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Surrey Local Pension Board

Annual Report
2022/23

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This has been an exciting year of change, delivering one of the most ambitious transformations programmes the Pension Fund has ever undertaken.

We started the year with the launch on 1 May of an integrated 'One' Surrey Pension Team, which brought together Investments & Stewardship, Service Delivery, Accounting & Governance, and Change Management under one roof led by our LGPS Senior Officer, Neil Mason. In December the My Pension Helpdesk previously sitting within the Surrey Orbis Partnership, was also successfully transferred to the Service Delivery team and renamed The Customer Relationship Team.

The Transformation Programme continues to drive improvements prioritising: customer insights; banking controls; culture and training in line with our Vision and Mission .

The Pension Fund continues to grow with 345 employers participating in the Fund including county and district councils, schools, academies, colleges, universities and admitted bodies (such as, cleaning and catering companies performing outsourced services on behalf of participating organisations).

The Board continued to meet during the year to provide the necessary oversight and guidance. This Complies with the Public Service Pensions Act 2013 and the Local Government Pension Scheme Regulations 2013.

Its primary function is to assist the Pension Fund Committee and Surrey County Council with:

- its compliance with the Local Government Pension Scheme (LGPS) Regulations, other relevant

legislation and requirements imposed by the Pensions Regulator; and

- the effective and efficient governance and administration of the scheme.

The Board has closely tracked the administrative performance of the Fund and its impact on the member and employer experience through quarterly KPI reporting, updates on projects, systems changes and evolving pension legislation and best practice guidance.

It also maintains oversight of the Fund's risk management protocols and risk register.

The Board has taken a lead in reviewing administrative performance, projects, the risk registers, and reporting issues of concern to the Committee. It also reviews the activities of the Committee at each subsequent meeting, providing its input as required.

I would like to take this opportunity to thank all members of the Board for their contributions during the year and for the support of officers. I would also like to pay personal tribute to the immense amount of hard work carried out by the Surrey Pension Team, I thank you all.

The meetings of the Board are held in public. We welcome anyone with an interest in the Fund to attend and see for themselves how we operate. We are also open to suggestions from both employers and members about how we can best support them.

You can find out more by writing to the Governance Manager at the Surrey Pension Team (adele.seex@surreycc.gov.uk)

Tim Evans

Chair of the Surrey Local Pension Board

July 2023

Compliance checklist

To secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme.	How the Board does this:
a Review regular compliance monitoring reports which shall include reports to, and decisions made under the Regulations by the Committee.	The Board and Committee receive regular updates regarding their respective activities. The Board and Committee are committed to working together. The Board receives updates on the Border to Coast Pension Partnership (BCPP) pool.
b Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code of Practice.	The Board has oversight of Pension Fund policies and processes. The Board reviews Key Performance Indicators (KPIs) for pension administration on a quarterly basis
c Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.	The Board reviewed employer pension discretions in July 2016 and have continued to monitor compliance over the subsequent years. The Board received a report on Compliance with the Pensions Regulator's Code of Practice No. 14 at its meeting on 11 November 2021. A review is underway by Surrey Pension Team.
d Assist with the development of and continually review such documentation as is required by the Regulations including Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.	This was reviewed as part of the Fund Annual Report on 17 November 2022, with specific policies also reviewed periodically in 2022/23 meetings. The Board will review these on an annual basis as part of the Fund Annual Report and as part of its Forward Plan.
e Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.	The Board was provided with an outline of the current communications channels for members and employers as part of a training session in October 2015. The Draft Communications policy was presented to the Board at its meeting on 17 February 2022.
f Monitor complaints and performance on the administration and governance of the scheme.	The Board reviews complaints on a quarterly basis.
g Assist with the application of the Internal Dispute Resolution Process.	The Board receives a quarterly update on the number of Internal Dispute Resolution Process cases and monitors any key themes emerging from these.

To secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme.

