Statement on Disinvestment/Exclusion & ESG \(Environmental, Social & Governance\) Aspects of Investment Strategy](#). In addition to providing details of the ESG approach, this document also clearly sets out the purpose of the Fund to pay the pension benefits of our beneficiaries.

The Fund monitors the climate risk characteristics including carbon emissions data, of its public equity portfolios.

This is considered by the Pensions Committee every six months alongside details of voting and



engagement activity by our investment managers on behalf of the Fund.

Details of both are published on the [Investment and stewardship](#) page of our website www.norfolkpensionfund.org

The effective integration of financially material ESG factors into investment processes has resulted in a portfolio with climate risk characteristics considerably better than the benchmark global equity indices.

The Fund also modelled climate risk scenarios as one of the risks considered as part of the 2022 Valuation. We anticipate that this will be developed further when the 2025 exercise is completed during the 2025-26 financial year.

The McCloud remedy

The **McCloud remedy** came into effect from 1 October 2023, changing LGPS rules to remove the age discrimination against younger members which occurred when public service pension schemes changed from final salary to career average benefits in 2014 and 2015.

The changes may affect your employees if:

- they were paying into the LGPS or another public service pension scheme before 1 April 2012.
- they were also paying into the LGPS between 1 April 2014 and 31 March 2022.
- they have been a member of a public service pension scheme without a continuous break of more than five years.
- they were under age 65 in the remedy period (the underpin will have stopped earlier if a member has reached age 65 before 31 March 2022).

From 1 April 2022, there is no underpin protection. Pension benefits built up after that date are based on career average scheme only.

Current active members do not need to do anything. If they qualify for underpin protection, we will work out if an addition is due to be paid when they take their pension.

If any member has already retired, we will work out if they are due an addition to their existing pension.

We are currently testing calculations and updating



member records and will contact anyone affected in due course.

To help members (and employers) understand what the rule changes mean for them, the LGPS has published some useful resources on its scheme member website.

The range of information provided includes an interactive *Am I affected?* tool as well as a video, FAQs and example case studies detailing how the remedy affects different types of member.

Please click on the links below to access the resources.

- [LGPS Member website](#)
- [What is the McCloud remedy?](#) - video
- [Am I affected?](#) - interactive tool
- [How different members are affected](#) - example case studies
- [What happens if...?](#) - find out how your pension may be affected
- [Key dates](#)
- [FAQs](#)

Pensions Dashboards Programme and data quality

The Department for Work and Pensions (DWP), via the Money and Pension Service (MaPS), is currently developing the Pensions Dashboards Programme to give everyone in the UK access to all their pension information (occupational pension, private personal pension and State Pension) in one secure website location.

All pension schemes in the UK, including the LGPS, are required to connect to the dashboards ecosystem to provide members with up-to-date information about their pensions.

The original phased timeline has been scrapped with a new single connection deadline of 31 October 2026. However, there are provisions allowing the DWP to issue guidance setting out a staged connection timeline for individual schemes such as the LGPS. This could mean that we have to



connect before the 31 October 2026 deadline.

So as we work towards the launch, one of the key issues that we are addressing is data accuracy.

The information we hold about a member's pension is based on the data that you provide us, so it's essential the data you submit via i-Connect is as up-to-date and accurate as possible.

This includes data items such as National Insurance numbers and home addresses.

Your assistance in helping us achieve the highest possible data quality will be greatly appreciated.

Updating your contact details

We really like to keep up to date with contact details for all our employers, so we can send you important information affecting you or your employees.

If you're leaving your organisation, or moving to a new role, and will be passing on your engagement responsibilities with the Norfolk Pension Fund to a colleague, please let us know as soon as possible or ask your replacement to contact us as soon as they can.

Please either confirm the changes to us at pensions.technical@norfolk.gov.uk or complete



and return the [Employer Contact Details \(MISC91\)](#) form to us at the same email address.

Please can you review your current contact details with us and let us know any out-of-date contacts or where new contacts are required.

Likewise, if you are changing your payroll provider at any time, please let us know.

Members leaving the LGPS

A reminder to please complete the [Member Leaving Scheme \(L45\)](#) form with details of any of your employees who are leaving the LGPS.

This is a requirement for all scheme employers, as stated in the [Pension Administration Strategy](#).

It's also your responsibility to ensure that you, or your payroll provider, complete and return the form to us as soon as possible. Any delay can hold up the processing of a member's retirement benefits or informing the member of their pension options.

We also need the [Employer Notification of Employee Opting Out \(SR88\)](#) and [Notice to Opt Out of Pension Saving \(SR97\)](#) forms for any member opting out of the LGPS. **Thank you!**



Member Self-Service

Please tell your employees that Member Self-Service (MSS) offers a great way for them to view their pension details online.

Member Self-Service can be used to :

- View pension account benefits
- Amend personal details
- Update Death Grant nomination details
- Calculate pension benefits with the Benefit Projectors
- View the Annual Benefit Statement
- Upload documents and queries
- Contact us securely

The service can be accessed from the homepage of our website at www.norfolkpensionfund.org by clicking *Member Self-Service* on the menu bar or on the *Member Self-Service* icon.



For support, we have a dedicated Member Self-Service helpline on **01603 22132** and email address pensions.mss@norfolk.gov.uk

To help you promote Member Self-Service to your employees, we have produced a *Keep in touch with your pension online* PDF, which can be [downloaded here](#) to print or email.

Member help and support

Over the last two weeks of November, we will be holding our annual Pension Clinics around the county. The Clinics, which were advertised in the Annual Benefit Statement, offer members the chance to discuss their LGPS pension face-to-face with one of the Norfolk Pension Fund team.

The venues this year are in Norwich, Great Yarmouth, King's Lynn and Cromer.

Thanks very much to our employer colleagues who have provided us with rooms for the Clinics.

Please let your employees know that we're always here to help.



They can call us on **01603 495923** anytime during office hours to discuss their pension or arrange a face-to-face meeting at County Hall or book an online virtual appointment.

New Member Joiner Pack

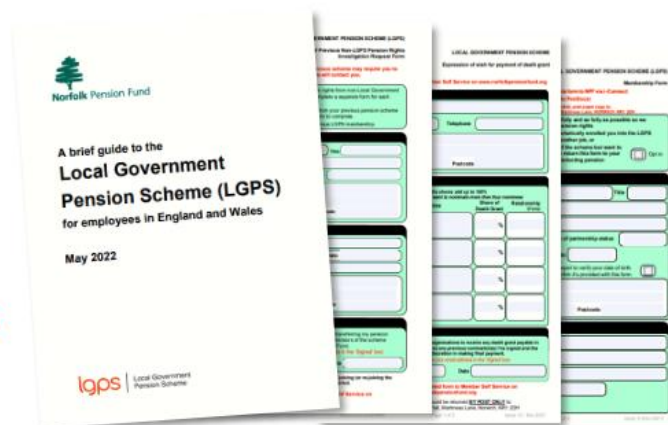
When you have a new employee, please provide them with New Joiner Pack items which can be downloaded from the *Employers* section of www.norfolkpensionfund.org under *Forms and documents/Joiner Pack*.

You can also download the documents by clicking on the item names below.

- [A Brief Guide to the LGPS](#)
- [Membership Form \(SR95\)](#)
- [Non LGPS Benefits Transfer-In Request \(SR96\)](#)
- [Death Grant Form \(SR81\)](#)

The forms can be completed electronically, so you can email a copy to the employee and submit the completed form via i-Connect.

The screenshot shows the Norfolk Pension Fund website's 'Employers' section. The page title is 'Employers' and it includes a search bar and navigation links. Under the 'Forms and documents' section, the 'Joiner Pack' link is circled in red.



Norfolk Pension Fund governance

Norfolk County Council, as Administering Authority of the Norfolk Pension Fund, delegates its pensions functions to **Pensions Committee** to administer the scheme on behalf of all participating employers and scheme members. All public sector pension schemes are also required to have a Local Pension Board (known in Norfolk as the **Pensions Oversight Board**), to assist the

Administering Authority in ensuring the effective and efficient governance and administration of the scheme.

The Governance Strategy Statement details our governance arrangements. It can be viewed on our website www.norfolkpensionfund.org under the 'Resources' section.

Pensions Committee news

The Pensions Committee met on 12 September 2023 with the usual contributions from Norfolk Pension Fund officers and advisors.

Alongside its regular oversight of investment and administration performance, and progress reports on the ACCESS investment pool, the Committee also considered the Corporate Governance and Shareholder Engagement Report and the draft Pension Fund Accounts 2022-23.

Cllr Paul Hewett was welcomed to the Committee

as the second District Councillor Member.

Cllr Brian Watkins has also rejoined the Committee, replacing Cllr Robert Colwell.

