

# Meeting of the HSC Pension Scheme Pension Board

Board Room – BSO – Franklin Street Belfast

Thursday 16 January 2020

## In Attendance:

David Best <b>(DB)</b>	<b>Chairperson</b>
Russell McGowan <b>(RMG)</b>	DoH – Pension Policy (Secretariat)
Phil McCusker <b>(PMC)</b>	DoH – Pension Policy
Martin Bradley <b>(MB)</b>	HSC Pension Service
Heather Dougherty <b>(HD)</b>	HSC Pension Service
Maryna Chambers <b>(MC)</b>	Northern HSC Trust
Noeleen McCreanor <b>(NMC)</b>	South Eastern Trust
Dessie Lowry <b>(DL)</b>	RCN
Andrea Henderson <b>(AH)</b>	BSO
Kevin McAdam <b>(KMA)</b>	UNITE
Hannah Francis <b>(HF)</b>	DoH - Finance

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## Apologies:

Cara McLaughlin <b>(CMC)</b>	Western HSC Trust
Mary Caddell <b>(MC)</b>	RCM
Maria Morgan <b>(MM)</b>	NIPSA
Alan Stout <b>(AS)</b>	NIGPC
Roberta Magee <b>(RM)</b>	UNISON
Catherine Shannon <b>(CS)</b>	Belfast HSC Trust

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## 1. Welcome / Introductions / Apologies

The Chair welcomed those attending, confirmed that the meeting was not quorate and acknowledged the apologies received.

## 2. Conflict of Interest

No conflicts of interests were declared.

## 3. Minutes of Previous Meeting

Board Members agreed the minutes of the previous meeting held on 2 October 2019.

#### 4. Action Points from Previous Meeting

Outstanding Action Points from the meeting on 2 October 8 May 2019 were cleared at the meeting. Chair advised that Jackie Johnston from DoH is expected to attend the April Board Meeting in Holywell Hospital Antrim.

**ACTION POINT 1: MB** to check the availability of a guest speaker from BSO to provide board members with training on risk management at the April Board Meeting

**ACTION POINT 2: Secretariat** to follow up with those board members who have not completed their TNA and ROI forms

**ACTION POINT 3: Secretariat** to confirm date and venue of the next two Board Meetings

#### 5. Scheme Accounts 2018/19

**Hannah Francis (HF)** from DoH Finance Department presented a high level overview of the HSC Pension Scheme Resource Accounts process including the Annual Managed Expenditure nature of the budget, what the Estimates process entails and explained the various roles of all those who feed into the accounts production process to ensure that they are as accuracy and completeness as possible and satisfy audit requirements. .

She detailed the pivotal role that GAD perform, in particular in relation to the key assumptions adopted to provide an up to date valuation of the pension scheme liability. HF further confirmed that KPMG would be replacing Grant Thornton as the scheme auditors for 2019/20.

In response to questions relating to underspend/overspend, divergences and providing assurance to the Reporting Officer, **HF** confirmed that the accuracy of the estimates setting process against actual is managed throughout the course of the year through liaison with GAD and review of year-to-date actuals at key points of the year to feed into any revisions to the estimate in January time. The Governance Statement within the annual report section of the HSC Pension Scheme annual report and accounts details the departmental governance

structure and BSO as Scheme Managers feed into the process of reporting internal control divergences.

She informed members that the scheme accounts for year 2018/19 had been given an 'unqualified audit opinion' by the scheme auditor, Grant Thornton.

In response to a question from **MB** she confirmed that Finance were fully aware of and have accounted for the estimated impact of the McCloud/Sargeant court ruling in the 2018/19 financial year.

**HF** agreed to ensure DoH share final HSC Pension Scheme annual report and accounts and NIAO Report to those Charged with Governance as a matter of course following each financial year to feed into BSO Pensions Board October meeting.

**ACTION POINT 4: Chair** to write to DoH Finance seeking further assurance around the accuracy of the estimate against the outturn and prevention of an excess vote situation.

