



Local Pensions Board

Date:	Wednesday, 13 June 2018
Time:	1.00 p.m.
Venue:	Room GA-25 Merseytravel, Mann Island

Contact Officer: Pat Phillips
Tel: 0151 691 8488
e-mail: patphillips@wirral.gov.uk
Website: <http://www.wirral.gov.uk>

AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Board are asked to declare any disclosable pecuniary and non-pecuniary interests, in connection with any item(s) on the agenda and state the nature of the interest.

2. MINUTES (Pages 1 - 6)

To approve the accuracy of the minutes of the meeting held on 20 Mar, 2018.

3. LGPS UPDATE (Pages 7 - 14)

4. DRAFT COMMUNICATIONS STRATEGY (Pages 15 - 24)

5. AUDIT PLAN (Pages 25 - 40)

6. DRAFT DATA PROTECTION POLICY & GDPR UPDATE (Pages 41 - 66)

7. ENGAGEMENT WITH THE PENSION REGULATOR (Pages 67 - 70)

8. GIFTS & HOSPITALITY (Pages 71 - 76)

9. DRAFT ANNUAL BOARD REPORT (Pages 77 - 88)

10. POOLING UPDATE (Pages 89 - 94)

11. **MONITORING OF INVESTMENT MANDATES & GOVERNANCE (Pages 95 - 96)**
12. **PROPERTY ARREARS (Pages 97 - 98)**
13. **WORKING PARTY MINUTES 16/11/17 & 30/01/18 (Pages 99 - 100)**
14. **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

The following items contain exempt information.

RECOMMENDATION: That under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

15. **AUDIT PROGRAMME & SUMMARY EXEMPT REPORT (Pages 101 - 112)**
16. **POOLING UPDATE EXEMPT REPORTS (Pages 113 - 148)**
17. **MONITORING OF INVESTMENT MANDATES EXEMPT REPORT (Pages 149 - 154)**
18. **PROPERTY ARREARS EXEMPT REPORTS (Pages 155 - 160)**
19. **ADMINISTRATION KPI EXEMPT REPORT (Pages 161 - 180)**
20. **WORKING PARTY EXEMPT MINUTES (Pages 181 - 190)**

LOCAL PENSIONS BOARD

Tuesday, 20 March 2018

Present: J Raisin (Chair)
M Hornby R Irvine
D Ridland P Maloney
P Wiggins

Apologies G Broadhead
K Beirne

36 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to declare any disclosable pecuniary and non-pecuniary interests in connection with any item(s) on the agenda and state the nature of the interest.

No such declarations were made.

37 MINUTES

Resolved – That the accuracy of the Minutes of the Local Pension Board held on 10 October, 2017 be approved as a correct record.

38 LGPS UPDATE

The Pension Board gave consideration to a report of the Director of Pensions that provided Board members with copies of recent LGPS update reports taken to Pensions Committee. The appendices of the report included a Synopsis of Prospective Changes to LGPS & Overriding Pension Legislation November 2017.

Yvonne Caddock, Head of Pensions Administration, outlined details of the reports and responded to members' questions.

Resolved – That the report be noted.

39 PENSION FUND BUDGET

The Pension Board gave consideration to a report of the Director of Pensions that had been approved by Pension Committee on 22 January, 2018.

Donna Smith, Head of Finance & Risk, outlined details of the report to members.

Resolved – That the report be noted.

40 **TREASURY MANAGEMENT STRATEGY**

A report of the Director of Pensions provided Board members with a copy of the Treasury Management Policy taken to Pensions Committee on 22 January, 2018.

The Treasury Management Policy Statement 2018/19 was attached as an appendix to the report.

Resolved – That the report be noted.

41 **DEVELOPMENT & TRAINING PROGRAMME**

A report of the Director of Pensions provided Board members with a copy of the development programme proposed for Pension Committee members. The Director of Pensions reported that a number of these opportunities would also be available to Board members.

Resolved – That the report be noted.

42 **LGPS INVESTMENT PERFORMANCE**

A report of the Director of Pensions provided Board members with information compiled by PIRC relating to the performance of LGPS funds.

The appendix to the report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved – That the report be noted.

43 **POOLING UPDATE**

Members gave consideration to a report of the Director of Pensions that provided Board members with copies of recent Pooling update reports taken to Pensions Committee.

The appendix to this report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

The Director of Pensions expanded on the background and key issues to the report and responded to members' questions.

Resolved – That the report be noted.

44 **MANAGEMENT OF CARBON RISK**

A report of the Director of Pensions provided Board members with a copy of a report on proposals for the management of climate risk that had recently been taken to Pensions Committee.

The appendix to this report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

The Director of Pensions informed the Board that the Pension Committee had previously approved the development of a Climate Risk Strategy for MPF, based on climate-related investment beliefs: that climate change was a systemic risk and thus, a material long-term financial risk for investors who must meet long-term obligations.

Resolved – That the report be noted.

45 **BOND REVIEW**

A report of the Director of Pensions provided Board members with a copy of the report to Pension Committee on the annual review of potential unfunded liabilities for admission bodies.

The appendix to the report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

It was reported that in accordance with the Committee decision on 22 March 2000 (Minute 52 refers), officers had been asked to specifically monitor the potential unfunded liabilities in respect of the premature closure of admission bodies. This work had been undertaken by the Actuary performing an annual funding review and officers giving consideration to the financial strength and covenants of the relevant organisations.

Peter Wallach, Director of Pensions and Yvonne Caddock, Head of Pension Administration, responded to Board members questions as to the operational practices to ensure the management of employer liabilities is within scope of the fund's documented risk management framework.

Resolved – That the report be noted.

46 **CONTRACTS TIMETABLE**

A report of the Director of Pensions provided Board members with a copy of the contracts' timetable that had recently been approved by Pension Committee.

The appendix to this report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved – That the report be noted.

47 **WORKING PARTY MINUTES**

A report of the Director of Pensions provided Board members with copies of working party minutes since the previous Board meeting.

The appendix to the report contained exempt information. This was by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

The Pension Board commended the format and overall representation at the IMWP as a demonstration of genuine good governance which allowed for detailed examination of specific and technical aspects of pensions investment and administration by Committee members.

The Board did, however, note the limited representation of those responsible for governance at these meetings and was concerned that this potentially limited the benefits that might otherwise accrue.

Resolved – That the report be noted.

48 **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

Resolved – That in accordance with section 100 (A) of the Local Government Act 1972, the public be excluded from the meeting during

consideration of the following items of business, on the grounds that it involved the likely disclosure of exempt information as defined by relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test had been applied and favoured exclusion.

49 LGPS INVESTMENT PERFORMANCE EXEMPT

The appendices to the report on LGPS Investment Performance were exempt by virtue of paragraph 3.

50 POOLING UPDATE EXEMPT

The appendices to the report on Pooling Update were exempt by virtue of paragraph 3.

51 MANAGEMENT OF CARBON RISK EXEMPT

The appendices to the report on Carbon Risk were exempt by virtue of paragraph 3.

52 BOND REVIEW EXEMPT

The appendices to the report on Bond Review were exempt by virtue of paragraph 3.

53 CONTRACTS TIMETABLE EXEMPT

The appendices to the report on Contracts Timetable were exempt by virtue of paragraph 3.

54 ADMINISTRATION KPI REPORT EXEMPT

The appendices to the report on Administration KPI Report were exempt by virtue of paragraph 3.

55 WORKING PARTY MINUTES EXEMPT

The appendices to the report on Working Party Minutes were exempt by virtue of paragraph 3.

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WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	LGPS UPDATE
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

1.1 This report provides Board members with copies of recent LGPS update reports taken to Pensions Committee

2.0 BACKGROUND AND KEY ISSUES

2.1 The LGPS update is a standing item on the Pensions Committee agenda

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

3.1 There are none arising from this report

4.0 RECOMMENDATION

4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

5.1 There is a requirement for Members of the Pension Board to be kept up to date with legislative developments as part of their role in supporting the administering authority.

REPORT Peter Wallach Director of Pensions
AUTHOR Telephone (0151) 242 1309
Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date
Standing item on agenda	

APPENDIX

LGPS Update Report March 2018

WIRRAL COUNCIL
PENSION COMMITTEE

26 MARCH 2018

SUBJECT:	LGPS UPDATE [GMP INDEXATION – IMPACT ON LGPS]
WARD/S AFFECTED:	NONE
REPORT OF:	DIRECTOR OF PENSIONS
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report informs Members that on 22 January 2018, HM Treasury (HMT) published a response to its consultation dated 28 November 2016.
- 1.2 The consultation proposed options for the indexation of Guaranteed Minimum Pensions (GMPs) in public service pension schemes following the reform of the State Pension and the ending of contracting out.
- 1.3 The report also raises awareness of the Ministerial changes made at Department for Communities and Local Government.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The publication of the consultation and outline of the fundamental aspects together with the Fund response were detailed within the LGPS Update reports presented to committee on 23 January 2017 (minute 144) and 21 March 2017 (minute 160).

The consultation and outcome document can be accessed from the following link

<https://www.gov.uk/government/consultations/indexation-and-equalisation-of-gmp-in-public-service-pension-schemes>

- 2.2 In summary, the consultation set out three possible solutions:
- a) Case-by-case; involving a comparison of pensioner's total income from the public and state pension provision under the old and new state pension system. This method would be complex to administer but would incur the lowest long-term funding cost.
 - b) Full indexation of the relevant GMP liabilities which is simpler from an administration point of view, but more costly in the long term.
 - c) Conversion of the GMP benefit into a scheme benefit with an equivalent funding cost as full indexation but more complex initially from an administration point of view.

Consultation Outcome

- 2.3 The consultation received 62 responses, broadly in favour of the government's objectives to price protect the GMP and to provide a simple solution to assist with members financial planning.
- 2.4 Following the introduction of the new State Pension the government implemented an interim solution under which members reaching State Pension Age (SPA) between 6 April 2016 and 5 December 2018 will have full GMP increases provided by their scheme.
- 2.5 The outcome of this consultation was to rule out the case-by-case approach and to extend the interim solution for a further two years and four months.
- This will cover those members of public service schemes with a GMP who reach SPA on or after 6 December 2018 and before 6 April 2021.
- 2.6 During this extension period, the government will investigate the possibility of converting the GMP values to ordinary scheme benefits on a 1:1 basis as a longer term solution.
- 2.7 A revised Ministerial Direction under Section 59A (2) of the Social Security Act 1975 will be published by HMT to permit the public service pension schemes to price protect GMP entitlements for the relevant period.

Ministerial Re-shuffle

- 2.8 As part of the Prime Minister's re-shuffle in January 2018, the Department for Communities and Local Government was renamed as the Ministry for Housing, Communities and Local Government (MHCLG)

It is noteworthy that housing was always included in the department's brief, but not recognised in its name.

- 2.9 Rishi Sunak MP has been appointed Local Government Minister, (MP for Richmond, Yorkshire), and became the new Parliamentary Under Secretary of State (Minister for Local Government), replacing Marcus Jones MP.
- 2.10 Amongst other changes, Justine Greening MP was replaced as Secretary of State for Education by Damian Hinds MP, which may have an effect on the Department's policy objective to convert all schools to Academies and the current review on the impact for LGPS pension funds and their host authorities.

3.0 RELEVANT RISKS

- 3.1 Whilst the government has announced it will give consideration to the "conversion" route over the next couple of years, there is a risk of a further extension of the "5 April 2021 window" leading to uncertainty for future retirees; as to whether they will receive full price protection on all their pension elements.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 Not relevant for this report.

5.0 CONSULTATION

- 5.1 Not relevant for this report

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 None associated with the subject matter.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are none arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 The estimated cost across the LGPS to provide the increases on the GMP elements of pension for members reaching SPA between 6 April 2016 and 5 December 2018 is in the region of £0.2 billion.

The extension of the period to 5 April 2021 will cost a further amount of between £0.1 billion and £0.15 billion and equates to less than 0.1 % of the LGPS liabilities.

Although the cost is relatively small in the context of the overall LGPS it is another cost to be met by scheme employers without any extra funding from the government.

- 8.2 The impact will vary for individual employers, depending on their membership profile in regard to the numbers of staff with pre-1988 membership and the level of accrued GMPs.

9.0 LEGAL IMPLICATIONS

- 9.1 There are none arising from this report

10.0 EQUALITIES IMPLICATIONS

- 10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No equality impact assessment is required

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

- 11.1 There are none arising from this report

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 There are none arising from this report

13.0 RECOMMENDATION

- 13.1 That Members note the report

14.0 REASON/S FOR RECOMMENDATION/S

- 14.1 There is a requirement for Members of the Pension Committee to be kept up to date with legislative developments as part of their decision making role.

**REPORT
AUTHOR**

Yvonne Caddock
Head of Pensions Administration
Telephone (0151) 242 1333
Email yvonnecaddock@wirral.gov.uk

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WIRRAL COUNCIL

PENSIONS BOARD

13 JUNE 2018

SUBJECT:	DRAFT COMMUNICATIONS POLICY 2018
REPORT OF:	OPERATIONS & INFORMATION GOVERNANCE MANAGER

1.0 EXECUTIVE SUMMARY

- 1.1 In accordance with regulations the Fund is required to publish a statement of policy concerning how it communicates with members and scheme employers.
- 1.2 The Communications Policy was last changed in January 2012, the draft policy attached takes into consideration the Fund's move to more electronic communications and the increasing use of technology by members and employers. A revised draft Communications Policy is attached at Appendix 1

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Fund has moved to electronically distributing Annual Benefit Statements for active and deferred members. Paper copies are provided to members only if they provide a written request to the Fund.
- 2.2 The production and circulation of newsletters to active and deferred members has now changed to being produced in response to changes in regulations; where their format is particularly useful when explaining multiple, complicated concepts with diagrams and examples.
- 2.3 Other more cost-effective means of communication can be used to update deferred members as part of the annual statement production.
- 2.4 For active members, the Fund has been successful in providing employers with material for use on organisation intranets, staff briefings and email broadcasts. There also remains the opportunity to communicate annually as part of the annual benefit statement production.
- 2.5 The Fund continues to work with its IT system supplier to develop the functionality of the MyPension online system for members.
- 2.6 By increasing functionality within the online system, further budget savings will be realised as more communications and interactions can take place securely online with members.

2.7 The update to the Communications Policy has also removed items and references that are now more appropriately documented in other policy documents; namely, the recently updated Pensions Administration Strategy, the Administration Records & Data Improvement Policy and the draft Data Protection Policy.

3.0 RESOURCE IMPLICATIONS; FINANCIAL; IT; STAFFING; AND ASSETS

3.1 In the past two years, the Fund has made budget savings in reducing the amount of paper being produced in the administration of the Fund.

3.2 By maximising electronic communications and developing the MyPension self-service in collaboration with the system supplier, further savings will be realised in the long term; reducing the cost of administration to employers.

4.0 RECOMMENDATION

4.1 Any suggest amendments to the proposed Communications Policy are welcome before presenting the final draft to the Pension Committee in July 2018.