You can watch a recording of the public section of the meeting on the Norfolk County Council YouTube channel [here](#).

Pensions Committee papers can be viewed on the Norfolk County Council website [here](#).

Pensions Committee next meets on 5 December 2023.

Norfolk County Councillors

Judy Oliver (Chairman)

Alison Birmingham

William Richmond

Martin Storey

Brian Watkins



District Councillors

John Fuller

Paul Hewett

Staff representative

Steve Aspin



Pensions Oversight Board employer vacancy

A reminder that there is an opportunity to join our Pensions Oversight Board (POB) as a non-precepting (non-tax raising) Employer Representative.

We would very much welcome expressions of interest for this important and interesting role from our employer colleagues.

There is information below about the Board and the role, and on our [website](#), but of course please contact us directly if you have any questions.

Terms of appointment are typically for four years.

What is the Pensions Oversight Board?

The Norfolk Pension Fund Pensions Oversight Board is a regulatory body established in 2015 under the Public Services Act 2013.

It is an important part of the governance of the Norfolk Pension Fund, sitting alongside Pensions Committee.

Its role is to assist Norfolk County Council as the Administering Authority of Norfolk Pension Fund to secure compliance with regulations and the requirements of The Pensions Regulator, and to ensure the scheme is effectively and efficiently governed and managed.

Pension Boards are required to have an equal number of Scheme Employer and Scheme Member representatives.

The Norfolk Pension Fund Pensions Oversight Board has three Employer Representatives (one from Norfolk County Council, two from other employers) and three Scheme Member representatives (one nominated by the trade unions and the rest drawn from the total Norfolk Pension Fund membership). An independent chair oversees the smooth running of the Board.

The Board usually meets four times a year



(currently it meets once a year in person and the rest of the meetings are virtual). Meetings typically last for approximately 2.5 hours.

You can find more information about the Board on our [website here](#), and view the Board's [Terms of Reference here](#), and also in the [Pensions Oversight Board Role Description](#).

New Board members have access to full training and support for the role, including on the LGPS scheme, the law relating to pensions and other relevant regulations to give them the appropriate knowledge and understanding to fulfil the role.

If you would like to know more, to propose someone or nominate yourself for the vacant position, please contact Jo Quarterman, Head of Governance at jo.quartermen@norfolk.gov.uk

Be ScamSmart with your pension

Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing.

Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include

- contact out of the blue
- promises of high / guaranteed returns
- free pension reviews
- access to your pension before age 55
- pressure to act quickly

Four simple steps to protect yourself from pension scams

1. Reject unexpected offers

If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam.

2. Check who you're dealing with

Check the [FCA Financial Services Register](#) to make sure that anyone offering you advice or other financial services is FCA authorised.

If the firm is on the [FCA Register](#), you should call the Consumer Helpline on **0800 111 6768** to check the firm is permitted to give pension advice.

Beware of fraudsters pretending to be from a firm

authorised by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

3. Don't be rushed or pressured

Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

4. Get impartial information and advice

- [MoneyHelper](#) - provides free independent and impartial information and guidance.
- [Pension Wise](#) - a service from MoneyHelper, offers people over 50 with a defined contribution (DC) pension with pre-booked appointments to talk through retirement options.
- Use the service of a financial adviser who is registered with the FCA.

If you suspect a scam, report it

- **Report to the Financial Conduct Authority (FCA)**
by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at www.fca.org.uk
- **Report to Action Fraud**
on **0300 123 2040** or at www.actionfraud.police.uk

www.fca.org.uk/scamsmart

Pre Retirement Planning Course

If you have any employees within two years of retirement, they may benefit from the Pre Retirement Planning Course delivered by Norfolk County Council on our behalf.

The course, which is held virtually over two half day sessions via MS Teams, covers general LGPS scheme information, the process of retiring and information members should know before they leave work.

The course is free to all members of the Norfolk Pension Fund and the content includes:

- Creating a new future and managing change
- Investment and finance planning
- Ideas for leisure, sporting and cultural activities
- Volunteering opportunities
- Information about the Local Government Pension Scheme (LGPS)



Next Course Dates

- 10 and 17 January 2024 (two half days)
- 21 and 28 March 2024 (two half days)

To book a place please contact

Norfolk Development Team

01603 224114

hrid@norfolk.gov.uk

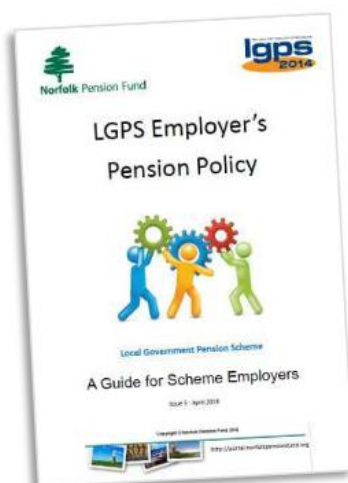
Norfolk County Council employees can book via myOracle Learn.

Employer's Pension Policy and Internal Disputes

Just a reminder of the importance of keeping your Employer Pension Policy up to date.

Your Employer Pension Policy should be sent to graham.trussell@norfolk.gov.uk within one month of joining the scheme and as soon as possible after making any update.

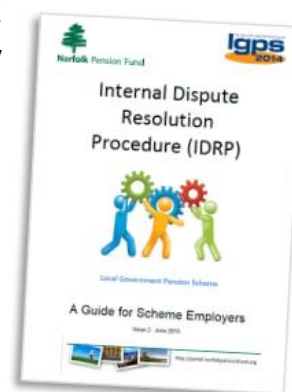
For more information, please see the [Employer Pensions Policy Guide \(G060\)](#) available on the Employers section of our website www.norfolkpensionfund.org under 'Forms and documents/Guides'.



The Policy usually specifies the person that your employees should contact in the first instance of any dispute.

For more information about managing Internal Disputes, please refer to the [Employer IDRPs Guide \(G070\)](#) which can be found on the Employers section of our website www.norfolkpensionfund.org under 'Forms and documents/Guides'.

There is also the [Scheme Member Guide to Disputes \(G071\)](#) available at www.norfolkpensionfund.org/help/compliments-complaints-and-disputes/



Contact details

Norfolk Pension Fund
County Hall
Martineau Lane
Norwich
NR1 2DH

Pensions Administration
pensions@norfolk.gov.uk
01603 495923

Investment, Accountancy and Actuarial Services
pensions.finance@norfolk.gov.uk
01603 222139

Online, Technical and i-Connect Queries
pensions.technical@norfolk.gov.uk
01603 222132

www.norfolkpensionfund.org



If you would like this newsletter in large print, audio, Braille, alternative format or in a different language, please call 01603 222824 or email pensions@norfolk.gov.uk

Update on Bulk Transfer Values in Progress

Name	Transfer Date	Estimated Completion Date	State of Play
Suffolk Coastal Services (Norse) to East Suffolk Council	June 2023	By 31 March 2025 (Triennial Valuation Data)	Circa 60 staff have transferred back to East Suffolk Council following the end of joint venture with the council. We are in the process of finalising data with the exiting employer and the actuary is drafting transfer proposal to the Suffolk Fund. The final exit deficit or credit will be calculated as part of the transfer settlement with the Suffolk Fund. We are targeting agreement on financial settlement by 31 March 2025 (the next triennial valuation).

In addition to this transfer, we are also working on a number of outsourcing agreements that potentially involve the transfer of staff under TUPE with both employers being members of the Norfolk Pension Fund.

Officer Representation on behalf of the Pension Fund

During the period since the last Pension Committee, the following meetings and events have occurred – some meetings were still ‘virtual’:

GC: Glenn Cossey, **AY:** Alex Younger, **JQ:** Jo Quarterman, **EW:** Eunice Walcott,
DK: Debra Keeling, **LT:** Leon Thorpe, **KW:** Katie Wilson, **CA:** Charlotte Alexander, **MT:** Management Team

ACCESS regular meetings

AY / GC (JQ sub) attend Officer Working Group (fortnightly)
 AY/CA attend Investment User Group (IUG) (monthly)
 AY attend Non-Listed Sub-Group (NLSG) (monthly)
 AY attend Active Listed Sub-Group (LSG) (monthly)
 GC/AY attend quarterly Joint Committee meetings
 AY attends ACCESS Practitioner Group meetings.
 AY/CA attended Responsible Investment Sub-group meetings.

Other regular meetings

DK attends SECSOG (monthly)

Investment / Fund Managers

Monthly updates with GC/AY

National LGPS Frameworks

The National Frameworks team have held meetings with Funds, Pools, and Service providers.