How the Board does this:

h	Review the complete and proper exercise of Pensions Ombudsman cases.	N/A – No current or outstanding Ombudsman cases to consider
i	Review the implementation of revised policies and procedures following changes to the Scheme.	N/A – No changes. The Board is fully conversant on current proposed changes to the LGPS regulations through regular bulletins within the standing item Recent developments in the LGPS
j	Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.	The Board will review its own training needs on an annual basis. A knowledge and understanding log is included in the Board's annual report. All Board members are required to complete the Pension Regulator Public Sector toolkit in order to comply with the Board's Attendance, Knowledge and Understanding policy.
k	Review the complete and proper exercise of employer and administering authority discretions.	The Board received a verbal update on discretions on 11 November 2021. A review is underway by the Surrey Pension Team.
l	Review the outcome of internal and external audit reports.	The Board complies with Surrey County Council's agreed process for internal audit reports being considered by scrutiny boards. This means all relevant audit reports are circulated to the Chairman, and any report with one or more high priority recommendation will be considered for discussion at the Board. The results of any external audit are shared with the Board.
m	Review draft accounts and scheme annual report.	The Board received both the Draft Statement of Accounts and Fund Annual Report 2021/22 on 30 November 2022.
n	Review the compliance of particular cases, projects or process on request of the Committee.	N/A
o	Any other area within the core function (i.e., assisting the Administering Authority) the Board deems appropriate.	The Board receives a regular Breach of Law update as and when potential breaches occur, the last report was on 18 February 2022.

Meetings and agenda items 3

Meeting date	Agenda items
26 May 2022	<ol style="list-style-type: none"> 1. Summary of the Pension Fund Committee Meetings of 10 March 2022 2. Risk Registers 2021/22 Quarter 4 3. Administration Performance Report 1 January 2022 – 31 March 2022 4. Turnaround Update 5. Progress Update of 2021/22 Internal Update (Part Two) 6. Border to Coast Governance Update (Part Two)
29 July 2022	<ol style="list-style-type: none"> 1. Summary of the Pension Fund Committee Meetings of 17 June 2022 2. Risk Registers 2022/23 Quarter 1 3. Administration Performance Report 1 April 2022 – 30 June 2022 4. Transformation Programme Update 5. Progress update of 2021/22 Internal Audit Plan 6. 2022 Valuation 7. Surrey Local Pension Board Annual Report 2021/22 8. Update on Cyber Security and Business Continuity 9. LGPS- Recent Developments
11 November 2022	<ol style="list-style-type: none"> 1. Summary of the Pension Fund Committee Meeting of 23 September 2022 2. Risk Register Update 2022/23 Quarter 2 3. Administration Performance Report and Update 1 July 2022 to 30 September 2022 4. Transformation Programme Update 5. Internal Audit Update 6. 2022 Valuation 7. LGPS – Background Papers
17 February 2023	<ol style="list-style-type: none"> 1. Summary of the Pension Fund Committee Meeting of 16 December 2022 2. Risk Registers 2022/23 - Quarter 3 3. Administration Performance Report and Update 1 October 2022 to 31 December 2022 4. Change Programme Update 5. Internal Audit Update 6. 2021/2022 External Audit Update 7. 2022 Valuation 8. Training Policy 2023/24 9. Communication Policy Statement 2023/24 10. LGPS Update (Background Paper)

Board attendance and training log 4

Members of the Local Pension Board

Name	Initials	Position	Representing	Appointed	Appointment ended
Tim Evans	TE	Chair	Independent Chair	19/07/2021	-
David Lewis	DL	Vice-Chair	Scheme Employers	19/07/2021	-
Siobhan Kennedy	SK	-	Scheme Members	29/04/2020	-
William McKee	WM	-	Scheme Members	19/07/2021	-
Fiona Skene	FS	-	Scheme Members	10/12/2020	-
Jeremy Webster	JW	-	Scheme Employers	19/07/2021	-
Trevor Willington	TW	-	Scheme Members	17/07/2015	-
Brendan Bradley	BB	-	Scheme Members	06/12/2022	-