5.0 REASON/S FOR RECOMMENDATION/S

5.1 MPF has made changes to its means of communication to members which need to be reflected in the updated policy.

REPORT	Guy Hayton	Operations & Information Governance Manager
AUTHOR	Telephone Email	(0151) 242 1361 guyhayton@wirral.gov.uk



Merseyside Pension Fund Communications Policy

Draft

This document has been presented, considered and approved by Pension Committee on xx xxx xxxx, following consultation with the Local Pension Board

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1. Introduction

Merseyside Pension Fund (the Fund) is one of the largest Local Government Pension Schemes in the UK and manages the pension records of over 135,000 members.

The Fund is committed to providing clear, accurate, comprehensive and timely information to all stakeholders, through the most appropriate and cost-effective communication medium.

Funds in England and Wales are required to publish a statement of policy under Regulation 61 of the Local Government Pension Scheme Regulations 2013 relating to the communications with members and Scheme employers.

As required by the regulations, this policy will outline the Fund's activities in regard:

- Communications to members, representatives of members, prospective members and Scheme employers;
- The format, frequency and method of distributing such information;
- The promotion of the Scheme to prospective members and their employers;

This policy will be revised and republished following any material change in policy.

2. General Communications

For general communications, the Fund can be contacted at:

Merseyside Pension Fund
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Telephone: 0151 242 1390
Fax: 0151 236 3520
Email: mpfadmin@wirral.gov.uk

Telephone

All Fund communications to individual members have a published telephone number. The number may be a general enquiry number, a workgroup or helpline number (such as Pensions Payroll) or, in individual cases, a direct telephone number to the staff member responsible.

For training purposes and as part of its continual improvement programme, the Fund may monitor and record calls.

Internet

The Fund has two main websites:

<https://mpfmembers.org.uk>

<https://mpfemployers.org.uk>

...these can also be accessed via <http://merseysidepensionfund.org.uk>

Social Media

The Fund has a presence on Facebook and Twitter, where members can be notified of notices and news recently published on our main members' website. Members can also directly message the Fund via both these platforms.

<https://www.facebook.com/mpfmembers>

<https://twitter.com/mpfmembers>

Public Enquiry Counter

For those members who prefer 'face to face' communication, the Fund's offices are centrally situated in Liverpool city centre and are easily accessible by public transport from all areas of Merseyside.

A public enquiry counter is situated on the 7th floor of Castle Chambers, open from 9.00 to 5.00, Monday to Friday. A private interview room is available for members who wish to discuss confidential matters.

Appointments can be made to discuss specific pension options or problems and, if necessary, appropriate staff can visit a workplace or members at home in cases of special need.

Access to Communications

The Fund is committed to make all necessary and reasonable adjustments to help members who require assistance to access our communications. The Fund can arrange large print, audio or Braille versions of all literature.

All print and electronic communications are designed with full consideration for those with additional needs. This is to ensure that all members can access our services. All communications media is measured against accessibility standards. The Fund is assisted by various partner organisations in fulfilling the objectives of the Equality Act 2010.

3. Communicating with Scheme Members

Members' Website – mpfmembers.org.uk

The website has individual sections for active, pensioner and deferred members, reflecting the diverse needs of our membership. The site provides explanation, guidance and updates for all categories of member.

An important part of the website is given over to the governance of the Fund, its statutory responsibilities and investment performance. This demonstrates the Fund's commitment to transparency in our dealings with members and all stakeholders.

Scheme members also have the opportunity to securely access their own pension records via the secure **MyPension** online portal and to update home address information.

Annual Benefit Statement

An annual benefit statement is made available online for active and deferred members. These statements with supporting guidance notes are made available through the Fund's secure online portal. Annual benefit statements can be issued in paper form on written request to the Fund.

The distribution of statements to active & deferred members is also an opportunity to summarise any changes to the Scheme regulations or other changes in regard pensions.

Scheme Literature

Whilst the website contains detailed information and guidance for members, the Fund also maintains an extensive range of literature for all categories of member. Copies of scheme literature are made available on the members' website.

Newsletters

'Honeypot' is the Fund's in-house newsletter for pensioners. Published annually, the newsletter is produced on paper and posted to the home address of all members in receipt of pension benefits. It proves to be a useful way of providing updates on pension increases, relevant changes in legislation, topical news, competitions, letters and maintaining a dialogue with our pensioner members.

For general communications to active members, the Fund produces news items for use by Scheme employers on intranets, broadcast emails, staff newsletters and manager briefing publications.

The Fund on occasion will utilise newsletters to communicate major Scheme changes to active and deferred members; the format is particularly useful when explaining multiple, complicated changes. Because of their nature, these newsletters are not produced at fixed times, but rather in response to changes in the regulations; with reference to the time restrictions imposed by the Disclosure regulations.

Presentations & Courses

The Fund delivers standard or tailored presentations on a wide range of subjects for members. These presentations are provided on demand in conjunction with employers; although a minimum number of attendees will be required to justify Fund resources.

The Fund pro-actively arranges courses on wider topic areas and invites appropriate third parties to assist Fund staff in presenting relevant information, workshop activities and also to provide relevant support materials to take home. Courses can be delivered at employer sites or in Liverpool city centre.

Presentations & courses can be requested from the Communications team on **0151 242 1392** or **mpfcomms@wirral.gov.uk**

4. Communicating with Members' Representatives

Materials available to members are also available on request to their representatives or through the Members' website.

5. Communicating with Prospective Members

Scheme booklet & Website

Upon appointment with their employer, all prospective scheme members will be provided with a link to the Fund's website where they can access scheme booklets and the key forms for membership.

The website also provides information to help members make an informed decision about contributing to the LGPS and how to opt out of the scheme should they so wish.

The Fund's first contact to a new member, also reinforces the value of pension saving and provides once again the link to the Fund's website where they can access the scheme booklets.

Trade Unions

The Fund works with the relevant trade unions to ensure the scheme is understood by all interested parties. Training days for branch officers can be provided upon request.

6. Communicating with Scheme Employers

Employers' Website – mpfemployers.org.uk

A website for Scheme employer specific communications and guidance, the employer's website is secured by a username and password.

Referencing the Payroll and HR guides published by the Local Government Association, it details the processes, procedures and forms required to effectively discharge the duties of an employer participating in the Scheme.

Pension Liaison Officer

Each employer has a named member of staff who performs the duty of a Pension Liaison Officer. The primary contact for the Fund, this person is contactable by e-mail, telephone and in-person to assist the Fund in communication and supporting members.

The Pension Liaison Officer on appointment is given a username and password for the Employers' website and is also provided with the facility to request additional access for colleagues in their organisation.

Employer News Alerts

Regular news items, such as changes to legislation, consultations and general administrative updates are communicated regularly to all registered users of the Employers' website.

Annual Report & Accounts

The aim of the report is to highlight the important issues affecting the Fund over the previous twelve months, along with detail on both investment and administration performance.

Annual Employers' Conference

A conference is held annually for all Scheme employers at which detailed investment, financial and administrative reports are presented by Fund managers. Other speakers are invited from government agencies and organisations connected to the pensions industry.

Pension Liaison Officers Group

The Fund aims to hold three meetings each year with larger Scheme employers to discuss the topics of legislation, pension regulation, administration and other issues raised by the employers or the Fund. This dialogue proves useful in developing administrative processes and communications for the benefit of all Scheme employers and members.

Practitioner Training

The Fund provides training for staff at Scheme employers on the basics of LGPS administration. Sessions are structured along the lines of a typical membership of the LGPS, where delegates are shown the correct procedures which should be followed during various stages of an employee's membership.

Approved by: Pensions Committee

xx xxx xxxx

Merseyside Pension Fund
Castle Chambers, 43 Castle Street
Liverpool, L2 9SH

Telephone: 0151 242 1390
Fax: 0151 236 3520

Web: mpfmembers.org.uk
mpfemployers.org.uk

Email: mpfadmin@wirral.gov.uk

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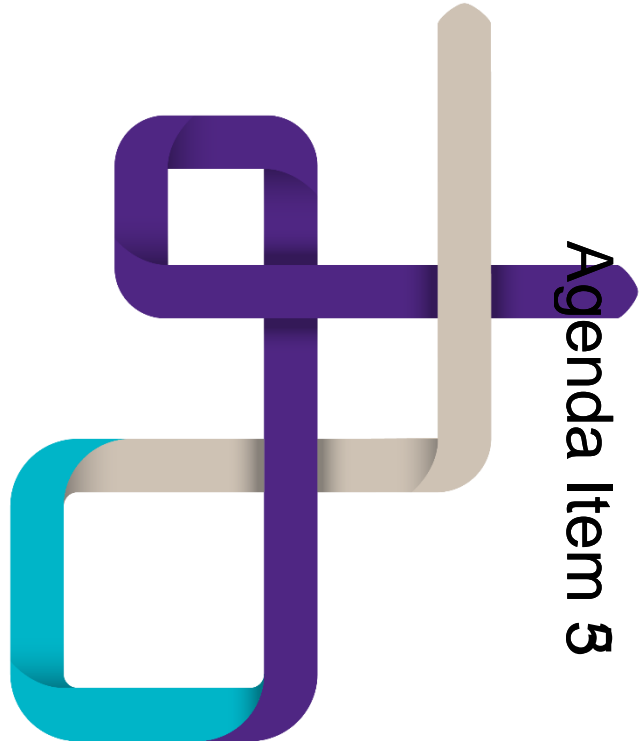
External Audit Plan

Year ending 31 March 2018

Merseyside Pension Fund

March 2018

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Agenda Item 3

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Your key Grant Thornton
team members are:

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Grant Patterson
Engagement Lead
T 0121 232 5296

E

grant.b.patterson@uk.gt.com

Chris Whittingham
Senior manager
T: 0161 214 6362

E c.whittingham@uk.gt.com

Chris Blakemore
In Charge Auditor
T 0161 214 6397

E chris.blakemore@uk.gt.com

Section

1. Introduction & headlines
2. Deep business understanding
3. Significant risks identified
4. Reasonably possible risks identified
5. Other matters
6. Materiality
7. Audit logistics, team & audit fees
8. Early close
9. Independence & non-audit services

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- A. Revised ISAs

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Fund or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction & headlines

Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Merseyside Pension Fund ('the Fund') for those charged with governance. We will report any updates or changes to our risk assessments arising from our interim audit visits as part of our 'Interim Progress Report' if required.

Respective responsibilities

The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Merseyside Pension Fund. We draw your attention to both of these documents on the [PSAA website](#).

Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance (the Audit and Risk Management Committee).

The audit of the financial statements does not relieve management or the Audit and Risk Management Committee of your responsibilities.

Our audit approach is based on a thorough understanding of the Fund's business and is risk based.

Significant risks

Those risks requiring specific audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management override of control
- Level 3 Investments– Valuation is incorrect

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

Materiality

We have determined planning materiality to be £87.334m (PY £78.00m), which equates to 1% of your net assets. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £4.4m (PY £3.9m).

Audit logistics

Our interim visit will take place in March and our final visit will take place in June/July. Our key deliverables are this Audit Plan and our Audit Findings Report.

Our fee for the audit will be £36,882 (PY: £36,882) for the Fund. Where requests are received from other auditors of other bodies for assurance in respect of information held by the Fund and provided to the actuary to support their individual IAS 19 calculations these will be billed in addition to the audit fee on a case by case basis.

Independence

We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements

Deep business understanding

Changes to service delivery

Pooling

Arrangements for the pooling of investments continue to develop. The MHCLG have reported on the progress of pools and noted the pace of development, including the launching of procurements for pool operators, appointing senior officers and preparing applications for Financial Conduct Authority authorisation. This remains a challenging agenda, with arrangements required to be in place from 1 April 2018. These arrangements will have a significant impact on how investments are managed and monitored, with much of the operational responsibility moving to the pool operator. It remains key that administering authorities (through Pension Committees and Pension Boards) continue to operate strong governance arrangements, particularly during the transition phase where funds are likely to have a mix of investment management arrangements.

Markets in Financial Instrument Directive (MiFID II)

January 2018 saw the implementation of MiFID II. The Fund applied to 'opt up' and gained election to professional status. Without this change in status some financial institutions could terminate their relationship with the fund, which may have had an adverse impact on the achievement of the investment strategy. Going forward the Fund will need to be able to continue to demonstrate it meets the 'opt up' requirements to maintain its status.

Changes to financial reporting requirements

Accounts and Audit Regulations 2015 (the Regulations) and Earlier Closedown

The Department of Communities and Local Government (DCLG) is currently undertaking a review of the Regulations, which may be subject to change. The date for any proposed changes has yet to be confirmed, so it is not yet clear whether they will apply to the 2017/18 financial statements.

Under the 2015 Regulations local authorities are required to bring forward the approval, audit and publication of their accounts by 31 July 2018. In the last 2 years the fund have made significant progress in preparing draft accounts to a much earlier timetable and are well placed to meet the required deadlines in 2017/18.

Changes to the CIPFA 2017/18 Accounting Code

CIPFA have introduced minor changes to the 2017/18 Code, these include a new disclosure of investment manager transaction costs and clarification on the approach to investment concentration disclosure.

Key challenges

Northern Pool

Merseyside Pension Fund is part of the Northern Pool and submitted a progress report to DCLG by the end of September 2017 as required. Good progress to establish appropriate governance arrangements has been made by the Pool and a shadow Joint Committee was set up at an early stage. During 2017/18 the Pool has worked to further develop and formalise the structures and governance arrangements.

General Data Protection Regulations (GDPR)

GDPR comes into effect in May 2018 and replaces the Data Protection Act 1998. It introduces new obligations on data controllers. The Fund is both a data controller and a data processor and needs to ensure that it has appropriate processes in place to comply with the new changes.

tPR 2016 Governance and Administration Survey

Published in May 2017 whilst showing improvements in governance tPR noted that its focus for 2017-18 would be scheme governance, record keeping, internal controls and member communication and that tolerance for scheme shortcomings in these areas was reducing and that they were more likely to use their enforcement powers where scheme managers have not taken sufficient action to address issues or meet their duties.

Our response

- We will consider whether your financial position leads to uncertainty about the going concern assumption and will review any related disclosures in the financial statements.
- We will keep you informed of changes to Regulations and any associated changes to financial reporting or public inspection requirements for 2017/18 through ongoing discussions and invitations to our technical update workshops.
- As part of our opinion on your financial statements, we will consider whether your financial statements reflect the financial reporting changes in the 2017/18 CIPFA Code.

Significant risks identified

Significant risks are defined by professional standards as risks that, in the judgement of the auditor, require special audit consideration because they have a higher risk of material misstatement. Such risks often relate to significant non-routine transactions and judgmental matters. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<p>The revenue cycle includes fraudulent transactions</p>	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption has been rebutted because we conclude that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Fund, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition • opportunities to manipulate revenue recognition are very limited • the culture and ethical frameworks of local authorities, including Wirral MBC as the Administering Authority of Merseyside Pension Fund, mean that all forms of fraud are seen as unacceptable <p>Therefore we do not consider this to be a significant risk for Merseyside Pension Fund.</p>
<p>Management over-ride of controls</p>	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>Management over-ride of controls is a risk requiring special audit consideration.</p>	<p>We will:</p> <ul style="list-style-type: none"> • gain an understanding of the accounting estimates, judgements applied and decisions made by management and consider their reasonableness • obtain a full listing of journal entries, identify and test unusual journal entries for appropriateness • evaluate the rationale for any changes in accounting policies or significant unusual transactions.