Regular Webinars

LGPS Live Webinar Series

Other meetings and events

Date	What	Who
Sept		
18	PLSA Conference	LT
23	Induction training for Brian Watkins – Pensions Committee	GC/JQ
Oct		
6	Stafford Timberland Advisory Board	AY
23	Infracapital Quarterly Call	AY
31	Mondrian – Review Meeting	AY
31	SOF (Abrdn) Advisory Boards	AY
Nov		
1&2	Pensions Committee & POB Training Days	Multiple
7&8	Mallowstreet LGPS Congress	AY
9	Room 151 Investment Forum (Speaker alongside Stafford)	AY
10	HarbourVest Dover Street Advisory Board	AY
16	HSBC Currency Overlay Review	AY
16	Northern Trust – review and transition meeting	AY
17	CBRE – review and transition meeting	AY/GC
21	Capital – review meeting (GHIO and Global Equity)	AY/CA
21 & 22	Pensions Admin Conference	LT/JQ
23	Abrdn – transaction follow up meeting	AY
29	Employer Forum	GC/JQ/AY/DK
30	Waystone Investor Day	GC/JQ/AY/CA
4	ACCESS Joint Committee	AY/GC/JO

CIPFA – Chartered Institute of Public Finance and Accountancy	LAPF – Local Authority Pension Fund
LGA – Local Government Association	LGC – Local Government Chronicle
LGPS – Local Government Pension Scheme	PLSA - The Pensions and Lifetime Savings Association

Pensions Committee forward programme – as at December 2023

Pensions Committee	Pensions Committee	Pensions Committee	Pensions Committee	Committee Training
12 March 2024	11 June 2024	10 September 2024	3 December 2024	
Administration Report including: • Cash Management Strategy • Internal Audit Plan	Administration Report Including: • Internal Audit Annual Report	Administration Report	Administration Report	<ul style="list-style-type: none"> • LGPS Good Governance • tPR's Combined Code • Protection Assets • TCFD • Pensions Dashboard
Update from Pensions Oversight Board	Update from Pensions Oversight Board	Update from Pensions Oversight Board	Update from Pensions Oversight Board	
ACCESS Pooling Update	ACCESS Pooling Update	ACCESS Pooling Update	ACCESS Pooling Update	
Corporate Governance and Shareholder Engagement Report (including Carbon Reporting)	Risk Register Report and Compliance with Breaches Policy	Corporate Governance and Shareholder Engagement Report (including Carbon Reporting)	Risk Register Report and Compliance with Breaches Policy	
Service Plan & Budget	Draft Accounts	Investment Update	Valuation Planning	
Review of Protection Assets	Investment Update		Investment Update	
Investment Update				
Investment Managers: (tbc)	Investment Managers: (tbc)	Investment Managers: (tbc)	Investment Managers: (tbc)	

Pensions Committee

Item No: 5

Report title:	Update from the Pensions Oversight Board
Date of meeting:	5 December 2023
Responsible Director:	Harvey Bullen, Director of Strategic Finance Glenn Cossey, Director of Norfolk Pension Fund
Executive Summary This report updates the Pensions Committee on the work of the Pensions Oversight Board.	
Recommendations Pensions Committee is invited to note the contents of this report.	

1. Background

- 1.1 This report updates the Pensions Committee on the work of the Pensions Oversight Board (POB). The last update was given at the 12 September 2023 Pensions Committee Meeting.

2. Board membership

- 2.1 The Board currently has 2 vacancies: non precepting employers; and the Trade union seat representing scheme members.
- 2.2 We continue to engage with Employers and to support the trade unions to fill these vacancies.

3. Pensions Oversight Board meetings

- 3.1 The Board last met on the 7 November 2023. This was the Board's annual 'in person' meeting. The agenda for this meeting is at Appendix A.
- 3.2 The Board received updates on LGPS reforms, strategic and operational performance, and issues, including an ACCESS update and progress with the employer operational issues and team news at the Norfolk Pension Fund.
- 3.3 The Board received an overview of progress towards compliance with the anticipated Good Governance recommendations; service planning and next step; and an update on the Norfolk Pension Fund's Risk management framework, including cyber and data security, presented by Eunice Walcot, Governance Manager at the Norfolk Pension Fund.
- 3.4 The Board also received an overview of the LGPS Transparency Code, progress of the Cost Transparency Initiative and how it benefits the Norfolk Pension Fund, presented by Charlotte Alexander, Pension Fund Accountant. A copy of the slide deck can be found at Appendix B.
- 3.5 The minutes of the Board meeting of the 5 September 2023 are at Appendix C.
- 3.6 The Board next meets on 27 February 2024.

4. Knowledge and Skills

- 4.1 It is a regulatory requirement for POB members to develop and maintain their knowledge and skills. All POB members have access to the LGPS Online Learning Academy (LOLA) and are invited to attend training and webinars alongside Pensions Committee, in line with the Norfolk Pension Fund training strategy.

4.2 Members of the Board joined Pensions Committee for the 2 bespoke training days earlier in November.

5. Financial and other Resource Implications

5.1 At the time of writing this report there are no additional financial or other resource implications beyond those already budgeted for and approved by Committee.

6. Risk Implications/Assessment

6.1 Any risk implications relating to this report will be recorded on the Fund's risk register.

7. Other Implications (Inc. Equality Impact Assessment (EqIA))

7.1 Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to take into account.

8. Data Protection Impact Assessments (DPIA)

8.1 We have not identified any data protection implications for the content of this report.

9. Recommendation

9.1 Pensions Committee is invited to note the contents of this report.

10. Background Papers

10.1 Appendix A: POB Agenda 7 November 2023

Appendix B: LGPS Code of Transparency and Cost Transparency Initiative

Appendix C: POB Minutes 5 September 2023

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Glenn Cossey

Tel No: 01603 228978

Email address: glenn.cossey@norfolk.gov.uk



If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.



Date: **Tuesday 7 November 2023**
 Time: **10:00am**
 Venue: **Council Chamber, Ground Floor
 County Hall**

Membership

Chairman

Brian Wigg

Employer Representatives

Cllr Liz Marsham	Loddon Parish Council
Sally Albrow	Norfolk County Council
Vacancy	Employer Rep (non levying)

Scheme Member representatives

Frances Crum	Active / Deferred member
Peter Baker	Pensioner member
Vacancy	Trade Union

Agenda

1. Welcome and Introduction
2. Apologies
To receive apologies
3. Minutes and matters arising
To agree the minutes of the meeting held on the 5 September 2023.
4. Declarations of interest
Members to declare any conflict of interest. For the purposes of a member of a Local Pension Board (the Pension Oversight Board), a 'conflict of interest' may be defined as a financial or other interest which is likely to prejudice a person's exercise of functions of a Local Pension Board. (A conflict does not include a financial or other interest arising merely by virtue of being a member of the LGPS / Norfolk Pension Fund).

Therefore, a conflict of interest may arise when a member of a Local Pension Board:

- must fulfil their legal duty to assist the Administering Authority;
and
- at the same time they have:
 - a separate personal interest (financial or otherwise); or

- another responsibility in relation to that matter, giving rise to a possible conflict with their first responsibility as a Local Pension Board member.
5. Board Membership update
To note latest updates on Board membership and recruitment and ratification of Chairman's appointment.
 6. Items of urgent business
To receive any items of business which the Chairman decides should be considered as a matter of urgency.
 7. Pensions Committee
Feedback from the Pensions Committee meeting on 12 September 2023 and items to be raised at the 5 December 2023 meeting.
 8. LGPS Reform
Update on latest reform
 9. Norfolk Pension Fund operational update
An update on operational performance and issues, including ACCESS update.
 10. Operational Review: good governance update
An overview of progress towards compliance with the Good Governance recommendations and service planning, and next steps
 11. Operational Review: Risk Management
An update on the Norfolk Pension Fund's Risk management framework, including cyber and data security
 12. Operational Review: Cost transparency
An overview of investment cost transparency.
 13. Internal Audit reports
To receive the latest internal audit reports
 14. Knowledge, skills and training
To include review of the Committee and Board training days 1-2 November
 15. Forward work programme for the Pensions Oversight Board
 16. Date of next meeting: to confirm the dates of the next meetings

Contact for questions about this agenda: Jo Quarterman, Head of Governance, Norfolk Pension Fund jo.quarterman@norfolk.gov.uk Tel.: 01603 223950 Date agenda published: 31 October 2023

LGPS Code of Transparency and Cost Transparency Initiative

Charlotte Alexander
Pension Fund Accountant



LGPS Code of Transparency

- Developed and Approved by SAB and launched May 2017
- LGPS Advisory Board (England and Wales) initiative
- Fund Managers to the LGPS are encouraged to sign up to the code
- LGPS AUM £180bn
- Waystone (previously Link Fund Solutions), the provider of asset management services to the ACCESS pool, have also signed up.