## **6. *Scheme Managers Report***

**MB** covered the main points contained on the Scheme Manager's report, in particular the 30% growth in pension members in the last seven years and the upsurge in final pay control charges.

In response to two points raised by **AH** he explained that the upsurge in membership growth was mainly due to auto enrolment and a better awareness of pensions amongst staff in general and that pension estimates are still provided to those within 12 months of retirement however it is hoped that with the provision of ABS that requests for routine pension estimates would reduce considerably going forward.

### Annual Benefit Statements (ABS)

**MB** stated that all ABS (except for general practitioners) had been uploaded to the self-service portal.

### Pension Payroll Team (PPT)

**MB** detailed the work completed by the PPT and benefit to employers and members alike. He further stated that the team is looking at streamlining payroll processes, including the use of online forms.

### AA Update

He detailed the work carried out by the team dedicated to AA issues and advised that this had taken a great deal of pressure away from employers.

### Compliance Officer

**MB** advised that HSC Pension Service is hoping to have a Band 5 compliance officer in place from April 2020.

### IDR2s and Pension Ombudsman Outcomes

**MB** took members through the IDR and PO cases detailed in his report, highlighting in particular a ruling by the Ombudsman against an HSC employer in relation to an ill health/death in service case.

In response to a question from the Chair he confirmed that the 'ill health/death in service' application process have been detailed in an employer technical newsletter. Employer reps confirmed that all HSC Pension Service newsletters are widely distributed throughout their organisations.

### Data Issues

**MB** informed Board members that the latest data housekeeping report covering 284,000 common data records revealed that missing post codes of deferred members was the only significant issue, however the correct postcode for these members will be obtained once a new pension event has been triggered.

In response to a question from **DL** he confirmed that the recent addition of fire service pension scheme administration will have no impact on the performance or service delivery of the HSC Scheme and in response to a question from **AH** confirmed that the GMP data reconciliation exercise had been completed.

## **7. Policy Update**

**PMC** informed the Board that HMRC has undertaken a review of the Annual Allowance provisions and that an update was expected at the next budget on 11 March.

## **8. Progress Report – Board Business Plan 2019/20**

Subject to two amendments to points 1.3 and 1.4 Board members approved the content of the Progress Report.

**ACTION POINT 5: Secretariat** to amend points 1.3 and 1.4 of the Progress Report

## **9. Pension Board Risk Register**

It was agreed that the current risk register should be developed further in line with a new template to be provided by **MB**.

**MB** agreed to seek a speaker from the BSO to provide training to Board members on risk management

**ACTION POINT 6: MB** to provide Secretariat with BSO risk register template

**ACTION POINT 7: PMC / RMG** to update risk register

## **10. Training Needs Assessment Questionnaire**

It was agreed that all members should complete the Pension Regulator Online Training / Guidance prior to the next meeting in April.

It was also agreed that for June Meeting the chair would provide a training session on the roles/responsibilities of Pension Board members.

Members agreed with a proposal by **DL** that it would be beneficial to develop a short induction pack for Board members detailing the role and responsibilities of the Board.

**ACTION POINT 8:** All members to complete Pension Regulator online training/guidance prior to April meeting

**ACTION POINT 9:** **Chair** to provide training on roles/responsibilities of Board members at June meeting

**ACTION POINT 10:** **Secretariat** to develop Board member induction pack for June Meeting

## **11. AOB**

Members attending agreed with the **Chair's** proposal to develop a short individual member training log to detail any training that Board Members have received to date.

**ACTION POINT 11:** **Chair** to develop individual member training log template

## **12. Date of Next Meetings**

The dates and locations for the next 2 meetings were agreed as follows:-

<b>Friday 17 April 2020</b>	<b>10.30 Antrim</b>	<b>Holywell Hospital</b>
<b>Tuesday 30 June 2020</b>	<b>10.30 L'Derry</b>	<b>Waterside House</b>