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Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
The valuation of Level 3 investments is incorrect	Under ISA 315 significant risks often relate to significant non-routine transactions and judgemental matters. Level 3 investments by their very nature require a significant degree of judgement to reach an appropriate valuation at year end.	Tests to be performed on valuation of level 3 investments , <ul style="list-style-type: none">• gain an understanding of the Scheme’s process for valuing level 3 investments and evaluate the design of the associated controls, and understand how the fund gains assurance information provided by the fund managers is correct.;• review the nature and basis of estimated values and consider what assurance management has over the year end valuations provided for these types of investments;• for a sample of investments, test the valuation by obtaining and reviewing the audited accounts, (where available) at the latest date for individual investments and agreeing these to the fund manager reports at that date. Reconcile those values to the values at 31 March 2018 with reference to known movements in the intervening period and• in the absence of available audited accounts, we will consider the competence, expertise and objectivity of level 3 investment managers as experts and gain an understanding of how the valuation of these investments has been reached.

Reasonably possible risks identified

Reasonably possible risks (RPRs) are, in the auditor's judgment, other risk areas which the auditor has identified as an area where the likelihood of material misstatement cannot be reduced to remote, without the need for gaining an understanding of the associated control environment, along with the performance of an appropriate level of substantive work. The risk of misstatement for an RPR is lower than that for a significant risk, and they are not considered to be areas that are highly judgmental, or unusual in relation to the day to day activities of the business.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Contributions	<p>Contributions from employers and employees' represents a significant percentage of the Fund's revenue.</p> <p>We identified occurrence and accuracy as the risks requiring particular audit attention.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate the Fund's accounting policy for recognition of contributions for appropriateness; • gain an understanding of the Fund's system for accounting for contribution income and evaluate the design of the associated controls; • test a sample of contributions to source data to gain assurance over their accuracy and occurrence; and • rationalise contributions received with reference to changes in member body payrolls and the number of contributing pensioners to ensure that any unusual trends are satisfactorily explained.
Pension Benefits Payable	<p>Pension benefits payable represents a significant percentage of the Fund's expenditure.</p> <p>We identified occurrence, accuracy and completeness of pension expenses as risks requiring particular audit attention.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate the Fund's accounting policy for recognition of pension benefits expenditure for appropriateness; • gain an understanding of the Fund's system for accounting for pension benefits expenditure and evaluate the design of the associated controls; • test a sample of lump sums and associated individual pensions in payment by reference to member files; • place reliance on controls testing over occurrence and accuracy of benefit payments, • rationalise pensions paid with reference to changes in pensioner numbers and increases applied in year to ensure that any unusual trends are satisfactorily explained; and • ensure the annual pension increase has been updated in the Altair system correctly.

Reasonably possible risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<p>The valuation of Level 2 investments is incorrect</p>	<p>While level 2 investments do not carry the same level of inherent risks associated with level 3 investments, there is still an element of judgement involved in their valuation as their very nature is such that they cannot be valued directly.</p> <p>We have identified the valuation of Level 2 investments as the risk requiring particular audit consideration.</p>	<p>We will:</p> <ul style="list-style-type: none"> • gain an understanding of the Fund’s process for valuing Level 2 investments and evaluate the design of the associated controls; • review the nature and basis of estimated values and consider what assurance management has over the year end valuations provided for these types of investments; • review the reconciliation of information provided by the individual fund manager’s custodian and the Pension Scheme’s own records and seek explanations for variances; • where necessary, test a sample of unit values used to value level 2 investments to externally quoted information sources, or where not quoted, to unit values provided by the investment manager’s own independent custodian. We may consider the use of our specialist valuation team; and • for direct property investments agree values in total to valuer’s report and undertake steps to gain reliance on the valuer as an expert. • .

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Other matters

Other work

The Fund is administered by Wirral MBC (the 'Council'), and the Fund's accounts form part of the Council's financial statements. Therefore as well as our general responsibilities under the Code of Practice a number of other audit responsibilities also follow in respect of the Fund, such as:

- We consider our other duties under the Act and the Code, as and when required, including:
 - giving electors the opportunity to raise questions about your 2017/18 financial statements, consider and decide upon any objections received in relation to the 2017/18 financial statements;
 - issue of a report in the public interest; and
 - making a written recommendation to the Council, copied to the Secretary of State.
- We carry out work to satisfy ourselves on the consistency of the pension fund financial statements included in the pension fund annual report with the audited Fund accounts.

Other material balances and transactions

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

Going concern

As auditors, we are required to "obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern" (ISA (UK) 570). We will review management's assessment of the going concern assumption and evaluate the disclosures in the financial statements.

Materiality

The concept of materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality for planning purposes

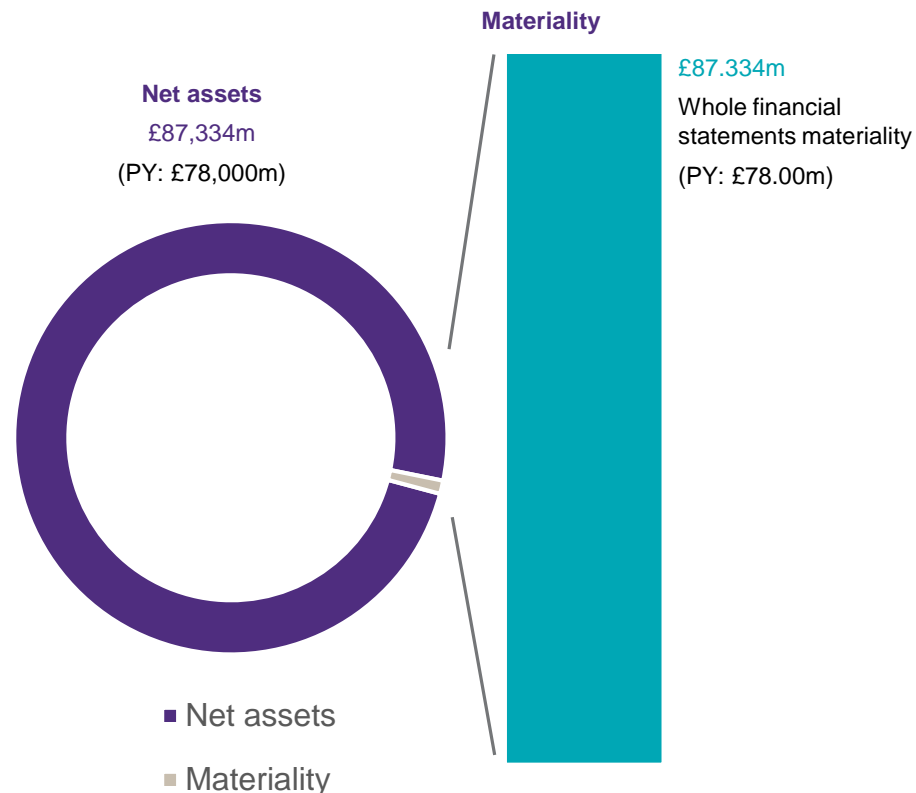
We propose to calculate financial statement materiality based on a proportion of the net assets of the Fund for the financial year. In the prior year we used the same benchmark. We have determined planning materiality (the financial statements materiality determined at the planning stage of the audit) to be £87.334m (PY £78.00m), which equates to 1% of your net assets for the prior year. We design our procedures to detect errors in specific accounts at a lower level of precision.

We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality

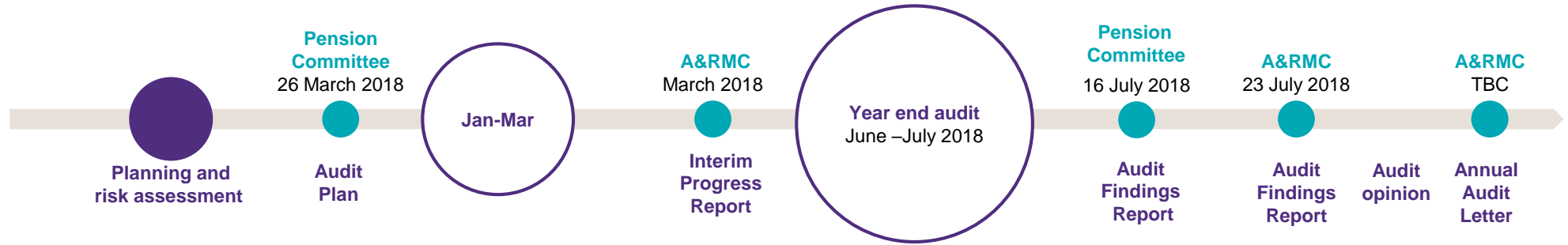
Matters we will report to the Audit and Risk Management Committee and Pensions Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit and Risk Management Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Fund, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £4.4m (PY £3.9m).

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit and Risk Management Committee to assist it in fulfilling its governance responsibilities.



Audit logistics, team & audit fees



Audit fees

The planned audit fees are no less than £36,882 (PY: £36,882) for the financial statements audit. In setting your fee, we have assumed that the scope of the audit, and the Fund and its activities, do not significantly change.

Where requests are received from other auditors of other bodies for assurance in respect of information held by the Fund and provided to the actuary to support their individual IAS 19 calculations these will be billed in addition to the audit fee on a case by case basis.

Our requirements

To ensure the audit is delivered on time and to avoid any additional fees, we have detailed our expectations and requirements in the following section 'Early Close'. If the requirements detailed overleaf are not met, we reserve the right to postpone our audit visit and charge fees to reimburse us for any additional costs incurred.

Early close

Meeting the early close timeframe

Bringing forward the statutory date for publication of audited local government accounts to 31 July this year, across the whole sector, is a significant challenge for local authorities and auditors alike. For authorities, the time available to prepare the accounts is curtailed, while, as auditors we have a shorter period to complete our work and face an even more significant peak in our workload than previously.

We have carefully planned how we can make the best use of the resources available to us during the final accounts period. As well as increasing the overall level of resources available to deliver audits, we have focused on:

- bringing forward as much work as possible to interim audits
- starting work on final accounts audits as early as possible, by agreeing which authorities will have accounts prepared significantly before the end of May
- seeking further efficiencies in the way we carry out our audits
- working with you to agree detailed plans to make the audits run smoothly, including early agreement of audit dates, working paper and data requirements and early discussions on potentially contentious items.

We are satisfied that, if all these plans are implemented, we will be able to complete your audit and those of our other local government clients in sufficient time to meet the earlier deadline.

Client responsibilities

Where individual clients do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other clients. We will therefore conduct audits in line with the timetable set out in audit plans (as detailed on page 11). Where the elapsed time to complete an audit exceeds that agreed due to a client not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to a client not meeting their obligations we are not able to guarantee the delivery of the audit by the statutory deadline. Such audits are unlikely to be re-started until very close to, or after the statutory deadline. In addition, it is highly likely that these audits will incur additional audit fees.

Our requirements

To minimise the risk of a delayed audit or additional audit fees being incurred, you need to ensure that you:

- produce draft financial statements of good quality by the deadline you have agreed with us, including all notes
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

In return, we will ensure that:

- the audit runs smoothly with the minimum disruption to your staff
- you are kept informed of progress through the use of an issues tracker and weekly meetings during the audit
- we are available to discuss issues with you prior to and during your preparation of the financial statements.

Independence & non-audit services

Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2016 which sets out supplementary guidance on ethical requirements for auditors of local public bodies

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Fund.

Non-audit services

No non-audit services were identified.

Appendices

A. Revised ISAs

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Appendix A: Revised ISAs

Detailed below is a summary of the key changes impacting the auditor's report for audits of financial statement for periods commencing on or after 17 June 2016.

Section of the auditor's report	Description of the requirements
Conclusions relating to going concern	We will be required to conclude and report whether: <ul style="list-style-type: none">• The directors use of the going concern basis of accounting is appropriate• The directors have disclosed identified material uncertainties that may cast significant doubt about the Fund's ability to continue as a going concern.
Material uncertainty related to going concern	We will need to include a brief description of the events or conditions identified that may cast significant doubt on the Fund's ability to continue as a going concern when a material uncertainty has been identified and adequately disclosed in the financial statements. Going concern material uncertainties are no longer reported in an Emphasis of Matter section in our audit report.
Other information	We will be required to include a section on other information which includes: <ul style="list-style-type: none">• Responsibilities of management and auditors regarding other information• A statement that the opinion on the financial statements does not cover the other information unless required by law or regulation• Reporting inconsistencies or misstatements where identified
Additional responsibilities for directors and the auditor	We will be required to include the respective responsibilities for directors and us, as auditors, regarding going concern.
Format of the report	The opinion section appears first followed by the basis of opinion section.



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WIRRAL COUNCIL

PENSIONS BOARD

13 JUNE 2018

SUBJECT:	DRAFT DATA PROTECTION POLICY & GDPR UPDATE
REPORT OF:	OPERATIONS & INFORMATION GOVERNANCE MANAGER

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with an update on the Fund's progress with regard to compliance with the General Data Protection Regulations (GDPR) that came into force on 25 May 2018
- 1.2 It also recommends consideration of a draft Data Protection Policy for the Fund, prior to its presentation to Pensions Committee in October 2018.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The EU's GDPR is a legal framework with the aim of boosting privacy rights and strengthening the digital economy in the European Union.

The changes were in response to how both globalisation and technological change have impacted on how data is collected, stored, shared and transferred since the introduction of the Data Protection Act in 1998.

- 2.2 The government announced on 21 June 2017 that it would implement the GDPR and retain the legislation following Brexit. The UK Data Protection Act 2018 received Royal Assent on the 23 May 2018 and came into force on 25 May 2018 in-line with the GDPR.
- 2.3 There have been minor changes to the UK implementation of the GDPR; these are mainly in the area of the Information Commissioner's future role and some amendments that were recorded in various working party considerations of the legislation. At the time of writing, there are no changes that would directly affect the Fund's approach to compliance with the Act.
- 2.4 The Data Protection Act 2018 can be accessed at:

<http://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>

- 2.4 As previously reported, Fund Officers actively engaged with colleagues at other Funds and the Local Government Association (on behalf of all Funds) in gaining a clear, coherent and consistent response to the demands of GDPR compliance.
- 2.5 The collaborative working resulted in the LGA commissioning Squire Patton Boggs (legal counsel) to produce three template documents that could be used by all LGPS Funds.
- a) Detailed Privacy Notice**
- Setting out the information to be provided under Articles 13 & 14 of the GDPR; specifically what personal data we hold on individuals, the legal basis upon which we collect that data, how we process the data and members' rights in regard their personal data being held by the Fund.
- b) Summary Privacy Notice**
- This will summarise the main privacy elements and questions for members that could be used in newsletters and as part of Annual Benefit Statement correspondence. A link to the full, detailed privacy notice is provided for further information.
- c) Employer Memorandum of Understanding**
- A document that sets out to participating employers in the LGPS the legal basis to which they are able to share personal member data with the Fund without a data sharing agreement being in place.
- 2.6 The Fund were involved in the consideration of early drafts of the three template documents and also provided opinion to questions posed by legal counsel.