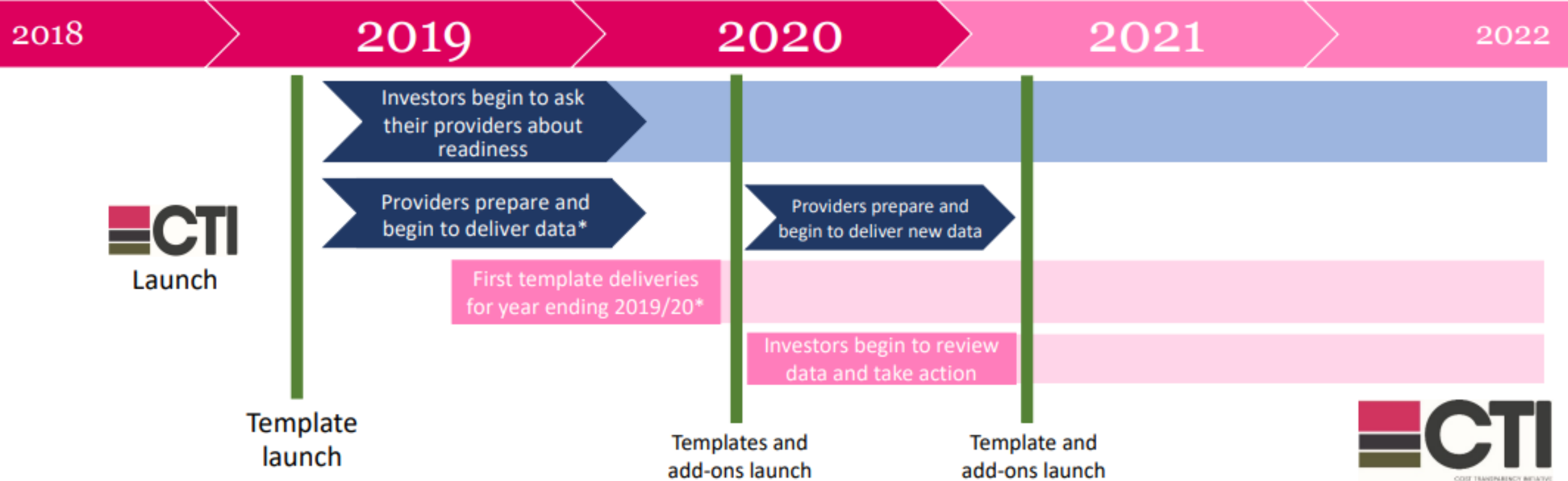




COST TRANSPARENCY INITIATIVE ADOPTION TIMELINES

CTI purpose:

to promote understanding, raise awareness, and encourage full transparency and standardisation of costs and charges information for institutional investors



*Data may need processing and therefore may be delivered several months after year end



So What?



Cost data can be compared accurately and consistently between managers and asset classes



Ensures consistency between what asset owners and asset managers are asking of one another when having discussions around costs



Increased Transparency allows engagement and comparison



Drives Competition between asset managers

CTI Template

PORTFOLIO TRANSACTION COSTS			
Explicit transaction costs			
Transaction taxes			
Broker commissions			
Transaction related services			
Other explicit costs			
Implicit transaction costs			
Indirect transaction costs			
Less: anti-dilution offset			
Total transaction costs			
ONGOING CHARGES			
Fund and investment management			
Invoiced fees (incl. VAT)			
Fees and charges paid through NAV			
Investment advisers fees paid through NAV			
Payments for research (RPA) through NAV			
Less: management fee rebates			
Indirect fees and charges			
Administration			
Investment administration			
Custody / depositary fees			
Payments for research (RPA)			
Collateral management fees			
Facility fees e.g. prime brokerage			
Other administration charges			
Governance, regulation and compliance			
Audit costs			
Legal and professional fees			
Engagement and voting fees			
Performance measurement			
Risk monitoring			
Tax advice and structuring costs			
INCIDENTAL COSTS			
Performance fees invoiced			
Performance fees paid through NAV			
Carried interest charged			
Total incidental costs			
LENDING AND BORROWING COSTS			
Stock lending fees not retained (see below)			
Stock borrowing fees			
Interest on borrowing			
Borrowing and arrangement fees			
Total lending and borrowing costs			
PROPERTY EXPENSES			
Property expenses			
Property management fees			
Property leasing costs			
Property maintenance and repairs			
Property utilities and service charges			
Property void costs			
Property insurance costs			
Property valuation fees			
Property failed transaction costs			
Indirect property expenses			
Other property expenses			
ONE-OFF COSTS			
Entry costs			
Exit costs			
Client FX costs			
Total one-off costs			
PERFORMANCE INFORMATION			
Gross return			
Net return			
STOCK LENDING			
Value of stock on loan			
Total stock lending revenue			
Revenue retained by portfolio			
Revenue paid to custodian			
Revenue paid to manager			
Revenue paid to lending agent			
NOTES			
Transaction costs			
Performance fees			
Performance information			
General notes			



Examples of Costs

Fees invoiced
through NAV

Directly
Invoiced Fees

Broker
Commission

Transaction
Taxes

Implicit Costs

Transaction
costs

Indirect
Transaction
Costs

Performance
Fees

All Fund Managers and Asset Classes

HarbourVest
Partners (U.K.)
Limited

Link Fund Solutions
Ltd (now Waystone)

UBS Asset
Management (UK)
Ltd.

Aberdeen Standard
Investments

M&G Investments

Pantheon Ventures
(UK) LLP and
Pantheon Ventures
(Ireland) DAC

Goldman Sachs
Asset Management
International

Stafford Capital
Partners Limited

Insight Investment

Mondrian
Investment
Partners Ltd.

Janus Henderson
Group plc

JP Morgan Asset
Management

Capital
International Ltd

Columbia
Threadneedle
Investments

Equitix

LaSalle Investment
Management

Aviva Investors

Norfolk Pension Fund Annual Report and Accounts

2022-23	Asset Pool				Non-Asset Pool				Fund Total	
	Direct £000s	Indirect £000s	Total £000s	bps	Direct £000s	Indirect £000s	Total £000s	bps	£000s	bps
Management Fees										
Invoice Fees (excl VAT)	0	0	0	0	1,777	0	1,777	5	1,777	5
Performance	0	0	0	0	0	1,151	1,151	3	1,151	3
Fees paid from NAV Pooled Funds	0	5,774	5,774	15	0	20,453	20,453	53	26,227	68
Broker Commission	345	0	345	1	23	0	23	0	367	1
Transaction Taxes	0	0	0	0	3	0	3	0	3	0
Implicit Costs	541	0	541	1	35	0	35	0	576	1
Legal and Advisory Fees	0	0	0	0	0	0	0	0	0	0
Other Transaction Costs	454	0	454	1	872	0	872	2	1,326	3
Indirect Transaction costs	0	0	0	0	0	6,692	6,692	17	6,692	17
Custody	0	0	0	0	21	0	21	0	21	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1,340	5,774	7,115	18	2,727	28,296	31,023	80	38,138	98