Key ✓ = Attended

Meeting attendance

Name	May 2022	July 2022	November 2022	February 2023
Tim Evans	✓	✓	✓	✓
David Lewis	✓	✓	✓	Apologies
Siobhan Kennedy	✓	Apologies	✓	Apologies Joined Meeting Remotely
William McKee	Apologies	✓	✓	✓
Fiona Skene	✓	X	X	Apologies Joined Meeting Remotely
Jeremy Webster	✓	✓	✓	Apologies
Trevor Willington	Apologies Joined Meeting Remotely	Apologies Joined Meeting Remotely	Apologies	Apologies
Brendan Bradley	N/A	N/A	N/A	✓

Training of current Board members

Name	The Pensions Regulator Public Sector Toolkit	Local Government Association Fundamentals 1	Local Government Association Fundamentals 2	Local Government Association Fundamentals 3
Tim Evans	-	-	-	-
David Lewis	✓	-	-	-
Siobhan Kennedy	✓	✓	✓	✓
William McKee	✓	✓	✓	✓
Fiona Skene	-	-	-	-
Jeremy Webster	✓	-	-	-
Trevor Willington	✓	✓	-	✓
Brendan Bradley	✓	-	-	-

Additional Training

Name	Employers Pensions Fund Annual Engagement (AGM) 18/11/2022	Hymans Valuation Training 16/06/22	LGA Governance Conference (2 days 19-20/1/23) In person attendance	LGA Governance Conference (2 days 19-20/1/23) Online attendance
Tim Evans	✓	-	✓	-
David Lewis	-	✓	-	✓
Siobhan Kennedy	✓	-	-	-
William McKee	-	✓	-	-
Fiona Skene	✓	-	-	-
Jeremy Webster	-	✓	✓	-
Trevor Willington	-	-	-	-
Brendan Bradley	N/A	-	-	-

The Public Service Pensions Act 2013, Section 5(4) requires that any member of a Pension Board must not have a “conflict of interest”, which is defined in Section 5(5) as a “financial or other interest which is likely to prejudice the person’s exercise of functions as a member of the board, but does not include a financial or other interest arising merely by virtue of membership of the scheme or any connected scheme.”

A conflict of interest exists where there is a divergence between the individual interests of a person and their responsibility towards the Local Pension Board, such that it might be reasonably questioned whether the actions or decisions of that person are influenced by their own interests.

A conflict of interest would prejudice an individual’s ability to perform their duties and responsibilities towards the Local Pension Board in an objective way.

An example of a potential conflict of interest could be:

A Local Pension Board member may be required to review a decision which may be, or appear to be, in opposition to another interest or responsibility, e.g.(s):

- a review of a decision which involves the use of departmental resource in the function of the Local Pension Board, whilst at the same time being tasked with reducing this departmental resource by virtue of their employment.
- a Local Pension Board member could also be employed or have an interest in either privately or as part of the Council in a service area of the Council for which the Local Pension Board has cause to review.
- an independent member of the Local Pension Board may have a conflict of interest if they are also advising the Scheme Manager.

Register of interests

Name	Employment	LGPS Pension?	Conflict with Employment?	Note	Other conflicts
Tim Evans	N/A	Yes	No	N/A	N/A
David Lewis	N/A	No	No	N/A	N/A
Siobhan Kennedy	Homelessness, Advice & Allocations Lead for Guildford Borough Council.	No	No	N/A	N/A
William McKee	Retired	Yes	No	N/A	N/a
Fiona Skene	Corporate Head of HR & OD – Runnymede Borough Council	No	No	Employed by an employer of the fund. If a conflict was to arise, this would be mitigated by the Board member removing themselves from the discussion.	N/A
Jeremy Webster	Retired		No	N/A	N/A
Trevor Willington	N/A	Yes	No	N/A	N/A
Brendan Bradley	Head of Finance for Epsom & Ewell Borough Council.	No	No	N/A	N/A

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