Actions taken by the Fund towards compliance

- 2.7 The Fund has worked with the Council in completing the Information Asset Register in regard documenting Fund data and records.
- 2.8 The Fund published its detailed Privacy Notice on the website in March 2018. This is accessible as <http://mpfund.uk/yourdata> and is provided as **Appendix One** to this report.
- 2.9 Pensioner members received a newsletter in March 2018 containing the summary Privacy Notice.
- 2.10 System suppliers to the Fund all provided contractual change documentation in their regard GDPR compliance during the months of March and April 2018.

- 2.11 The Operations & Information Governance Manager met with the Council Project Manager for GDPR Compliance on 10 April 2018. The meeting was to apprise the Council of actions taken to date by the Fund and planned future actions. The Project Manager was content with the Fund's approach.
- 2.12 The Fund's Memorandum of Understanding was circulated to all Scheme employers on the 8 May 2018. This is published on the Employers' website and is attached as **Appendix Two**.
- 2.13 The member self-service system, MyPension was updated to provide all registered users with information in regard the Fund's Privacy Notice.

Future actions planned by the Fund

- 2.13 Communications in regard the Privacy Notice are planned to active and deferred members as part of the notification of Annual Benefit Statements availability during the Summer.
- 2.14 The Operations & Information Governance Manager, continues to engage with the Council's Records Manager in regard documenting the Fund's records in the Corporate Retention Policy Register.

Draft Data Protection Policy

- 2.15 The Fund has produced a draft Data Protection Policy, the purpose to define the Fund's responsibilities under GDPR and to provide assurance to our members that their data is managed in compliance with the statutory obligations placed upon the Fund.
- 2.16 A draft version of the policy is attached as **Appendix 3** for the Board's consideration.

3.0 RESOURCE IMPLICATIONS; FINANCIAL; IT; STAFFING; AND ASSETS

- 3.1 Ongoing compliance with the Data Protection Act 2018 is considered as normal business of the Fund.

4.0 RECOMMENDATION

- 4.1 The board are asked to note the actions undertaken by the Fund in regard its ongoing compliance to new Data Protection legislation.
- 4.2 Any suggest amendments to the proposed Data Protection policy are welcome before presenting the final draft to the Pension Committee in July 2018.

5.0 REASON/S FOR RECOMMENDATION/S

- 5.1 It is important that Members are informed of legislative changes that affect the LGPS and the Fund.

REPORT	Guy Hayton	Operations & Information Governance Manager
AUTHOR	Telephone Email	(0151) 242 1361 guyhayton@wirral.gov.uk



LOCAL GOVERNMENT PENSION SCHEME

Privacy Notice for the members and beneficiaries of Merseyside Pension Fund

The notice below is for members and beneficiaries of Merseyside Pension Fund (the “**Fund**”). It has been prepared by Wirral Metropolitan Borough Council (the “**Administering Authority**”, or “**we**”) in its capacity as the administering authority of the Fund.

This privacy notice is also available on the Fund’s website at: <https://mpfund.uk/yourdata>

We may update this notice periodically. Where we do this we will inform members of the changes and the date on which the changes take effect.

You may also contact our Data Protection Officer for further information on 0151 242 1390 or by email at: mpfadmin@wirral.gov.uk

WHY ARE WE PROVIDING THIS PRIVACY NOTICE TO YOU?

As the Administering Authority of the Fund we hold certain information about you (“personal data”) which we use to administer the Fund and to pay benefits from it. This notice is designed to give you information about the data we hold about you, how we use it, your rights in relation to it and the safeguards that are in place to protect it.

The Administering Authority holds personal data about you in its capacity as data controller for the proper handling of all matters relating to the Fund, including its administration and management.

This includes the need to process your data to contact you, to calculate, secure and pay your benefits, for statistical and financial modelling and for reference purposes (for example, when we assess how much money is needed to provide members’ benefits and how that money should be invested), and to manage liabilities and administer the Fund generally.

Further information about how we use your personal data is provided below.

The legal basis for our use of your personal data will generally be one or more of the following:

- We need to process your personal data to satisfy our legal obligations as the Administering Authority of the Fund; and/or
- We need to process your personal data to carry out a task in the public interest or in the exercise of official authority in our capacity as a public body; and/or
- We need to process your personal data for the legitimate interests of administering and managing the Fund and liabilities under it, calculating, securing and paying benefits and performing our obligations and exercising any rights, duties and discretions the Administering Authority has in relation to the Fund; and/or
- Because we need to process your personal data to meet our contractual obligations to you in relation to the Fund (for example, under an agreement that you will pay additional voluntary contributions to the Fund), or to take steps, at your request, before entering into a contract.

WHAT PERSONAL DATA DO WE HOLD, AND HOW DO WE OBTAIN IT?

The types of personal data we hold and process about you can include:

- Contact details, including name, address, telephone numbers and email address.
- Identifying details, including date of birth, national insurance number and employee and membership numbers.

- Information that is used to calculate and assess eligibility for benefits, for example, length of service or membership and salary information.
- Financial information relevant to the calculation or payment of benefits, for example, bank account and tax details.
- Information about your family, dependents or personal circumstances, for example, marital status and information relevant to the distribution and allocation of benefits payable on death.
- Information about your health, for example, to assess eligibility for benefits payable on ill health, or where your health is relevant to a claim for benefits following the death of a member of the Fund.
- Information about a criminal conviction if this has resulted in you owing money to your employer or the Fund and the employer or Fund may be reimbursed from your benefits.

We obtain some of this personal data directly from you. We may also obtain data (for example, salary information) from your current or past employer(s) or companies that succeeded them in business, from a member of the Fund (where you are or could be a beneficiary of the Fund as a consequence of that person's membership of the Fund) and from a variety of other sources including public databases (such as the Register of Births, Deaths and Marriages), our advisers and government or regulatory bodies, including those in the list of organisations that we may share your personal data with set out below.

Where we obtain information concerning certain "special categories" of particularly sensitive data, such as health information, extra protections apply under the data protection legislation. We will only process your personal data falling within one of the special categories with your consent, unless we can lawfully process this data for another reason permitted by that legislation. You have the right to withdraw your consent to the processing at any time by notifying the Administering Authority in writing. However, if you do not give consent, or subsequently withdraw it, the Administering Authority may not be able to process the relevant information to make decisions based on it, including decisions regarding the payment of your benefits.

Where you have provided us with personal data about other individuals, such as family members, dependants or potential beneficiaries under the Fund, please ensure that those individuals are aware of the information contained within this notice.

HOW WILL WE USE YOUR PERSONAL DATA?

We will use this data to deal with all matters relating to the Fund, including its administration and management. This can include the processing of your personal data for all or any of the following purposes:

- to contact you.
- to assess eligibility for, calculate and provide you (and, if you are a member of the Fund, your beneficiaries upon your death) with benefits.
- to identify your potential or actual benefit options.
- to allow alternative ways of delivering your benefits, for example, through the use of insurance products and transfers to or mergers with other pension arrangements.
- for statistical and financial modelling and reference purposes (for example, when we assess how much money is needed to provide members' benefits and how that money should be invested).
- to comply with our legal and regulatory obligations as the administering authority of the Fund.
- to address queries from members and other beneficiaries and to respond to any actual or potential disputes concerning the Fund.
- the management of the Fund's liabilities, including the entering into of insurance arrangements and selection of Fund investments.
- in connection with the sale, merger or corporate reorganisation of or transfer of a business by the employers that participate in the Fund and their group companies.

DO WE SHARE YOUR PERSONAL DATA WITH ORGANISATIONS FROM TIME TO TIME?

From time to time we will share your personal data with advisers and service providers so that they can help us carry out our duties, rights and discretions in relation to the Fund. Some of those organisations will simply process your personal data on our behalf and in accordance with our instructions.

Other organisations will be responsible to you directly for their use of personal data that we share with them. They are referred to as data controllers and we have highlighted them in the table below. You will be able to find out about their own data protection policies (which will apply to their use of your data) on their websites.

These organisations include the Fund's:

Data Processors	Data Controllers
Administrator (Wirral Council)	Additional Voluntary Contribution providers (currently Prudential, Standard Life and Equitable Life)
Overseas payments provider to transmit payments to scheme member with non-UK accounts (currently Citibank)	Fund Actuary (currently Mercer)
Pensions software provider (currently Aquila Heywood)	External auditor (currently Grant Thornton UK LLP)
Address Tracing Services (currently LexisNexis)	Internal auditor (Wirral Council)
Bulk email distribution (currently MailChimp)	LGPS National Insurance Database (South Yorkshire Pensions Authority)
	The Department for Work & Pensions (DWP)
	The Government Actuary's Department (GAD)
	The Cabinet Office - for the purposes of the National Fraud Initiative
	Her Majesty's Revenue & Customs (HMRC)
	The Courts of England & Wales - for the purpose of processing pension sharing orders on divorce

In each case we will only do this to the extent that we consider the information is reasonably required for these purposes.

In addition, where we make Fund investments or seek to provide benefits for Fund members in other ways, such as through the use of insurance, then we may need to share personal data with providers of investments, insurers and other pension scheme operators. In each case we will only do this to the extent that we consider the information is reasonably required for these purposes.

From time to time we may provide some of your data to your employer and their relevant subsidiaries (and potential purchasers of their businesses) and advisers for the purposes of enabling your employer to understand its liabilities to the Scheme. Your employer would generally be a controller of the personal data shared with it in those circumstances. For example, where your employment is engaged in providing

services subject to an outsourcing arrangement, the Administering Authority may provide information about your pension benefits to your employer and to potential bidders for that contract when it ends or is renewed.

Where requested or if we consider that it is reasonably required, we may also provide your data to government bodies and dispute resolution and law enforcement organisations, including those listed above, the Pensions Regulator, the Pensions Ombudsman and Her Majesty's Revenue and Customs (HMRC). They may then use the data to carry out their legal functions.

The organisations referred to in the paragraphs above may use the personal data to perform their functions in relation to the Fund as well as for statistical and financial modelling (such as calculating expected average benefit costs and mortality rates) and planning, business administration and regulatory purposes. They may also pass the data to other third parties (for example, insurers may pass personal data to other insurance companies for the purpose of obtaining reinsurance), to the extent they consider the information is reasonably required for a legitimate purpose.

In some cases these recipients may be outside the UK. This means your personal data may be transferred outside the EEA to a jurisdiction that may not offer an equivalent level of protection as is required by EEA countries. If this occurs, we are obliged to verify that appropriate safeguards are implemented with a view to protecting your data in accordance with applicable laws. Please use the contact details below if you want more information about the safeguards that are currently in place.

We do not use your personal data for marketing purposes and will not share this data with anyone for the purpose of marketing to you or any beneficiary.

HOW LONG DO WE KEEP YOUR PERSONAL DATA?

We will only keep your personal data for as long as we need to in order to fulfil the purpose(s) for which it was collected and for so long afterwards as we consider may be required to deal with any questions or complaints that we may receive about our administration of the Fund, unless we elect to retain your data for a longer period to comply with our legal and regulatory obligations.

In practice, this means that your personal data will be retained for such period as you (or any beneficiary who receives benefits after your death) are entitled to benefits from the Fund and for so long afterwards as we consider may be required to deal with any questions or complaints that we may receive about our administration of the Fund. For the same reason, your personal data may also need to be retained where you have received a transfer, or refund, from the Fund in respect of your benefit entitlement.

DO YOU HAVE A RIGHT TO ACCESS AND OBTAIN A COPY OF THE PERSONAL DATA THAT WE HOLD?

You have a right to access and obtain a copy of the personal data that the Administering Authority holds about you and to ask the Administering Authority to correct your personal data if there are any errors or it is out of date.

In some circumstances you may also have a right to ask the Administering Authority to restrict the processing of your personal data until any errors are corrected, to object to processing or to transfer or (in very limited circumstances) erase your personal data.

You can obtain further information about these rights from the Information Commissioner's Office at: www.ico.org.uk or via their telephone helpline (0303 123 1113).

If you wish to exercise any of these rights or have any queries or concerns regarding the processing of your personal data, please contact the Fund Administrator as indicated below. You also have the right to lodge a complaint in relation to this privacy notice or the Administering Authority's processing activities with the Information Commissioner's Office which you can do through the website above or their telephone helpline.

The personal data we hold about you is used to administer your Fund benefits and we may from time to time ask for further information from you for this purpose. If you do not provide such information, or ask that the personal data we already hold is deleted or restricted this may affect the payment of benefits to you (or your beneficiaries) under the Fund. In some cases it could mean the Administering Authority is unable to put your pension into payment or has to stop your pension (if already in payment).

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LOCAL GOVERNMENT PENSION SCHEME

Memorandum of Understanding regarding Compliance with Data Protection Law

1 INTRODUCTION

- 1.1 The Local Government Pension Scheme (“**LGPS**”) in England and Wales is an occupational pension scheme registered under section 153 of the Finance Act 2004 and its rules are currently set out in The Local Government Pension Scheme Regulations 2013 (SI 2013/2356) as amended (“**LGPS Regulations**”).
- 1.2 The LGPS is administered locally by administering authorities which are defined in Regulation 2 of the LGPS Regulations and listed in Part 1 of Schedule 3 of the LGPS Regulations.
- 1.3 Wirral Metropolitan Borough Council (“**Administering Authority**”) is an administering authority under the LGPS Regulations. The Administering Authority manages and administers the Merseyside Pension Fund within the LGPS (the “**Fund**”) in accordance with its statutory duty under Regulation 53 of the LGPS Regulations. Employers employing employees who are eligible to be members of the LGPS will participate in the Fund as a “**Scheme Employer**” (as defined in schedule 1 of the LGPS Regulations). The Administering Authority and the Scheme Employer (together the “**Parties**”) are required to share personal data relating to the Scheme Employer’s current and former employees who participate in the Fund (the “**Members**”) and their dependants, in order for the Administering Authority to fulfil its statutory duties to manage and administer the Fund under Regulation 53 of the LGPS Regulations and provide the Members with benefits upon retirement, pay ill-health benefits, pay death grants, pay survivors’ pensions to Members’ spouses, civil partners and co-habiting partners, pay children’s pensions upon the death of the Member, offer Members the option of paying additional voluntary contributions to one or more providers in accordance with Regulations 1 – 52 of the LGPS Regulations.
- 1.4 Scheme Employers are under a statutory obligation, as detailed in Regulation 80 of the LGPS Regulations, to provide certain personal data relating to its Members on an annual basis to the Administering Authority, including the Member’s name, gender, date of birth, national insurance number, pensionable pay, employer and employee pension contributions, details of any additional pension contributions and additional voluntary contributions.
- 1.5 This Memorandum of Understanding sets out:
- (a) the basis on which data will be shared between the Parties;
 - (b) the Administering Authority’s expectations of the Scheme Employer during its participation in the Fund;
- in order to comply with Data Protection Law, including the General Data Protection Regulation (2016/679) (“**GDPR**”) which will have direct legal effect in the UK on and after 25 May 2018.
- 1.6 References to “**Data Protection Law**” in this Memorandum of Understanding mean the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) (as amended), the General Data Protection Regulation (2016/679) and all applicable laws and regulations relating to personal data and privacy which are enacted from time to time, including (where applicable) the guidance and codes of practice issued by the Information Commissioner’s Office and any other competent authority.