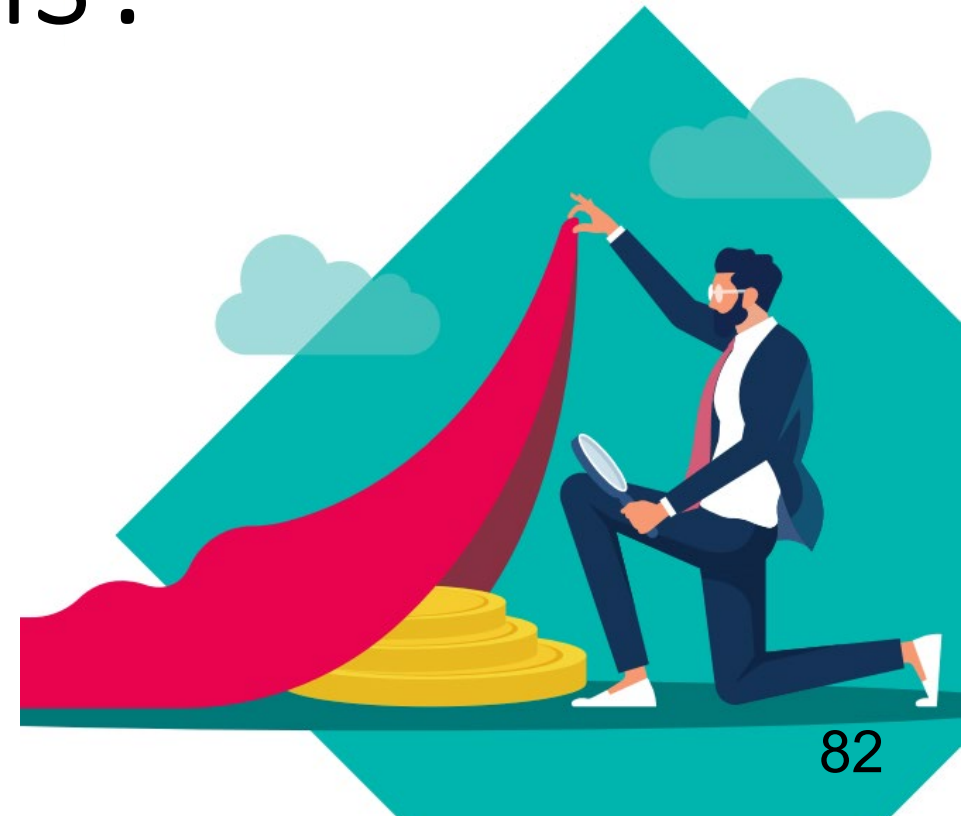
Benefits to Norfolk Pension Fund

- Full Transparency on all investments allows us to have informed discussions with Investment Managers
- Understand how costs change year by year and get the full picture on transaction costs
- Allows us to assess value for money, balancing costs and risks when comparing strategies
- Supports clear and complete financial reporting



Norfolk Pension Fund

Any questions?





Minutes of the Norfolk Pension Fund Pensions Oversight Board meeting held on Tuesday 5 September 2023

Present:

Independent Chair

Brian Wigg

Employer Representatives

Sally Albrow

Norfolk County Council

Cllr Liz Marsham

Levying/precepting employers

Scheme Member Representatives

Frances Crum

Active / Deferred member

Also Present

Jo Quarterman

Head of Governance, Norfolk Pension Fund

Glenn Cossey

Director of the Norfolk Pension Fund

David Walker

Hymans Robertson

Elaine Otway

Business Support Officer

1. Welcome and Introduction

- 1.1 The Chair welcomed Pensions Oversight Board (POB) members to this virtual meeting of the Pensions Oversight Board.
- 1.2 The Chair also gave a warm welcome to Cllr Liz Marsham, the new levying / precepting employer Board Member. Liz works at Aviva in the Corporate Pensions Department.
- 1.3 Letters of thanks had been sent to Howard Nelson and Cllr Chris Walker, outgoing members of the Board. The Board's appreciation had also been passed on to Tim Shaw, Committee Clerk who retired in August and was presented with a card and gift at June Pensions Committee.

2 Apologies for Absence

- 2.1 Peter Baker

3. **Minutes and matters arising**

3.1 The POB agreed the minutes held on 16 May 2023.

4. **Declarations of Interest**

4.1 There were no declarations of interest.

5 **Board Membership Update**

5.1 The POB noted there are now two outstanding vacancies on the Board. Officers continue to engage with Employers and Unison to fill the vacancies as soon as possible.

6 **Items of Urgent Business**

6.1 There were no items of urgent business.

7 **Pensions Committee**

7.1 The POB noted that today's meeting would be the subject of a report to the Pensions Committee on 12 September 2023.

7.2 In addition to regular standing items, the Pensions Committee on 13 June 2023 had received a progress report on risk management, the Draft Pension Fund Accounts 2022 – 23, and an update on progress in resolving the employer operational issue. There was also a Part 3 review of the Enhanced Yield Portfolio with a presentation from the Investment Consultant.

7.3 The September 2023 Committee would be the first meeting for the new co-opted member, Cllr Paul Hewett (Breckland); Committee would also elect the new Vice Chair. Other agenda items included the Corporate Governance and Shareholder report, Draft Norfolk Pension Fund Annual Report & Accounts 2022 – 2023 and recommendations in respect of the POB Independent chair. Clifford Sims (Squire Patton Boggs) and John Wright (Hymans Robertson) would also attend to discuss the latest consultation 'LGPS: Next Steps on Investments (Pooling consultation)' to help inform the Norfolk Pension Fund consultation response. POB receive copies of all Committee papers.

8 **LGPS Reform**

8.1 The POB received an update on the ongoing national reform programme and other issues within the LGPS.

8.2 The presentation provided an update on the following regulatory reforms:

- Pooling guidance : consultation – the POB were given an overview of the consultation (also see item 10 on agenda)
- Climate reporting (TCFD) – still awaiting guidance.
- Good Governance: waiting for DLUCH to progress.
- Levelling up; covered by pooling consultation.
- TPR revised code: implementation expected any time.
- McCloud Implementation – remedy date to be effective 1 October 2023 – affected members will be informed.

- £95k cap : consultation still awaited.
 - Pensions Dashboard – latest connection deadline now 31 October 2026. Our next step will be to appoint an Integrated Service provider (ISP to allow us to connect with the dashboard ecosystem).
- 8.3 In response to a question, GC explained the background to the McCloud remedy, and links to further information were provided.
- 8.4 In response to a question, GC confirmed that we are already preparing for the Pensions Dashboards implementation as best we can, although at this stage it is difficult to assess the likely impact on resources.
- 8.5 In response to an additional question regarding the slow progress of various reforms, this was in part a consequence of Covid and its impact. There is also limited DLUCH resource dedicated to the LGPS.

9 **Norfolk Pension Fund Operational Update**

9.1 Operational update

- 9.2 POB received the latest Key Performance Indicators.
- 9.3 Good progress has been made in resolving the employer operational issue, which has allowed the risk to be reduced from red to amber, and officers anticipated the risk should be closed in due course.
- 9.4 POB noted that the pension team had worked very closely with the employer and provided significant resource and support to help resolve the issue as soon as possible and mitigate any potential impact on scheme members.
- 9.5 GC confirmed that part of the remedial action taken involved ensuring that data quality controls were maintained.
- 9.6 The POB would like to pass on their appreciation to the Pensions Services teams.

9.7 ACCESS Update

- 9.8 Joint Committee (JC) meeting 4 September public and private papers were circulated to POB members and Pensions Committee – Cllr Oliver attends for Norfolk.
- 9.9
- Operator Services - Link Fund Solutions UK has been sold to Waystone, a large European operator and contract novation's have now been signed by all 11 ACCESS authorities. A procurement exercise will commence in 2024 to ensure continuity of service when the current contract ends (March 2025).
- 9.10
- ACCESS is preparing a response to the current pooling consultation
- 9.11
- Barnett Waddingham review of ACCESS governance will be reported to the JC in December.

- 9.12 The Chair reminded members that Local Pension Board representatives are invited to observe ACCESS JC meetings on a rotational basis.
- 9.13 Employer Forum
- 9.14 We offer a hybrid meeting for employers to attend our Forums twice a year. Since the pandemic, our regular employer forum has seen less 'live' attendance (although we do not know if many employers watch the recordings at a later date).
- 9.15 Feedback from the 12 July meeting was shared with POB.
- 9.16 The Fund is keen to maintain and develop good engagement with employers to support them in their LGPS responsibilities.
- 9.17 POB will consider this further as part of their forward work plan.
- 10 **Government Consultation: 'Next Steps on Investments'**
- 10.1 POB received a presentation by David Walker (Investment Consultant, Hymans Robertson), which included an overview of pooling to date, and an overview of the proposals as set out in the consultation.
- 10.2 Pensions Committee will receive a further update, following which a response from the Norfolk Pension Fund will be drafted.
- 11 **Risk Management**
- 11.1 POB received the latest risk update and heat map that showed risk movement in terms of high risk moving to more acceptable levels.
- 12 **Internal audit reports**
- 12.1 POB received the latest Internal Audit reports.
- 12.2
 - Cyber Security Pledge – self-certification. Letter of assurance received from internal audit.
- 12.3
 - Compliance with training Strategy – report issued 19/06/23, opinion was 'acceptable'.
- 13 **Knowledge, Skills, and Training**
- 13.1 POB was reminded that a bespoke training package is being put together for 1-2 November. POB members will receive a formal invitation shortly. It may be possible to attend virtually for some sessions if members are unable to travel to London.
- 13.2 It was noted that a number of 'LOLA' (LGPS Online Learning Academy) modules have been recently updated.
- 13.3 Officers will continue to advise Pensions Committee and POB of upcoming training events that may be of interest.
- 14 **Forward Work Programme for the Pensions Oversight Board**
- 14.1 The agenda for the next meeting on 7 November 2023 (face to face) will include Risk Management, with focus on Cyber and Data security.