2 DATA CONTROLLERS

2.1 The Parties acknowledge that they will:

- (a) not hold a pool of joint data;
- (b) be separate and independent data controllers in relation to the copies of the Members' personal data they respectively hold;
- (c) act as data controller in relation to personal data transferred to them;
- (d) each be responsible for complying with the requirements in Data Protection Law that are applicable to them as data controllers.

2.2 References to Members' personal data includes personal data relating to the Members' dependants (including children) and spouses/civil partners (where applicable).

3 DATA SHARING

3.1 The Parties confirm that they understand their respective obligations under Data Protection Law as data controllers and agree to only process personal data relating to the Members:

- (a) fairly and lawfully and in accordance with the data protection principles set out in Data Protection Law;
- (b) where there are lawful grounds for doing so; and
- (c) in accordance with Data Protection Law and best practice guidance (including the Data Sharing Code issued by the Information Commissioner's Office and updated from time to time).

3.2 Each Party will separately inform the Members (as required under Data Protection Law) of the respective purposes for which they will each process their personal data and provide all required information to ensure that the Members understand how their personal data will be processed in each case by the Administering Authority or Scheme Employer (as applicable). The Scheme Employer's privacy notice to Members will inform them that their personal data will be provided to the Administering Authority and a copy of that notice will be provided to the Administering Authority on request.

3.3 Each Party confirms that it understands its respective obligations under Data Protection Law, to ensure that the Members' personal data of which it is a data controller is kept and used securely at all times and to take such technical and organisational security measures against unauthorised and unlawful processing of, accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to the Members' personal data transmitted, stored or otherwise processed as may be required. Such measures will have due regard to the state of technological development and the cost of implementation of these measures, to ensure a level of security appropriate to the harm that might result from such processing and the nature, scope, context and purposes of processing the Members' personal data and the risk or likelihood and severity for the rights and freedoms of data subjects.

3.4 Each Party undertakes to notify the other as soon as practicable if an error is discovered in the Members' personal data of which it is a data controller and which was received from or a copy of which has been provided to the other Party, to ensure that such other Party is then able to correct its own records. This will happen whether the error is discovered through existing data quality initiatives or is flagged up through some other route (such as the existence of errors being directly notified to the Administering Authority or Scheme Employer (as appropriate) by the Member (or the Member's dependants, spouse/civil partner) themselves).

4 TRANSFER OF MEMBERS' PERSONAL DATA

- 4.1 The Parties agree that Members' personal data will only be transferred from one Party to the other via an acceptable method specified by the Administering Authority which may include any of the following:
- (a) Telephone conversation, once identity of both parties confirmed;
 - (b) postal service, including courier;
 - (c) secure e-mail;
 - (d) secure electronic interface files;
 - (e) secure file transfer systems;
 - (f) encrypted removable media;
 - (g) secure website delivery; and
 - (h) other third party solutions as agreed by the Parties.
- 4.2 Each Party will, when transferring the Members' personal data of which it is the data controller to the other Party, ensure that that data is secure during transit (whether physical or electronic).
- 4.3 If either the Administering Authority or the Scheme Employer appoints professional advisers, third party administrators or another entity which provides other services involving the transfer of Members' personal data, those third parties will be data processors or data controllers in their own right. The Administering Authority or the Scheme Employer (as applicable) will comply with its own obligations in accordance with Data Protection Law (in particular, by ensuring that any entity to which it transfers Members' personal data also complies with Data Protection Law) and shall ensure that nothing in the terms of engagement between the Administering Authority or the Scheme Employer (as applicable) and such third party would contradict this Memorandum of Understanding.

5 RIGHTS OF MEMBERS (INCLUDING THE MEMBER'S DEPENDANTS, SPOUSES/CIVIL PARTNERS (WHERE APPLICABLE))

- 5.1 Each Party shall, in respect of the personal data of which it is a data controller, respond to any requests from Members to have access to any of their personal data or a complaint or enquiry relating to that Party's processing of the Members' personal data received by that Party in line with its own obligations under the Data Protection Law.
- 5.2 Each Party agrees to provide reasonable assistance to the other as is necessary to enable the other Party to comply with any such requests in respect of Members' personal data of which that Party is a data controller and to respond to any other queries or complaints from Members.

6 DATA SECURITY BREACHES AND REPORTING PROCEDURES

- 6.1 Each Party confirms that it understands its respective obligations under Data Protection Law in the event of any personal data breach, unauthorised or unlawful processing of, loss or destruction of or damage to any of the Members' personal data, including (where necessary) an obligation to notify the Information Commissioner's Office and/or the Member(s).

7 RESPONSIBILITIES OF SCHEME EMPLOYERS

- 7.1 Notwithstanding the statutory obligations which apply to Scheme Employers under the LGPS Regulations and as a data controller under Data Protection Law, the Administering Authority, as Administering Authority for the Fund, expects Scheme Employers participating in the Fund to comply with the responsibilities set out below in relation to Members' personal data.
- 7.2 On request, the Scheme Employer will inform Guy Hayton, Senior Manager: Operations & Information Governance at the Administering Authority of any appointed qualified person to fulfil the role of data protection officer ("DPO") together with their contact details. If the Scheme Employer has not appointed a DPO, the Scheme Employer, on request, will Guy Hayton, Senior Manager: Operations & Information Governance at the Administering Authority of the details of a nominated person for GDPR compliance purposes.
- 7.3 The Scheme Employer acknowledges the financial penalties that can be imposed by the Information Commissioner's Office in relation to breaches of Data Protection Law. The Scheme Employer further acknowledges that any liability it may have to pay a financial penalty to the Information Commissioner's Office may result in a revision of the rates and adjustments certificate in accordance with Regulation 62(7) of the LGPS Regulations.

8 COMPLIANCE WITH THE MEMORANDUM OF UNDERSTANDING

- 8.1 Failure by the Scheme Employer to comply with the terms set out in this Memorandum of Understanding may result in the Administering Authority taking any or all of the following actions:
- (a) reporting the Scheme Employer's non-compliance to the Information Commissioner's Office;
 - (b) informing the Local Pension Board, who in turn may report the Scheme Employer to The Pensions Regulator.

9 REVIEW AND AMENDMENT OF MEMORANDUM OF UNDERSTANDING

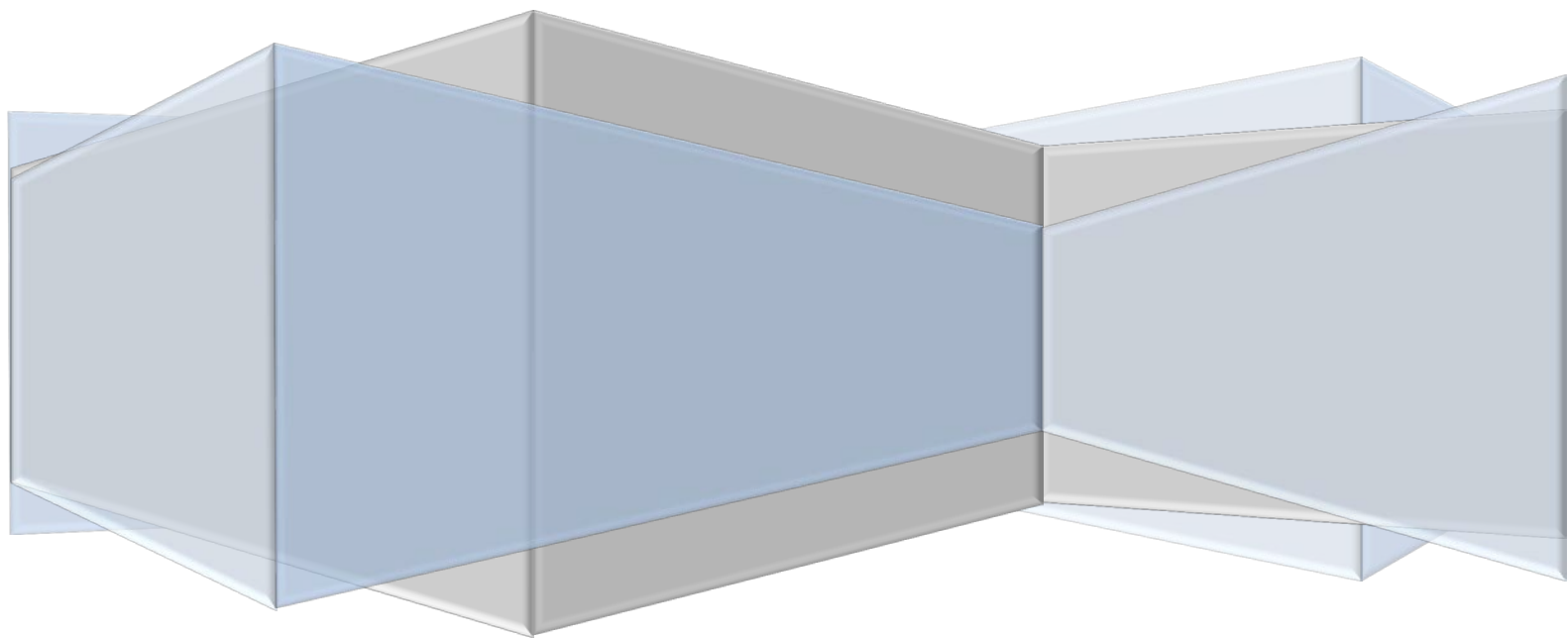
The Administering Authority will review the Memorandum of Understanding from time to time. The Administering Authority reserves the right to amend the Memorandum of Understanding at any time and with immediate effect and will provide written notice to the Scheme Employer of such amendment.

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Data Protection Policy

Draft for Local Pension Board Review



This document has been presented, considered and approved by Pension Committee on xx xxx xxxx, following consultation with the Local Pension Board.

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1. Introduction

The Merseyside Pension Fund (the Fund) is one of the largest Local Government Pension Schemes in the UK and manages the pension records of over 135,000 members. The Fund is not a legal entity in its own right, but sits as a function of Wirral Metropolitan Borough Council (the Council) who hold the capacity of Administering Authority.

The Council, and therefore the Fund, are classed as a Data Controller under the Data Protection Act 2018 (the Act) as it collects, stores and controls how personal information relating to its members is managed.

The Act is the UK implementation of the General Data Protection Regulations (GDPR) which came into force on 25 May 2018.

Consequently, it is required to hold, manage and process any personal data fairly, lawfully and in accordance with all Data Protection legislation, including

2. Purpose

The purpose of this policy is to define the Fund's responsibilities under the Act, providing assurance to our members that their data is managed in compliance with the statutory obligations placed upon the Fund.

This policy is designed to give members an overview of how the Fund complies with the Act in our working practices and to provide an overview to Fund officers of how the Act should be applied to inform their decisions and day-to-day work by providing a legal background to the processing of personal data.

3. Scope

This policy applies to all employees, officers, Pension Committee members, Pension Board members, contractors and partner agencies who:

- Process personal data as part of their role or on behalf of the Fund (including contracted service providers);
- Have access to the Fund's administration system(s) for purposes of maintenance and/or service provision in line with a contracted duty;
- Have access to buildings where personal data is stored.

4. Review

This policy will be reviewed on an annual basis by the Fund, and in line with the Council's adopted programme of formal review.

5. Definitions

- a) **Personal Data** – any information relating to an identified or identifiable natural person which includes members, next of kin and any other associated individual.
- b) **Sensitive Personal Data** – data consisting of racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, genetic data, biometric data, data concerning health or data concerning a natural person's sex life or sexual orientation.
- c) **Processing Personal Data** – is essentially any action involving personal data, this can include storing, sharing, creating, altering, organising or deleting. It is not limited to these examples and applies to both physical and electronically held data.
- d) **Data Subject** – is an individual who is the subject of personal data.
- e) **Data Controller** – is a person or organisation who decides the purposes for processing personal data. The Fund is a data controller.
- f) **Data Processor** – is a person or organisation who processes personal data on behalf of the controller (other than a person who is an employee of the controller).
- g) **Information Security Officer (ISO)** – Is the person within the organisation that is responsible for the development and implementation of information security policies to protect the organisation's information assets. Information Security relates to more than just personal data. The ISO for the Fund is a designated officer within the Digital/IT Services section of Wirral Metropolitan Borough Council.
- h) **Data Protection Officer (DPO)** – Is the designated person within an organisation that has responsibility for ensuring 'legal' compliance with the Data Protection Act, which relates only to personal data.

6. Categories of Data

- a) **Personal data** – This relates to data about an individual which is not classified as a special category of personal data and can include information relating to contracts of employment and salary.
- b) **Special categories of personal data** – Sensitive personal data as defined in the Act may relate to members where relevant to the Fund’s assessment on entitlement of benefits in-line with the LGPS regulations e.g. medical history and occupational health assessment
- c) **Pensions data** – this may relate to information relating to a member’s previous pension benefits accrued either with this Fund or another fund which will need to be considered when assessing pension entitlement.
- d) **Employer data** – information relating to the Fund’s employers for who the Fund will hold individual officer contact details for the purposes of communication and administration of the LGPS.

7. Overseas Data Transfer

The Fund does have a number of overseas members who reside in countries other than the UK, and also outside the European Union. Other than the necessary data required to make pension payments to overseas members (name and bank account), the Fund does not systematically transfer personal data relating to overseas members to any organisation outside of the jurisdiction of the Act and/or the General Data Protection Regulations.

8. The Six Principles of Data Protection

The Act sets out the main responsibilities for organisations in regard Data Protection, and requires organisations to show **how** they comply with its six principles.