15 **Future Meeting dates**

15.1 The following future meetings dates were noted:

7 November

In person, Council Chambers, County Hall

2024

27 February

16 **Chair**

Report to Pensions Committee

Item No. 6

Report title:	Risk Register Report and Compliance with Breaches Policy
Date of meeting:	5 December 2023
Responsible Director:	Harvey Bullen, Director of Strategic Finance Glenn Cossey, Director of Norfolk Pension Fund
Executive Summary Norfolk County Council's Risk Management Framework requires reporting on all aspects of the Council's Risk Management responsibilities to the relevant Committee on a regular basis. This report updates the Pensions Committee on the Norfolk Pension Fund's Risk Register and Breaches Policy. The summary Risk Heat map was reported to Pensions Committee in September 2023, and the last full report to Pensions Committee was in June 2023.	
Recommendations The Pensions Committee is invited to note the contents of the Risk Register and summary of breaches.	

1. Background and Purpose

- 1.1 Risks are categorised under the headings of Governance; Benefits Administration; and Investment and Funding. Risks are scored using the methodology at Appendix A.
- 1.2 The Norfolk Pension Fund maintains a detailed Risk Register. The Risk Register incorporates an assessment of likelihood and impact as well as control measures in place and an overall risk score.
- 1.3 The Register is regularly reviewed by the Management Team and appropriate action taken.
- 1.4 A single page Heat Map summarising all risks is attached at Appendix B. The Heat Map shows risk movement since August 2023. Risks are shown as either Low (green), Medium (amber) or High (red) by their respective category (governance, benefits administration and investment and funding) and symbols indicate movement in risk scores since the last update to Pensions Committee.
- 1.5 Our risk management continues to be effective in delivering and maintaining a resilient operational service, highlighting areas that require attention and monitoring.
- 1.6 The Strategic Review was intended to reduce a number of long-term high-risk areas; we continue to see the impact of changes introduced so far as a result of the review delivering sustained improvements in areas of long-term risk across the Fund.

2. Risk Movement

- 2.1 The Heat Map at Appendix B highlights risk movement since the last report to Committee in September 2023.
- 2.2 We have seen a reduction of movement in risk since August 2023 with four areas identified as reduced risk, and all other risks remaining stable.

2.3 **Governance**

2.4 NPFG12 Future service delivery (Governance)

Risk reduced, acknowledging the successful transition to 'business as usual' for smarter / hybrid working across the service, reduced to GREEN

2.5 **Funding and Investment**

2.6 NPFF17: ACCESS Asset Class availability

Reflecting progress and ratification of Apex appointment – risk reduced, remains AMBER

2.7 NPFF18: ACCESS operator contract

Reflecting the completion of the sale of Link to Waystone, removing the need for a fast-track procurement – risk reduced, remains AMBER

2.8 **Member Services (Administration)**

2.9 NPFA6 Employer Operational Issues (administration)

Reflecting the successful recovery of the backlog with the employer – risk reduced to GREEN

2.10 All other risks remain stable.

3. Areas of High Risk

3.1 We currently have one area identified as High Risk, across Governance, Funding and Investment, and Benefits Administration.

3.2 Cyber and Financial Crime (ref. NPFG11)

3.3 Cyber and Financial Crime is identified as an area of high risk, with a constantly evolving landscape, with complex interdependencies and an accelerating rate of change. Pensions are identified by the FCA and the Pensions Regulator as a prime target with an increasing threat level.

3.4 Following a review of Norfolk Pension Fund's cyber security arrangements as part of the Strategic Review Programme, an action plan was developed. This is being monitored and maintained.

3.5 Preparations are in hand for the distribution of the annual cyber and data standards survey to third party providers early in the new year.

3.6 An overview of cyber and data security controls and arrangements was received by members of Pensions Committee and the Pensions Oversight Board as part of the training days in November 2023.

3.7 An Internal Audit review completed in June 2023 provided assurance that sufficient evidence is available to demonstrate that the Norfolk Pension Fund (NPF) meets the cyber security pledge principals as certified in the Pensions Regulators (TPR) self-certification process.

3.8 Making the pledge demonstrates to NPF members and the pension industry that the NPF are playing their part in combating scams and have committed to:

- communicate the risks of scams to members.
- get to know the warning signs of a scam and best practice for transfers.
- report concerns about a scam to the authorities and communicate this to the scheme member.

3.9 The Norfolk Pension Fund website has recently been updated to include information for scheme members on how to report a scam.

4. Compliance with Breaches Policy

4.1 Following a review of our compliance with the Pensions Regulator's Code of Practice (originally reported to Pensions Committee in June 2016), Committee approved the procedure for the reporting of breaches of law to the Pensions Regulator in December 2016.

4.2 Only breaches of 'material significance' should be reported to the Regulator. Criteria for determining whether a breach is material, together with examples of reportable breaches are detailed in the procedural document.

4.3 Data Protection

4.4 There have been no data protection incidents to report since the last report to Committee.

4.5 Late pay over of employees and employers' contributions

4.6 The late pay over of employees and employers' contributions is one of the areas monitored for reportable breaches. An extract from the breaches log is detailed below. None of the late pay overs were deemed material and therefore reportable to the Regulator.

Month	Summary Description of Breaches
April 23	26 employers were late paying over their April contributions. The latest payment was 17 days late through to 1 day late.
May 23	15 employers were late paying over their May contributions. The latest payment was 26 days late through to 1 day late.
June 23	43 employers were late paying over their June contributions. The latest payment was 16 days late through to 2 days late.
July 23	18 employers were late paying over their July contributions. The latest payment was 29 days late through to 1 day late.
August 23	19 employers were late paying over their August contributions. The latest payment was 26 days late through to 3 days late.
September 23	27 employers were late paying over their September contributions. 2 payments remain outstanding from 2 Parish Councils.

4.8 All the above late payments were identified by the Fund's contribution monitoring process; all late payments are followed up to identify any issues and secure payment as swiftly as possible.

5. Financial and Other Resource Implications

5.1 At the time of writing this report there are no additional financial or other resource implications beyond those already budgeted for and approved by Committee.

6. Risk Implications/Assessment

6.1 Risk implications relating to this report will be recorded on the Fund's risk register.

7. Other Implications (inc. Equality Impact Assessment (EqIA))

7.1 Officers have considered all the implications which members should be aware of. Apart from those listed (if any), there are no other implications to take into account.

8. Data Protection Impact Assessments (DPIA)

8.1 We have not identified any data protection implications for the content of this report.

9. Recommendation

9.1 The Pensions Committee is invited to note the contents of the Risk Register and summary of breaches.

10. Background Papers

10.1 Appendix A – Risk Scoring Methodology

Appendix B – Risk Heat Map movement since August 2023

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

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Methodology	
Project Name	Project XYZ
Prepared by	Project / Programme Manager
Date RAIDD Log opened	01 April 2011

Project Risk Impact Criteria Model

Likelihood of risk occurring		
Likelihood	Definition	Value
Almost Certain	The event is expected to occur before the target date in most circumstances	5
Likely	The event will probably occur before the target date in most circumstances	4
Possible	The event might occur at some time before the target date	3
Unlikely	The event is not expected to occur before the target date	2
Rare	The event may occur only in exceptional circumstances before the target date	1

Impact						
		5	4	3	2	1
Likelihood	5	25	20	15	10	5
	4	20	16	12	8	4
	3	15	12	9	6	3
	2	10	8	6	4	2
	1	5	4	3	2	1

Impact if risk occurs (finalise and agree criteria with Project Board)			
Schedule	Costs	Performance / Quality	Value
<2 weeks delay	<1% of budget	Cosmetic impact only	1 Insignificant
2 weeks- 1 month	1%-<2%	Some minor elements of objectives affected	2 Minor
1 month-<2 months	2%-<8%	Significant areas of some objectives affected	3 Moderate
2 months-<4 months	8%-<12%	Wide area impact on some objectives	4 Major
>4 months delay	>12% of budget	Significant failure resulting in the project not meeting its objectives	5 Extreme

Risk Level Tolerances	
Band	Risk Treatment
High 16-25 (Red Risks)	Risks analysed at this level are so significant that risk treatment is mandatory
Medium 6-15 (Amber Risks)	Risks analysed at this level require a cost/benefit analysis to take place to determine the most appropriate treatment
Low 1-5 (Green Risks)	Risks analysed at this level can be regarded as negligible, or so small that no risk treatment is required

Cost / Benefit Analysis

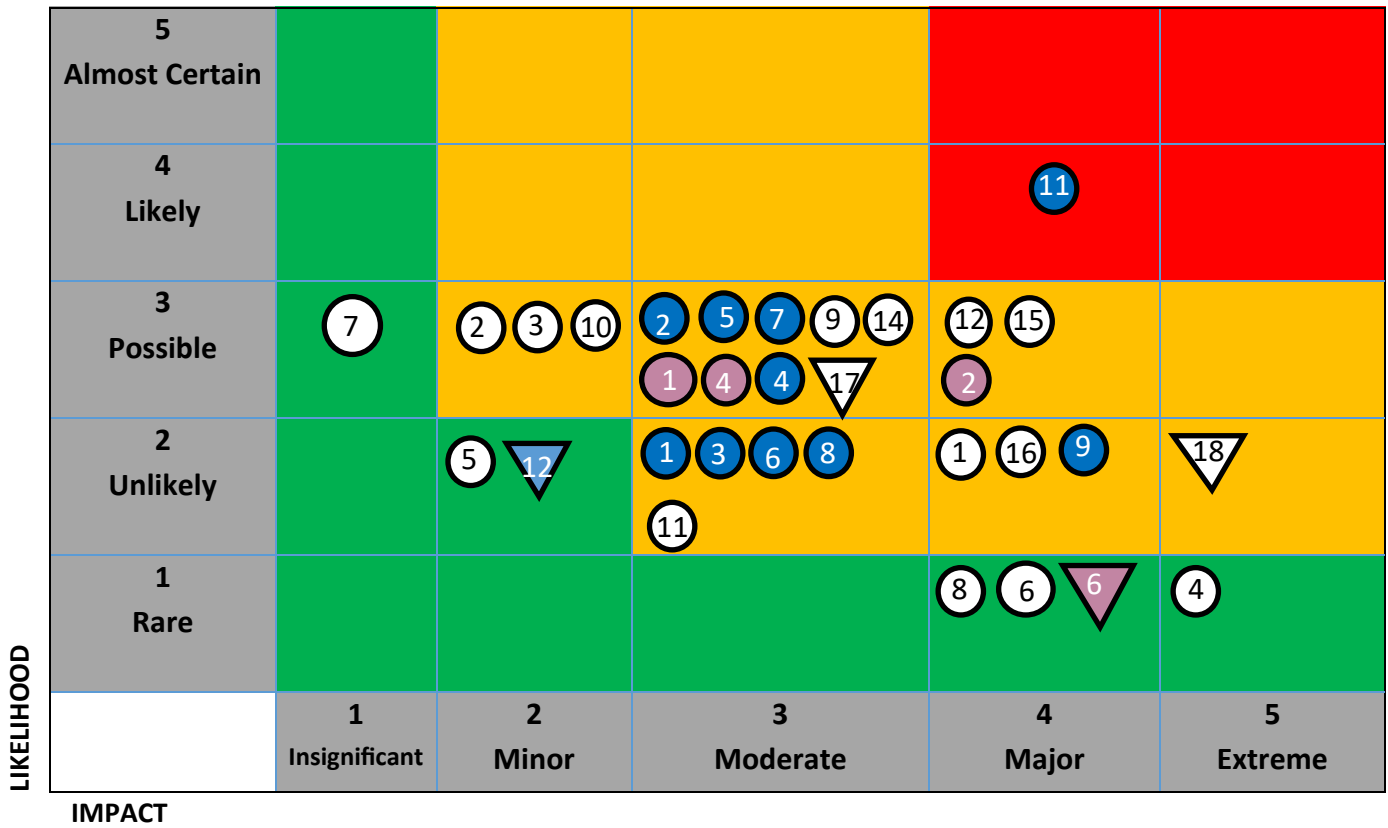
Cost		
	Cost Definition	Value
Savings Made	Outlay for new controls will be less than anticipated savings across the organisation	1
Nil Cost	Cost neutral	2
Minimal Costs Incurred	Minimal costs, including an appreciation of resource time and provision of facilities. Not exceeding £25,000	3
Significant Costs Incurred	Significant costs, in terms of resources, finance, provision of facilities etc. Above £25,000 but not exceeding £100,000	4
Major Costs Incurred	Costs would be a serious concern to the recommendation's viability. Above £100,000 but not exceeding £500,000	5
Substantial Costs Incurred	Costs would be very heavy so very clear tangible benefits would need to be apparent. A further examination of benefits may be required. Exceeding £500,000	6

Benefit				
		1	2	3
Cost	1	1	2	3
	2	2	4	6
	3	3	6	9
	4	4	8	12
	5	5	10	15
	6	6	12	18

Benefit	
Score	Benefit Definition
1	Must Do : There is a legal requirement for this control action to be done, or the control action will assist the Council in the delivery of all its corporate objective/s in a clear and tangible way, which can be easily demonstrated
2	Should Do : The control action is not legally required but it does constitute best practice, or the control action will assist the Council in the delivery of one or more of its objective/s in a clear and tangible way, which can be easily demonstrated
3	Could Do : The control action is good practice, or the control action is not vital but may assist with the delivery of one or more of the Council's objectives

Risk Level Tolerances	
Band	Risk Treatment
Green 1-4	Controls cost little and benefits are high, control should be pursued.
Amber 5-10	Control costs are significant and have some benefits. A decision should be made as to whether to proceed or not based on local factors.
Red 12-18	Control costs outweigh the benefits and should not be pursued.

Norfolk Pension Fund Risk Heat Map November 2023 showing movement since August 2023



	Governance (NPFG)	Funding & Investment (NPF)	Benefits Administration (NPFA)
1	Regulatory and performance requirements failure	Financial mismatch	Failure to meet regulatory and performance requirements
2	Asset pooling (ACCESS) (Gov)	Concentration	Lack of skilled resource (Admin)
3	Knowledge & understanding (O)	Manager underperformance	-
4	Knowledge & understanding PC	Systemic risk	Business continuity (Admin)
5	Knowledge & understanding POB	Credit default - Counterparty failure	System implementation and transition
6	Business continuity (Gov)	Illiquidity	Employer operational issues
7	Communication & Engagement	Default by participating employer	
8	Lack of skilled resource (gov)	Poor advice	
9	National LGPS Frameworks	Changing demographics (Assumptions v Experience)	
10	-	Business Continuity (F & Inv)	
11	Cyber Security	Communication	
12	Future service delivery	Lack of skilled resource (F & Inv)	
13		Asset pooling (ACCESS) (F & Inv)	
14		Currency risk	
15		Environmental, Social & Governance (ESG)	
16		Custody, Stock Lending, Transition	
17		ACCESS Asset Class availability	
18		ACCESS Operator contract	

Becoming more of a risk

Risk is stable

Becoming less of a risk

Pensions Committee

Item No: 7

Report title:	ACCESS Update Unrestricted Items
Date of meeting:	5 December 2023
Responsible Director:	Harvey Bullen, Director of Strategic Finance Glenn Cossey, Director of Norfolk Pension Fund
Executive Summary <p>The Government requires LGPS Funds to work together to “pool” investments to significantly reduce costs, while maintaining investment performance”.</p> <p>Since December 2016 the Norfolk Pension Fund has been working with 10 other ‘like-minded’ Administering Authorities to operate the ACCESS (A Collaboration of Central, Eastern and Southern Shires) Pool. The ACCESS Funds are Cambridge, East Sussex, Essex, Hampshire, Hertfordshire, Isle of Wight, Kent, Norfolk, West Northamptonshire, Suffolk, and West Sussex.</p> <p>An Inter-Authority Agreement (IAA) has been signed by all 11 authorities defining governance and cost sharing arrangements for the ACCESS Pool.</p> <p>The ACCESS Pool is governed by a Joint Committee (JC) made up of one elected councillor from each authority’s Pensions Committee. The Norfolk Pension Fund is represented by the Chair of Pensions Committee.</p> <p>This report provides an update to the Pensions Committee on the work of the ACCESS Pool.</p> Recommendations <p>The Pensions Committee is invited to consider and note the contents of this report.</p>	

1. Background and Purpose

- 1.1 The ACCESS Joint Committee (JC) last met on 4 December 2023. A full set of restricted and unrestricted agenda papers relating to this meeting was circulated to members of this Committee and the Pensions Oversight Board for information.
- 1.2 This report briefs Pensions Committee on the unrestricted items considered by the JC on 4 December 2023. The restricted items discussed by the JC are considered elsewhere on this agenda. The JC is due to meet again on 4 March 2024.

2. 2023/24 Business Plan and Budget

- 2.1 The ACCESS Section 151 (S151) Officer Group is responsible for making recommendations to the Joint Committee (JC) on budget and business plan matters and reviewing/advising on budget variations throughout the financial year.
- 2.2 The business plan for 2023/24 was agreed by the JC in December 2022. At the same meeting the JC also determined the budget necessary to implement the business plan and recharge the relevant ACCESS Authorities.
- 2.3 Key deliverables within the current year’s 2023/24 Business Plan, include:
 - **Actively managed listed assets:** further pooling of active-listed assets within the Authorised Contractual Scheme (ACS).
 - **Alternative / non-listed assets:** implementation of pooled solutions for illiquid assets.