Data Protection Principle	Fund Position
<p>1. Processed lawfully, fairly and in a transparent manner in relation to individuals</p>	<p>The Fund provides pension benefits to over 135,000 members who are automatically enrolled into the Fund on commencing their employment with an eligible employer.</p> <p>Members are provided with joiner information by their employer which notifies them of their enrolment into pension saving, followed by joiner information from the Fund confirming their membership.</p> <p>The new joiner information pack contains references to the Privacy Notice, confirming how their information is used, and with whom it is shared.</p>
<p>2. Collected for specific, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes; further processing for archiving purposes in the public interest, scientific or historic research purposes or statistical purposes shall not be considered incompatible with the initial purpose.</p>	<p>The Fund collects information from the member's employer regarding that member's employment (salary, contact information, and past service details).</p> <p>Information is also obtained from the member direct about any other pension benefits they may hold. This information is required by statute in order to process a member's pension account.</p>
<p>3. Personal data must be adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed.</p>	<p>The Fund may hold information which is not immediately relevant (nomination details of third parties for example) however, due to the nature of the pension provision, the benefits may become payable at any given date and it has been determined that the information would be relevant and required at the point the pension benefits are payable.</p> <p>The Fund therefore has assessed that this information is relevant and specific to meeting its duties as an LGPS fund.</p>

Data Protection Principle	Fund Position
<p>4. Personal data undergoing processing must be accurate and, where necessary, kept up to date.</p>	<p>Members have access to the MyPension, self-service platform where they can securely log on and review their basic personal details and review their pension entitlements as either an Annual Benefit Statement or a Payslip if the member is already in receipt of benefits.</p> <p>The Fund performs periodic data reconciliation exercises with employers in addition to the annual contribution returns exercise. This is a key exercise in maintaining the accuracy of contributing member information.</p> <p>In relation to the Fund’s deferred members, who have moved away and lost contact with the Fund, our administration responsibilities require working with approved third party partners to trace members based on their previous address.</p> <p>The Fund has a published Privacy Notice detailing member’s rights in regard their data.</p>
<p>5. Personal data must be kept for no longer than is necessary for the purpose for which it is processed.</p>	<p>The Fund, in providing statutory duties under the regulations has determined that it cannot permanently delete a member’s record; this limitation is published within the Privacy Notice.</p> <p>Basic member details are required to be retained to enable the Fund to comply with statutory and legal obligations such as actuarial assessment, fraud prevention and Guaranteed Minimum Pension (GMP) reconciliation.</p>
<p>6. Processed in a manner that includes taking appropriate security measures as regards risks that arise from processing personal data.</p>	<p>The Fund’s IT environment is provided by the Council and areas such as Cyber Security fall within the remit of the Digital section.</p> <p>The Fund’s Operations & Information Governance Manager is the link officer with the corporate functions of the Council, in regards data protection, data security and information policy development.</p> <p>When contracting third parties, the Fund requires all service providers to be compliant with the Act and the duties defined within the GDPR. This is documented within the contractual arrangements, and all existing suppliers have provided acceptable addendums to their contracts of services.</p>

9. Legal Basis for Processing

The legal basis for our processing of personal data will generally be one or more of the following:

- We need to process the personal data to satisfy our legal obligations as the Administering Authority of the Fund; and/or
- We need to process the personal data to carry out a task in the public interest or in the exercise of official authority in our capacity as a public body; and/or
- We need to process the personal data for the legitimate interests of administering and managing the Fund and liabilities under it, calculating, securing and paying benefits and performing our obligations and exercising any rights, duties and discretions the Administering Authority has in relation to the Fund; and/or
- Because we need to process the personal data to meet our contractual obligations to the member in relation to the Fund. For example, under an agreement that they pay additional voluntary contributions to the Fund.

10. Process for Data Subject Requests

Subject Access Requests

A data subject has the right to access and obtain a copy of the personal data that an organisation holds. In the first instance, members are invited to request a Subject Access Request (SAR) of the Fund's Data Protection Officer.

The Fund will act upon the SAR without undue delay and at the latest within **one month** of receipt. The Fund will calculate the time limit from the day after it receives the request (whether the day after is a working day or not) until the corresponding calendar date in the next month.

If required, the Fund may ask the member for more information to clarify their identity or to clarify the details of their request. The Fund, may, on occasion, action an extension to the one month timeframe and reserves the right to charge a reasonable fee for unfounded or excessive requests by the data subject, as the Act allows.

Depending upon the scope of the member's request, liaison with the Council's Data Protection Officer may be required in order to fully comply with the request.

The Act does not prevent an individual making a SAR via a third party e.g. a solicitor. In these cases, the Fund needs to be satisfied that the third party making the request is entitled to act on behalf of the individual; however it will be the third party's responsibility to provide evidence of this entitlement. This might be a written authority to make the request, or it might be a more general power of attorney.

Complaints or Corrective Action

Where an individual data subject has a question or complaint regarding how their rights under the Act are upheld, they are encouraged to make contact in writing (or email) to the Fund's Data Protection Officer in the first instance.

Data subjects who consider that data is inaccurate or out-of-date are encouraged to use the online MyPension system to check the data held by the Fund and to submit a request for correction. Where that is not possible, they may also request, in writing, that the information be corrected or erased.

They will receive a written response indicating whether or not the Fund agrees and if so, the action to be taken. In the event that the Fund disagrees (eg. the data is held for a legal purpose), the data subject may request their objection be recorded with the relevant record.

Data subjects may ask the Fund for an explanation of any decision likely to significantly affect them which has been, or may be, taken solely by wholly automated means, this will apply most specifically in the electronic calculation of pension benefits using the Fund's administration system. The Fund will consider a request and consider reviewing a decision which has been taken, or, consider taking a new decision on a different basis, in circumstances where either course of action is appropriate and timely, unless the automated decision qualifies as an exempt decision.

If a data subject remains dissatisfied with a response received, they may ask for the matter to be dealt with under the Fund's Internal Disputes Resolution Procedure (IDRP)

Ultimately if a data subject continues to be dissatisfied, she/he has the right to ask the Information Commissioner's Office (ICO) to carry out an assessment of their case and/or pursue a legal remedy.

11. Responsibilities

Wirral Council as the administering authority provide the computer network infrastructure for the Fund and the supporting procedures and guidance for staff on Information Governance issues; including Data Protection.

The Council also defines a corporate approach to data protection and information governance, this includes the provision of suitable periodic training to be undertaken by Fund officers as appropriate.

The Fund's Operations & Information Governance Manager is a member of the Council's Information Governance Delivery Group (IGDG) to ensure knowledge, compliance and to make a contribution towards the development of a technical and policy framework around Data and Information.

Fund Data Protection Officer

This role is undertaken by the Fund's Operations & Information Governance Manager, who has liaison and compliance responsibilities with the Data Protection Officer of Wirral Metropolitan Borough Council.

Breaches of Policy & Security Incidents

Breaches of this policy and/or security incidents can be defined as events which could have, or have resulted in, loss or damage to an individual's personal data which is in breach of the Fund's security procedures, policies and the Data Protection Act.

The Act imposes a duty on all organisations to report certain types of data breaches to the relevant supervisory authority within 72 hours of becoming aware, and in some cases to the individuals affected.

All employees, officers, Pension Committee members, Pension Board members, contractors and partner agencies have a responsibility to report security incidents and breaches of this policy as quickly as possible to the Fund's Data Protection Officer. This obligation also extends to any external organisation contracted to support or access the Information Systems of the Fund.

In the case of third party vendors, consultants or contractor's non-compliance could result in the immediate removal of access to the system. If damage or compromise of the Fund's ICT systems or network results from the non-compliance, the Fund may consider legal action against the third party.

The Fund will take appropriate measures to remedy any breach of the policy through the relevant frameworks in place. In the case of an individual then the matter may be dealt with under the disciplinary process.

Any incidents of data breach or near miss should be reported to the Fund's Data Protection Officer.

12. Supporting Documentation

Privacy Notice & Fair Processing Notice

The Fund publishes these key documents on the main members' website at:

<http://mpfund.uk/yourdata>

Wirral Council Data Protection Information

As the Administering Authority, the Council provides a supporting policy framework in regard Data Protection and Information Governance. More information can be obtained from the Council website at:

<https://www.wirral.gov.uk/about-council/freedom-information-and-data-protection/data-protection-act>

Approved by: Pensions Committee

xx xxx xxxx

Merseyside Pension Fund
Castle Chambers, 43 Castle Street
Liverpool, L2 9SH

Telephone: 0151 242 1390

Fax: 0151 236 3520

Web: mpfmembers.org.uk
mpfemployers.org.uk

Email: mpfadmin@wirral.gov.uk

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WIRRAL COUNCIL

PENSIONS BOARD

13 JUNE 2018

SUBJECT:	ENGAGEMENT WITH PENSIONS REGULATOR
REPORT OF:	HEAD OF PENSIONS ADMINISTRATION

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with an update on The Pensions Regulator's plans for engagement with LGPS Funds.
- 1.2 It also recommends an early proactive engagement plan with the Regulator, as proposed by the Metropolitan Pension Fund Group.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Pensions Regulator (TPR) has started to become more heavily involved in the work of LGPS funds; particularly in the area of data and Funds are expected to face further scrutiny in regard the quality of their data.
- 2.2 It is clear from the white paper entitled "Protecting Defined Benefit Pension Schemes" published on 19 March 2018 that the Government intends to support TPR to become a clearer, quicker and tougher organisation by giving it new and improved powers to gather information and require employer co-operation.
- 2.3 Inherent within the regulator's 2018-2021 Corporate Plan is a collective project to engage with particular cohorts of pension administrators with a clear line of sight on the LGPS.
- 2.4 The Metropolitan Pension Fund Group (Mets) which is made up of the largest LGPS Funds in England and Wales has approached TPR in an attempt to proactively engage at a high-level to explore ideas and, where possible to receive direction and guidance from TPR to shape actions and develop best practice amongst the group.

The details including membership, employer base, assets and liabilities of the group are covered in the table below:

	Greater Manchester Pension Fund	Merseyside Pension Fund	South Yorkshire Pension Fund	Tyne and Wear Pension Fund	West Midlands Pension Fund	West Yorkshire Pension Fund	Total
Membership (at 31.3.2017)							
Actives	109,446	47,206	51,792	44,955	117,005	101,881	472,285
Deferreds	130,533	38,368	52,741	40,585	96,591	83,763	442,581
Pensioners	118,132	42,194	47,756	45,924	88,496	86,334	428,836
Total	358,111	127,768	152,289	131,464	302,092	271,978	1,343,702
Active employers (at 31.3.2017)	515	182	452	238	605	422	2,414
Assets (£m) as at 31.3.2016	17,325	6,850	6,268	6,427	11,569	11,212	59,651
Liabilities (£m) as at 31.3.2016	18,696	8,081	7,293	7,519	14,219	11,955	67,763

Basis for Engagement

2.5 From the Mets Group perspective, engagement is likely to cover matters such as:

- Record keeping
- Data improvement
- Internal compliance and controls
- Internal documentation
- Scheme Return
- Adherence to LGPS Regulations and submission of breach of law reports
- Involvement of Pensions Committee and Local Pensions Board

2.6 In terms of TPR engagement, it is anticipated this will cover:

- An understanding of how the cohort works in practice, to include challenges faced.
- Systematic review, to include 'good' and 'bad' practice and provide a report with areas for consideration.
- Outline of metrics that could be used to measure steps/actions taken by funds.
- Trend analysis for the cohort, to confirm expectations for progress and timing of any improvements required.
- Education and enablement – to flush out any material issues and provide clarity of TPR's expectations to address such matters.

Form of Engagement

- 2.7 It is envisaged that the proposed engagement between the Mets Group and TPR will be conducted via a mix of telephone conference calls and meetings, and, as applicable an exchange of documentation, reports and guidance.

Timing of Engagement

- 2.8 The timing and frequency of engagement will ultimately depend upon the availability of TPR and Mets Group representatives in line with the corporate plans for each.

- 2.9 The intention is for an initial meeting with TPR early summer 2018 to discuss the proposal for engagement, practical application and associated outcomes.

Thereafter it is envisaged that engagement would continue on a six-monthly basis either via conference call or face-to-face meeting, with interim discussions and exchange of information as required.

Relevant Stakeholders

- 2.10 For the purpose of engagement, the Mets Group is represented by senior stakeholders (Heads of Service/Pensions Managers) from individual funds.

These stakeholders meet collectively three times a year and report back to their respective Director of Pensions/Fund managers, Pensions Committees and Local Pensions Boards.

- 2.11 It is understood that the primary focus for engagement from a TPR perspective will be the Case Management team, supported by, and with direct input from, the Policy Lead and Intelligence Lead.

The Case Management team has direct reporting lines to the Executive Director of Frontline Regulation who sits on the TPR's Board and reports to the Chief Executive.

Collective/Cohort approach

- 2.12 In operating as a collective the aims will be to increase consistency and efficiency amongst the individual Funds.

One proposal to achieve this aim is to form a Peer Review Framework amongst the group whereby there would be a systematic review of individual fund's procedures, documentation and control mechanisms to ensure they meet a required standard.

- 2.13 It is recognised that, as a regulator, TPR cannot "rubber stamp" approaches; however proactive engagement may provide an optic as to whether the

Regulator would take positive assurance from a peer review process against Code of Practice 14.

- 2.14 This form of peer review is a concept at this stage and the Mets Group would welcome further discussions with TPR around how this might evolve on the proviso that each fund's pension board is comfortable for officers to progress in the collaborative engagement with TPR.

3.0 RESOURCE IMPLICATIONS; FINANCIAL; IT; STAFFING; AND ASSETS

- 3.1 Fund Officers already engage with other Metropolitan Funds in regard shared best practice, regulatory approach and potential collaborative working.
- 3.2 A peer review programme will require additional officer resources and these are yet to be determined. However, the benefits of peer review and the opportunity to identify areas of potential weakness and improvement with colleagues at other large Funds could be considered a worthwhile investment.

4.0 RECOMMENDATION

- 4.1 Agree MPF's intent to work collectively with the Metropolitan Pension Fund Group, specifically to establish a programme of proactive engagement with the Pension Regulator. The objective is to demonstrate compliance against Code of Practice 14 through the process of peer reviews.

5.0 REASON/S FOR RECOMMENDATION/S

- 5.1 Early high-level engagement with the Pensions Regulator will inform both sides and potentially influence the direction of travel for the increasing scrutiny of the LGPS.

**REPORT
AUTHOR**

Yvonne Caddock
Telephone
Email

Head of Pensions Administration
(0151) 242 1333
yvonnecaddock@wirral.gov.uk

WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	MONITORING OF GIFTS, HOSPITALITY AND SUBSIDISED BUSINESS EVENTS
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

1.1 This report provides Board members with a copy of the recent report taken to Pensions Committee on the monitoring of gifts and hospitality received by officers and attendance at subsidised business events.

2.0 BACKGROUND AND KEY ISSUES

2.1 It is important that the Fund has clear guidelines in relation to personal conduct and that officers' activities are subject to review by Committee to ensure transparency.

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

3.1 There are none arising from this report

4.0 RECOMMENDATION

4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

5.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund policies and developments as a part of their role in supporting the administering authority.

REPORT AUTHOR Peter Wallach Director of Pensions
Telephone (0151) 242 1309
Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date

APPENDIX

Monitoring of gifts, hospitality and subsidised business events report - March 2018

WIRRAL COUNCIL

PENSIONS COMMITTEE

26 MARCH 2018

SUBJECT:	MONITORING OF GIFTS, HOSPITALITY AND SUBSIDISED BUSINESS EVENTS
WARD/S AFFECTED:	NONE
REPORT OF:	DIRECTOR OF PENSIONS
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Members with a summary of subsidised business events attended by officers of the Fund and details of gifts and hospitality received from January 2017 to December 2017.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 In November 2012, this Committee approved new guidance in relation to the declaration of gifts and hospitality received by officers and those members of Committee that are not otherwise subject to personal conduct arrangements.
- 2.2 The guidance is reflected by Wirral in its overall governance arrangements and is set out in the Fund's Compliance Manual, reflecting the practicalities of the Pension Fund's business needs.
- 2.3 Appendix 1 and 2 provide schedules of declarations from January 2017 to December 2017.