- **Passive assets:** ongoing monitoring and engagement.
- **Operator Services:** preparations for the re-procurement of Operator services.
- **Governance:** the continued application of appropriate forms of governance throughout ACCESS; the procurement of Responsible Investment reporting for the Pool and the commencement of the second contract for communications support.
- **ACCESS Support Unit (ASU):** consideration of the outcomes following the external review of the ASU and wider ACCESS Governance arrangements.

2.4 The budget for the delivery of the 2023/24 Business Plan (shown in the table below) is estimated to be £1.559m which equates to £142k per ACCESS Authority.

	Budget 2023/24 £	Actual Costs to 31 Oct 2023 £	Estimated Costs 1 Nov - 31 Mar 2024 £	Actual + Estimated Costs 2023/24 £	Overspend / (Underspend) 2023/2024 £
ASU					
ASU Salaries (incl. on cost)	499,833	300,599	209,516	510,115	10,282
ASU Operational	23,000	7,144	9,170	16,314	(6,686)
ASU Host Authority Recharge	35,700	20,825	14,875	35,700	0
Technical Lead Recharge	40,000	25,792	26,500	52,292	12,292
ASU Total	598,533	354,360	260,061	614,421	15,888
Professional Costs					
<i>Internal Professional Costs</i>					
JC Secretariat	23,100	10,663	11,500	22,163	(937)
Procurement	145,000	-	59,000	59,000	(86,000)
<i>Internal Professional Costs</i>	168,100	10,663	70,500	81,163	(86,937)
<i>External Professional Costs</i>					
Strategic & Technical	602,000	266,851	305,795	572,646	(29,354)
Legal & Governance	190,400	197,355	120,000	317,355	126,955
<i>External Professional Costs</i>	792,400	464,206	425,795	890,001	97,601
Professional Costs Total	960,500	474,869	496,295	971,164	10,664
Total Costs	1,559,033	829,229	756,356	1,585,585	26,552
Cost Per Authority	141,730	75,384	68,760	144,144	2,414

2.5 The budget forecast identifies a small overspend on ACCESS Support Unit (ASU) salary (£10k) and technical lead recharge costs (£12k), partially offset by a reduction (£7k) in the recharge from the ASU host authority (Essex County Council). A number of procurements originally planned to conclude in 2023/24 will now conclude in 2024/25. The associated costs will now fall into 2024/25 resulting in an underspend (£86k) in the current financial year, which together with an underspending on strategic and technical costs (£29k), helps offset a forecast overspend (£127k) in relation to legal advice required to support business plan activities.

3. 2024/25 Business Plan and Budget

3.1 Having previously been shared with S151 officers, details of the 2024/25 Business Plan and Budget were presented to the JC for recommendation to ACCESS Authorities. Business Plan activities are summarised below, with further details provided in Appendix A.

- **Actively managed listed assets:** launch of final sub-funds under the first Authorised Contractual Scheme (ACS) Operator contract and review the range and scope of ACS sub-fund provision.
- **ACS Operator Contract:** re-procurement of ACS Operator services and commencement of new contractual arrangements.
- **Alternative / non-listed assets:** initial investments in real estate mandates and development of pooled solutions for other non-listed asset classes.
- **Passive assets:** ongoing monitoring and engagement with UBS.
- **ACCESS Support Unit (ASU) / Governance:** implementation of outcomes from the Third-Party Review, review of Communication plans and implementation of RI reporting arrangements.

3.2 The budget (shown in the table below) to support the 2023-24 Business Plan is estimated to be £1,706,917, which equates to £155,174 per ACCESS Authority.

	Budget 2023/24 £	Actual + Estimated Costs 2023/24 £	Overspend / (Underspend) 2023/2024 £	Proposed Budget 2024/25 £
ASU				
ASU Salaries (incl. on cost)	499,833	510,115	10,282	522,436
ASU Operational	23,000	16,314	(6,686)	24,000
ASU Host Authority Recharge	35,700	35,700	0	37,307
Technical Lead Recharge	40,000	52,292	12,292	55,000
ASU Total	598,533	614,421	15,888	638,742
Professional Costs				
<i>Internal Professional Costs</i>				
JC Secretariat	23,100	22,163	(937)	24,255
Procurement	145,000	59,000	(86,000)	180,000
<i>Internal Professional Costs</i>	168,100	81,163	(86,937)	204,255
<i>External Professional Costs</i>				
Strategic & Technical	602,000	572,646	(29,354)	664,000
Legal & Governance	190,400	317,355	126,955	199,920
<i>External Professional Costs</i>	792,400	890,001	97,601	863,920
Professional Costs Total	960,500	971,164	10,664	1,068,175
Total Costs	1,559,033	1,585,585	26,552	1,706,917
Cost Per Authority	141,730	144,144	2,414	155,174

4. Financial and Other Resource Implications

4.1 At the time of writing this report there are no additional financial or other resource implications beyond those already budgeted for and approved by Committee.

5. Other Implications (Inc. Equality Impact Assessment (EqIA))

5.1 Officers have considered all the implications which members should be aware of. Apart from those listed (if any), there are no other implications to consider. There are no issues relevant to equality in this report.

6. Data Protection Impact Assessments (DPIA)

6.1 We have not identified any data protection implications for the content of this report.

7. Risk Implications/Assessment

7.1 Any risk implications relating to this report will be recorded on the Fund's risk register.

8. Recommendations

8.1 The Pensions Committee is invited to consider and note the contents of this report.

9. Background Papers

9.1 A full set of restricted and unrestricted agenda papers relating to the 4 December 2023 meeting of the JC was circulated by email to members of this Committee and the Pensions Oversight Board.

9.2 Appendix A – ACCESS 2024/25 Business Plan.

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

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2024/25 Business Plan

The Business Plan is proposed each year to the Councils by the Joint Committee on the basis of recommendations from the s151 Officer Group. The Joint Committee, on advice from the s151 Officer Group, determine a budget in order to deliver the annual Business Plan.

Each theme within the business plan includes milestones planned for the year. The strategic nature of ACCESS's objectives means that most of the 2024/25 milestones build on work previously undertaken and will in turn provide the foundation for further milestones in subsequent years.

The *Joint Committee* will receive updates on the milestones at each meeting.

Theme	Milestone	2024/25 activity
Actively managed listed assets	Launch of Tranche 7b	Anticipated 2024/25
	Launch of Tranche 8	Anticipated 2024/25
	Sub-fund review	The range and scope of sub-fund provision will be reviewed
Scheduled BAU Evaluation	The conclusion of the re-procurement of ACS Operator	Completion of the formal re-procurement process

Theme	Milestone	2024/25 activity
	Services in relation to the Pool's actively managed listed assets	<p>Implementation of re-procurement outcome</p> <p>Commencement of new contractual arrangements</p>
Alternative / non-listed assets	<p>Initial investment within real estate mandates</p> <p>The development of pooled asset solutions for other non-listed asset classes</p>	<p>The first investments within the Real Estate mandates</p> <p>The procurement of pooled asset solutions for private debt and private equity</p> <p>The alignment of investments within infrastructure and timber</p> <p>The exploration of further non-listed investment opportunities</p>
Passively managed assets	Ongoing monitoring of assets managed on a passive basis	Further engagement and exploration with UBS will continue throughout the year

Theme	Milestone	2024/25 activity
Governance	<p data-bbox="424 320 783 353">Meetings and oversight</p> <p data-bbox="424 869 759 902">Operational protocols</p> <p data-bbox="424 1189 879 1379">Engagement with HM Government Department for Levelling UP, Communities & Housing (DLUHC)</p> <p data-bbox="424 1816 783 1850">Joint guidelines & plans</p>	<p data-bbox="986 320 1449 454">Arrangements will be made to support meetings of the Joint Committee</p> <p data-bbox="986 577 1441 667">Meetings of s151 Officers will also be held</p> <p data-bbox="986 790 1414 925">The implementation of the outcomes of the third-party review of objectives</p> <p data-bbox="986 1048 1385 1182">ACCESS will liaise with the Scheme Advisory Board as appropriate</p> <p data-bbox="986 1238 1337 1373">Periodic reports will be provided to DLUHC as required</p> <p data-bbox="986 1731 1406 1865">The implementation of RI reporting arrangements for the pool</p>

Theme	Milestone	2024/25 activity
		<p>An annual review will be conducted of the pool's RI Guidelines</p> <p>Communications support to the pool will continue</p> <p>A review of the pool's Communication Plan will be undertaken</p>
ACCESS Support Unit (ASU)	ACCESS Support Unit	<p>The outcomes of the third-party review of the ASU will be implemented</p> <p>An annual internal audit of the ASU will take place</p>