3.0 RELEVANT RISKS

- 3.1 It is important that the Fund has clear guidelines and that officers' activities are subject to review by Committee.
- 3.2 A failure to recognise and allow for the differences of the Fund's business activities may inhibit the Fund's development and monitoring arrangements and incur additional costs.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 No other options have been considered.

5.0 CONSULTATION

- 5.1 There has been no consultation undertaken or proposed for this report. There are no implications for partner organisations arising from this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no previously approved actions outstanding.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 There are none arising directly from this report.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising from this report.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION/S

13.1 That Committee notes the report.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 It is important that the Fund has clear guidelines and that officers' activities are subject to review by Committee to ensure transparency.

REPORT AUTHOR: **Donna Smith**
Head of Finance & Risk
telephone (0151) 2421312
email donnasmith@wirral.gov.uk

APPENDICES

Appendix 1 Register of Gifts and Hospitality
Appendix 2 Register of Subsidised Business Events

BACKGROUND PAPERS/REFERENCE MATERIAL

None

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Pensions Committee	21 March 2017
Pensions Committee	17 November 2015
Pensions Committee	19 November 2014
Pensions Committe	24 June 2013

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WIRRAL COUNCIL

PENSIONS BOARD

13 JUNE 2018

SUBJECT:	DRAFT PENSION BOARD REVIEW 2017-18 AND WORK PLAN 2018-19
WARD/S AFFECTED:	NONE
REPORT OF:	INDEPENDENT CHAIR OF PENSION BOARD
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

This report, which has been prepared in accordance with the Terms of Reference of the Pension Board, reviews the performance of the Board and its members during its third year. The third year of the Board has been taken as from 1 April 2017 to 31 March 2018. This report also includes a proposed Work Plan for 2018-19.

2.0 BACKGROUND AND KEY ISSUES

Under Section 11.3 of its Terms of Reference the Board is required to produce, on an annual basis, a report for consideration by the Scheme Manager which is the Wirral MBC Pensions Committee. This review has been prepared by the Independent Chair of the Board for consideration by the Board at its meeting on 13 June 2018. Following consideration by the Board, an approved version of this review will be presented by the Independent Chair to the Pensions Committee.

Purpose and Constitution of the Merseyside Local Pension Board

Under its Terms of Reference, the purpose of the Merseyside Pension Board is to assist the Administering Authority (Wirral MBC) in its role as a Scheme Manager under the Public Service Pensions Act 2013 and the Local Government Pension Scheme (LGPS) Regulations. The Board is required to meet sufficiently regularly to discharge its duties and responsibilities effectively but not less than twice in any year. The Board met three times during its first year (2015-16), three times during its second year (2016-17) and three times during its third year (2017-18).

The Pension Board consists of nine members and is constituted of four employer representatives, four scheme member representatives and an independent, non-voting Chair who has responsibility for the co-ordination and operation of the Board.

Board Meetings

Three meetings of the Board were held during the period covered by this review. These were on 27 June 2017, 10 October 2017 and 20 March 2018. Overall attendance by members of the Pension Board at meetings during 2017-18 was 79%.

Issues considered at each Board meeting are shown in the Table below:

	27/6/17	10/10/17	20/3/18
Members Code of Conduct – Declarations of Interest	/	/	/
Minutes of the Previous Meeting	/	/	/
LGPS Update	/	/	/
Investment Pooling Update	/	/	/
Pensions Administration Report	/	/	/
IMWP/GRWP Minutes	/	/	/
Pension Board Review 2016-17 & Work Plan 2017-18	/		
Investment Strategy Statement (ISS)	/		
ISS Guidance Update		/	
Investment Transparency Code	/		
MPF (Investment) Compliance Manual	/		
Draft Pensions Administration Strategy	/	/	
Compliance with the Pension Regulator's Code of Practice No14	/		
Review of 2016 Actuarial Valuation	/		
Audit Findings Report and Pension Fund Annual Report and Accounts		/	
Treasury Management Annual Report 2016-17		/	
Treasury Management Policy 2018-19			/
General Data Protection Regulations (GDPR) Briefing		/	
Markets in Financial Instruments Directive II Opt Up		/	
Annual Employers Conference		/	
Records Management Policy		/	
Pension Fund Budget 2018-19			/
Development and Training Programme			/
LGPS Investment Performance			/
Management of Carbon Risk			/
Potential Unfunded Liabilities (Bond/Guarantor Review)			/
MPF Contracts Timetable			/

During 2017-18 the Board, facilitated by reports prepared by the Officers, implemented the Pension Board Work Plan 2017-18. This work plan, which was approved by the Pension Board on 27 June 2017, was prepared following discussions between the Independent Chair and the Director of the Fund taking into account consultation with all Board Members. The 2017-18 Work Plan was expanded during the year to take account of further developments affecting both the LGPS generally and the

Merseyside Fund specifically including, for example, the implications of the new General Data Protection Regulations and the management of Carbon Risk by the Merseyside Fund.

The role of the Pension Board, as set out in Regulation 106 of the LGPS Regulations 2013 is “*assisting*” the Administering Authority (the role of which is exercised by the Pensions Committee of the Wirral MBC). Specifically, Regulation 106 includes reference to the Pension Board “*assisting*” the Administering Authority “*to ensure the effective and efficient governance and administration*” of the LGPS. Accordingly, during its first two years (2015-16 and 2016-17) the Board developed a clear focus towards the consideration of Governance issues which it continued during 2017-18.

Although the Terms of Reference of the Merseyside Pension Board specifically state that the Board cannot “*overturn investment decisions that have been made by the Pension Committee*” they also specifically state that the Board may in relation to investment decisions “*consider whether due process has been followed to validate the decision taken.*” In accordance with this Investment Governance responsibility the Board received, at its June 2017 meeting, a report and attachments on the Merseyside Pension Fund’s Investment Strategy Statement. This provided the Board with an opportunity to formally examine, review and seek information in relation to the Fund’s new Investment Strategy Statement which as a result of the revised LGPS Investment Regulations, which came into effect in November 2016, replaced the Statement of Investment Principles as the Funds primary investment policy document from March 2017.

The June 2017 Pension Board meeting also received (Agenda Item 11 and Exempt Agenda Item 15) a report on and a full copy of the Merseyside Pension Fund Compliance Manual. The opportunity to formally examine, review and seek information in relation to the Compliance Manual was particularly important, in relation to Investment Governance, given the size of the Fund (Assets of £8.2bn as at 31 March 2017), that £3bn is under some form of internal management by Merseyside Pension Fund staff under the leadership of the Director of Pensions and that this internal management is undertaken across a variety of diverse and complex Asset Classes including Listed Equities, Direct Property, Private Equity, Hedge Funds and Infrastructure. Access to the 85 page Compliance Manual, which had been revised in March 2017, provided clear evidence to the Board of the detailed provisions in respect of policies, procedures and guidance relating to Investment decision making by Officers and the behaviour and standards of business conduct required of the Merseyside Pension Fund’s Investment and Finance staff.

The Board continued to receive the Minutes of the Investment Monitoring Working Party (IMWP) which is the Fund’s principal forum for the consideration of Investment related issues. At its March 2018 meeting the Board discussed the nature and operation of the IMWP based on both its Minutes and the experience of Board Members who had attended meetings of the IMWP. The Pension Board commended both the broad ranging format (in terms of the range of issues considered at each meeting) and overall representation at the IMWP which includes the Funds’ Investment Consultants, two Independent Advisors, a range of Fund Officers responsible for investment issues as well as the Pensions Committee Members. The

Board did, however, also comment upon and note the limited attendance at IMWP meetings of Members of the Pensions Committee. Consequently, the Board was concerned that this potentially limited the benefits, in terms of Pension Committee Members understanding and participation, that might accrue from meetings of the Investment Monitoring Working Party.

While effective Investment Governance is vital in the context of seeking to ensure the Fund has sufficient Assets to meet its Liabilities, effective Administration Governance is vital in the context of ensuring that Liabilities are accurately identified and managed and that the entitlements of beneficiaries of the Merseyside LGPS are correctly recorded and in due course paid. In 2017-18 (as in 2016-17) the Board received the Minutes of the Governance and Risk Working Party (GRWP) which is the principal forum for the consideration of Risk Management/Internal Control and Pensions Administration. The minutes of the GRWP provided clear evidence of the consideration and discussion of a range of relevant issues across these vital areas of activity.

At the June 2017, October 2017 and March 2018 meetings the Board received a detailed report covering a broad range of Pensions Administration matters and containing extensive statistical reporting. When compared with the equivalent reports received in 2016-17 these clearly demonstrated a continued increase in both the quantity and complexity of Pensions Administration related work.

During 2017-18 the Pension Board also had the opportunity to examine, comment upon and assist in the development of a range of other Pension Administration issues – the draft Pensions Administration Strategy, the draft Records and Data Improvement Policy, an update on compliance with the Pension Regulator’s Code of Practice No 14, and the review of potential unfunded Liabilities of Admitted Bodies. Crucially, the Fund revised its Pensions Administration Strategy (prepared under Regulation 59 of the LGPS Regulations 2013) which sets out the key responsibilities of both the Fund and individual Employers and covers vital administration matters including administration standards, performance measures and communications with Employers. A draft revised Pensions Administration Strategy (PAS) was presented to and discussed by the Pension Board at its meeting held on 27 June 2017. After formal consultation with Employers (between 3 August and 2 October 2017) the results of the consultation and consequent amendments made by the Fund to the draft PAS were reported to the Board at its meeting held on 10 October 2017. The Board, through an email to each Board Member from the Head of Pensions Administration, was then offered the opportunity to review the new draft PAS prior to its presentation for approval by the Pensions Committee at its meeting on 13 November 2017. This October 2017 review of the draft PAS by the Pensions Board resulted in four further suggested amendments to the draft PAS of which three were included in the final version approved by the Pensions Committee. This included a suggestion, which was accepted, which defined “*persistent failure*” by an Employer in relation to administration requirements.

At the June 2017 meeting the Board received a report and detailed appendix in respect of the Fund’s compliance against the Pension Regulator’s Code of Practice No

14 “*Governance and Administration of Public Service Pension Schemes.*” The requirements of Code No 14 clearly influenced the Fund’s draft Records and Data Improvement Policy which was considered by the Pension Board and approved by the Pensions Committee during the latter part of 2017.

The October 2017 Pension Board meeting had the opportunity, prior to consideration by the Pensions Committee, to review and comment upon the Fund’s draft Records and Data Improvement Policy which provided a clear framework in respect of these processes and responsibilities and demonstrated a proactive approach to continual improvement. The Pension Board considered the draft policy and deemed it suitable for presentation to the Pensions Committee for approval on the basis that accurate data drives confident and proactive decision making and supports a solid risk management framework. Consequently, the final Records and Data Improvement Policy was approved by the Pensions Committee at its meeting held on 13 November 2017.

An important element of Pensions Administration/Liability management is the existence and operation of ongoing procedures to monitor and put in place arrangements in respect of potential unfunded Liabilities of Employers admitted to the Merseyside Pension Fund. Therefore, from a Governance perspective, it was important that the Pension Board, at its meeting held on 20 March 2018, received a report (part Open and part Exempt) on the review of potential unfunded liabilities undertaken by Mercer, the Actuary to the Merseyside Pension Fund. The Director of Pensions and Head of Pensions Administration answered questions from Board members regarding the operational practices relating to the management of Employer Liabilities. Given that the actual unfunded liabilities for an Employer would not be known unless that Employer closed and calculations were undertaken at that time it was reassuring that the assessment of Employers potential exit debts had been based on the cautious corporate bond yield termination method rather than the ongoing basis used to determine Employer contributions. Additionally, it was also important to understand that given the current financial pressures faced by Employers the Fund seeks to enter into genuine discussions with Employers regarding covenant strength and the impact of obtaining full coverage of the Liability as calculated by the Fund Actuary, which is prepared on a cautious basis.

At the March 2018 meeting the Board received a report on the Contracts timetable relating to the procurement of pension and investment services from third parties. This provided reassurance that the Fund is periodically reviewing/retendering these services while taking due account of developments within the LGPS such as investment Pooling. The Board also received (at the October 2017 meeting) the External Auditors Audit Findings Report together with the Draft Annual Report and Accounts of the Merseyside Pension Fund 2016-17. The Board noted that the External Auditor reported positively in respect of the Fund’s Financial Statements including stating that “*the accounts were prepared to a good standard with good supporting working papers.*” The Board commended the work of the Merseyside Pension Fund Finance team for their work in preparing the 2016-17 Financial Statements.

In September 2017 the CIPFA Pensions Panel issued a letter regarding the resourcing of LGPS Funds. This letter included the statement “*the level of scrutiny on LGPS*

Funds has never been higher both from internal sources such as Local Pension Boards but particularly from external sources such as The Pensions Regulator, Pensions Ombudsmen and the national press. It is therefore essential that funds have the necessary capacity to meet these challenges otherwise there is a significant risk of censure and the subsequent reputational damage at local and national level.”

The letter also stated that *“the LGPS is already facing a number of challenges including managing an ever increasing number of employing bodies in the scheme and also the ongoing implementation of the 2014 CARE Scheme,”* that the Pensions Regulator would be *“focussing”* on data quality issues and that Investment Pooling initiatives *“are placing significant demands on existing pensions staff.”* The letter also stated that *“the current pressures and increased complexity facing the LGPS require an increase in resources to ensure that the huge challenge of establishing asset pools as well as the increasing administrative requirements do not create an unmanageable risk.”*

Notwithstanding the clear guidance contained in the CIPFA Pensions Panel letter, based on the reports presented to each meeting of the Pension Board during 2017-18 together with the consideration of the minutes of both GWRP and the IMWP it is clear that there is a need to keep under review the staffing resources available to effectively discharge the ever increasing complexity and volume of the work of the Investment, Pensions Administration (including Information Technology) and Finance (including Accounting) functions of the Merseyside Pension Fund. Therefore, it was pleasing for the Board to receive details of the Staffing Restructure (and increase in staff resources) undertaken during 2017 to reflect increased complexities and workloads. It is also noteworthy that the issue of staff resources was discussed by Pension Committee Members and Officers at the Governance and Risk Working Party during 2017. Clearly, good Governance, requires, however, that the Pensions Committee (through the Governance and Risk Working Party) and advised by the Director of Pensions keep under ongoing review the staffing resources necessary to effectively discharge the functions of the Merseyside Pension Fund.

In 2017-18 as in 2016-17 the development and implementation of Investment Pooling continued to be the highest profile development in the Local Government Pension Scheme (LGPS). This will have a significant effect on both the Investment and overall Governance arrangements of the LGPS. A report on Pooling was presented to the Board at all three meetings during 2017-18. The information provided to the Pension Board included (as Exempt Agenda items) the Update on Pooling letter and information provided to the Department for Communities and Local Government regarding the progress of the Northern Pool to 31 March 2017 and 30 September 2017 and the Draft Terms of Reference of the Joint Committee *“responsible for the delivery of a pooling solution”* known as the *“Northern Pool.”* These detailed documents confirmed the view reached by the Board in 2016-17 that the Northern Pool consisting of the Merseyside, Greater Manchester and West Yorkshire LGPS Funds is developing a model for Investment Pooling which should both fully meet Government requirements and the particular circumstances of the three participating Funds. With regard to Investment activity the reports provided to the Pension Board clearly demonstrated that the Northern Pool is focussing on the development of robust arrangements, closely aligned to the needs of the constituent Funds, which should

bring clear benefits to the Merseyside, Greater Manchester and West Yorkshire Funds in terms of both expanding the availability of infrastructure and other real/alternative assets and utilising these at reduced cost.

The submissions to Government and Draft Terms of Reference of the Joint Committee responsible for the overall Governance of the Northern Pool confirm the intention that it be comprised of 6 Elected Members (two from each Administering Authority) and 3 Trade Union representatives. This reflects a genuine intention by the Northern Pool to positively engage with and include Employee representatives in the top-level Governance body of the Northern Pool. This inclusion of Employee representatives should provide genuine diversity of experience and approach within the Northern Pool Joint Committee membership and therefore help prevent the Committee from adopting a “groupthink” approach to decision making.

In 2017-18, as in 2015-16 and 2016-17, all Members of the Board actively and positively contributed to debates arising from Agenda items. Pension Board members raised questions with Officers and made comments upon reports and issues arising based on their broad range of experience of the LGPS and beyond. This demonstrated the value of diversity amongst Board members in terms of Board discussions encompassing a range of perspectives and observations. Robin Dawson, who represented Employers from the Education sector, stepped down from the Board in April 2017. I would wish to place on record my appreciation and recognition of Robin’s positive contribution to the work of the Board during the period July 2015 to April 2017.

During 2017-18 the Board did not feel it necessary to make any formal recommendations to the Scheme Manager, the Pensions Committee of Wirral MBC.

Training and Development

Mindful of the requirements of the Public Service Pensions Act 2013 and the Pensions Act 2004 (As amended) training and development has been approached in a methodical and serious manner by both the Administering Authority and individual Board members. The March 2017 Board meeting had received a report on Member Development which had identified a range of Training and Development opportunities that individual Pension Board members might attend during 2017.

During 2017-18 Board Members were afforded and took up opportunities to attend a range of external training and conference events. These included the LGPS Fundamentals Training course organised by the Local Government Association/Local Government Pensions Committee well as conference events organised by the Pensions and Lifetime Savings Association, CIPFA and the LGPS Scheme Advisory Board.

Prior to the meeting of the Board held on 27 June 2017 the Members of the Board received a briefing from the Director of Pensions on the work of the Merseyside Pension Fund which was followed by a tour of the Fund’s offices at Castle Chambers, 43 Castle Street, Liverpool. This was an important training and development event enabling Board Members to both obtain a greater understanding of the work of the staff of the Fund (across Pensions Administration, Information, Investment and

Finance/Accountancy) and to visit where the actual day to day work of the Fund is undertaken.

All Members of the Pension Board were invited to attend the Annual Employers Conference held on 30 November 2017 which received presentations from Fund Officers on the background to the Fund, together with briefings on Governance, Investment, Pensions Administration issues and developments. The Fund Actuary also provided an update on Actuarial matters including developments since the 2016 Actuarial Valuation and the development of an Investment Risk Management framework to meet the differing circumstances of different Employers. A representative of the Pensions Regulator made a highly informative and broad ranging presentation which included the role and responsibilities of the Regulator in relation to the LGPS, the role of Employers in the LGPS, the importance of good data and record keeping, lessons from case work, data related issues including the Pensions Dashboard, and the need for cyber resilience. Five of the eight Members of the Board attended (there was at this time one vacancy). The Independent Chair of the Pension Board also made a presentation covering the work of the Board during the period May 2016 to October 2017.

Reporting Breaches of the Law to the Pensions Regulator

The Pension Board does not itself have decision making powers. In respect of the Reporting of Breaches of the Law to the Pensions Regulator the Administering Authority has determined (Pensions Committee of 16 November 2015) that the Board should be consulted by Officers when considering whether or not to report a specific breach (or likely breach) to the Regulator. This is an important role granted to the Board in terms of ensuring the good Governance of the Fund and appropriate interpretation of the Pensions Regulators guidance and the Merseyside Fund’s policy on reporting breaches of the law. During the period covered by this report, 2017-18, there were no Breaches of the Law identified by the Fund Officers and upon which the Pension Board was therefore asked to give its view. Neither were there any matters identified by the Board itself as potential or actual Breaches of the Law.

Pension Board Review 2016-17 and presentation to the Pensions Committee

The Pension Board Review 2016-17 and Work Plan 2017-18 was considered and approved by the Board on 27 June 2017. This was then considered by the Pensions Committee at its meeting held on 17 July 2017. The Independent Chair attended this meeting, presented the review and answered questions from Members of the Pensions Committee.

Pension Board Costs of Operation 1 April 2017 to 31 March 2018

Training	£ 6,729
Transport	£ 2,652
Allowances	£ 11,264
Other	£ 290
Total	£ 20,935

Proposed Pension Board Work Plan 2018-19

The proposed Work Plan for 2018-19 is detailed below. This maintains an overall emphasis on Fund Governance. Pensions Administration will remain a particular area of focus given that this is an area of direct relevance to both Employers and individual Employees. Investment Pooling will also be an area of focus given this represents a fundamental change to and development of the Governance of the LGPS. The Work Plan will be updated as necessary during 2018-19.

Agenda item	13/6/18	16/10/18	2019
LGPS update	√	√	√
Administration KPI report	√	√	√
Pooling update	√	√	√
Working Party Minutes	√	√	√
Audit Plan	√		
Pension Board Annual Review 2017-18 and Work Plan 2018 - 19	√		
Monitoring of Investment Mandates		√	
Investment Performance		√	
Audit Findings Report and Annual Report and Accounts		√	
Management of Carbon Risk		√	
Pension Board and Member Development Programme			√
Briefing on 2019 Actuarial Valuation			√
Cost Transparency and Savings			√

Support for the Board by the Administering Authority during 2017-18

The effectiveness of the Board is dependent not only on the approach and contribution of its Members but also that of the Administering Authority. Throughout 2017-18 the Board received extremely positive support, advice and guidance from the Officers of the Merseyside Pension Fund. Meetings of the Board were supported and attended not only by the Director of the Fund but also the senior members of his team responsible for Pensions Administration and the Finance/Risk Management of the Fund.

As in previous years, between meetings, the Director of the Fund provided me with advice whenever requested as did his senior staff responsible for Pensions Administration and Finance/Risk Management. The Director's Personal Assistant also positively provided support throughout the year.

On behalf of the Board I would wish to thank the Officers for their positive approach and their reports, guidance and advice which enabled us to continue our task of seeking to genuinely "assist" the Administering Authority in its stewardship of the Merseyside LGPS Fund.

John Raisin
Independent Chair
Merseyside LGPS Local Pension Board

3.0 RELEVANT RISKS

3.1 There are none arising from this report.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options have been considered.

5.0 CONSULTATION

5.1 The Director of the Merseyside Pension Fund has been consulted in the preparation of this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no previously approved actions outstanding.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 There are none arising directly from this report.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising from this report.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION/S

13.1 That the Board receive and approve the Pension Board Review 2016-17.

13.2 That the Board approves the proposed Work Plan 2017-18

14.0 REASON/S FOR RECOMMENDATION/S

14.1 Section 11.3 of the Terms of Reference of the Local Pension Board of the Merseyside Fund states that *“The Board shall on an annual basis produce a report on both the nature and effect of its activities for consideration by the Scheme Manager.”*

**REPORT AUTHOR: JOHN RAISIN
Independent Chair
Merseyside Local Pension Board
2 May 2018**

APPENDICES

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	POOLING UPDATE
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with copies of recent Pooling update reports taken to Pensions Committee.
- 1.2 The appendix to this report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Pooling update is a standing item on the Pensions Committee agenda

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 3.1 There are none arising from this report

4.0 RECOMMENDATION

- 4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

- 5.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund policies and developments as a part of their role in supporting the administering authority.

**REPORT
AUTHOR**

Peter Wallach Director of Pensions
Telephone (0151) 242 1309
Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date
This is a standing item on the agenda	

APPENDIX

Pooling Update Report March 2018

WIRRAL COUNCIL

PENSIONS COMMITTEE

26 MARCH 2018

SUBJECT:	POOLING UPDATE
WARD/S AFFECTED:	NONE
REPORT OF:	DIRECTOR OF PENSIONS
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Members with an update on pooling arrangements relating to MPF and the Northern Pool. Appendix 1 contains minutes of the Shadow Joint Committee meeting on 5 December 2017.
- 1.2 Members are also requested to consider the 26 February 2018 Shadow Joint Committee report, presentation and recommendation at appendix 2.
- 1.3 Appendices 1, 2 and 3 to this report contain exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Following the update to Committee in January providing details of the progress report to DCLG as at 30 September 2017, the Northern Pool has received a response from MHCLG which is attached at appendix 3.
- 2.2 A meeting of the Northern Pool Shadow Joint Committee took place on 26 February 2018. Mr Ian Greenwood was agreed as Chair. The principal ongoing work streams for the Northern Pool are set out below and are making satisfactory progress.
 - Developing a vehicle to make private equity investments on a collective basis. The governance of this vehicle is expected to operate in a similar manner to the GLIL infrastructure vehicle. The Limited partnership Agreement is close to being finalized.
 - Procurement of a FCA regulated custodian for the pool has been concluded and legal agreements are in hand. This will ensure all listed assets of the pool (i.e. internally and externally managed equities and bonds) are held within a single permanent FCA regulated entity. The

custodian will also manage the calls and distributions in the Northern Pool private equity vehicle.

- Work continues to put in place an FCA regulated operator for the GLIL infrastructure vehicle. This would allow other pools to join. GLIL currently has commitments of £1.3bn to direct infrastructure, with investments of almost £600m made to date.
- The democratic services functions of each of the administering authorities are progressing with the creation of the Pool joint committee, with Tameside MBC acting as lead authority. This joint committee will oversee the Pool and provide a democratic link back to the individual funds. The governance framework of the Pool is not yet finalised.
- The first combined report benchmarking performance and costs for the Pool and its constituent funds has been received and is being reviewed by officers.

3.0 RELEVANT RISKS

3.1 Pooling will result in fundamental changes to oversight and management of LGPS assets. It is essential that appropriate governance arrangements are put in place to ensure that Pensions Committee can exercise its responsibilities in accordance with the Council's constitution.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options have been considered.

5.0 CONSULTATION

5.1 The Pooling consultation has been discussed with the Merseyside Directors of Finance and stakeholders have been kept informed of the pooling consultation and its implications.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no previously approved actions outstanding.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 There are none arising directly from this report. The anticipated financial costs of establishing pooling arrangements and the projected savings over the long-term are set out in the Fund's pooling submission of 15 July 2016.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising from this report.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION/S

13.1 That Members note the pooling report and agree the recommendation in appendix 2.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 Pooling will result in fundamental changes to oversight and management of LGPS assets.

REPORT AUTHOR: PETER WALLACH
Director of Pensions
telephone (0151) 2421309
email peterwallach@wirral.gov.uk

APPENDICES

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
An update report is brought to each Pensions Committee	

WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	MONITORING POLICY
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with a copy of the report to Pensions Committee seeking approval for a revised policy for the monitoring of investment mandates for Merseyside Pension Fund.
- 1.2 The appendix to this report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The purpose of this policy is to provide a framework for the monitoring of internal and external mandates for the Fund. The original version of this policy was approved by this Committee on 31 March 2008 and a revised policy on 20 March 2012.
- 2.2 The Fund has undertaken to review the policy from time to time to ensure it retains its relevance. Some changes are proposed to the policy to reflect the implications of pooling and the availability of additional benchmarks for public and private market assets. The revised policy also seeks to avoid 'short-termism' in decision making.

Guidance issued in relation to 'pooling' confirms that whilst strategic asset allocation decisions remain with the pension committees of fund authorities, manager selection will need to be delegated to officers or to the pool.

The revised Investment Regulations have removed the requirement for quarterly reporting by investment managers in order to encourage a longer-term perspective in relation to manager monitoring and retention. Whilst MPF has only terminated one investment mandate for performance reasons in the

past nine years, the policy has been revised to reflect this long-term philosophy.

2.3 The purpose of this policy is to provide a structured approach by the investment team to the performance of all elements of the Fund; allowing full consideration of relevant facts in decision making and ensuring that there is an auditable trail of actions.

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

3.1 There are none arising from this report.

4.0 RECOMMENDATION

4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

5.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund developments, policies and procedures as a part of their role in supporting the administering authority.

REPORT AUTHOR Peter Wallach Director of Pensions
Telephone (0151) 242 1309
Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date

APPENDIX

EXEMPT appendix 1

WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	PROPERTY ARREARS
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with a copy of the report to Pensions Committee seeking approval for the write-off of irrecoverable rent arrears arising from the Fund's property portfolio.
- 1.2 The appendix to this report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 As Members will be aware, CBRE are the managing agents for the Fund's property portfolio. Amongst other functions, they have responsibility for the collection of rent and management of arrears. On an annual basis, following a review with officers of the fund, they produce a report on uncollectable arrears which is attached as an appendix to this report.

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 3.1 There are none arising from this report.

4.0 RECOMMENDATION

- 4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

- 5.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund developments, policies and procedures as a part of their role in supporting the administering authority.

**REPORT
AUTHOR**

Peter Wallach Director of Pensions
Telephone (0151) 242 1309
Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date

APPENDIX

EXEMPT appendices 1-2

WIRRAL COUNCIL

PENSION BOARD

DATE 13 JUNE 2018

SUBJECT:	WORKING PARTY MINUTES
REPORT OF:	DIRECTOR OF PENSIONS

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Board members with copies of working party minutes since the previous Board meeting.
- 1.2 The appendix to this report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Investment Monitoring and Governance & Risk Working Parties convene regularly to enable Pension Committee members to consider pension matters in greater detail. Minutes of the working parties are reported to Pension Committee.

3.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 3.1 There are none arising from this report.

4.0 RECOMMENDATION

- 4.1 That Board Members note the report.

5.0 REASON/S FOR RECOMMENDATION/S

- 5.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund developments as a part of their role in supporting the administering authority.

REPORT

Peter Wallach

Director of Pensions

AUTHOR

Telephone (0151) 242 1309

Email peterwallach@wirral.gov.uk

SUBJECT HISTORY

Reports/notes	Date
This is a standing item on the agenda	

APPENDIX

EXEMPT appendix 1

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