

Dorset County Pension Fund Local Pension Board

Annual Report 2023/24

1 April 2023 to 31 March 2024

Local Pension Board Annual Report 2023/24

Contents

Item	Page no.
Chairman's Opening Remarks	3
Introduction	4
Role of the Pension Board	4
Membership of the Board	5
Board Meetings and attendance	6
Matters Discussed by the Board	6
Scheme Compliance / Breaches	7
Training	7
2024/25 Meeting Schedule	9

Chair's Opening Remarks

On behalf of the Local Pension Board, I am delighted to be able to present the Annual Report of the Local Pension Board of the Dorset Pension Fund. This report covers the period from 1 April 2023 to 31 March 2024, to align with the Fund's Annual Report.

As a defined benefit scheme for our 80,000+ members, the Dorset Pension Fund pays scheme members a retirement income based on salary and the number of years worked for the employer. The Fund invests contributions made by employers into long term investments, and though the market will always fluctuate, investment performance does not affect members' pensions. As of 31 March 2024, the Fund contained £3.9 billion of assets.

Throughout the year we have complemented the Administering Authority, ensuring compliance with the Public Service Pensions Act, the LGPS Advisory Board, the Chartered Institute of Public Finance and Accounting (CIPFA) and The Pensions Regulator. The Board has over the course of the year received regular updates on the implementation of the McCloud Remedy, which came into force on 1 October 2023 and was, and continues to be, the biggest pension administration challenge for 2023 24.

The Board has no concerns about the Dorset Pension Fund or its Administration, though it did raise concerns over the impact of delays from our software supplier in making the necessary changes required to the administration system to deal with administering the McCloud remedy and the impact this will have on the administration staff. We will continue to support the Pensions Manager, and we are confident she will continue to administer the Fund efficiently and effectively despite ongoing pressures.

I would like to place on record the Board's appreciation for the support and transparent advice of the officers. Further information about the Board's work can be found on the website [Local Pension Board](#). Despite the continual challenges, I am looking forward to another successful year ahead.

Richard Bates
Chair

Introduction

The Local Pension Board helps ensure that the Fund is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of local government pension schemes issued by the Pension Regulator and with due regard to guidance issued by government, The Pensions Regulator and the LGPS Advisory Board.

The function of the Board as defined by sections 5 (1) and (2) of the Public Service Pensions Act 2013 is to assist the Scheme Manager:

- to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS
- to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator
- in such other matters as the LGPS regulations may specify
- to secure the effective and efficient governance and administration of the LGPS for the DCPF, and
- to provide the Scheme Manager with such information as it requires to ensure that any member of the Local Pension Board or person to be appointed to the Local Pension Board does not have a conflict of interest
- Local Pension Boards are constituted entirely under the Public Service Pensions Act 2013 and are not local authority committees.

Role of the Pension Board

The Pension Board is responsible for:

- Scrutinising the progress of actions to meet the performance objectives of the Pension Fund
- Reviewing and monitoring the training plan of the Pensions Board and elected members and officers with delegated responsibilities for the governance, management and administration of the Pension Fund
- Reviewing and monitoring the performance of external business partners, including the pensions administration service, the actuary, the custodian and the investment consultant
- Reviewing and monitoring the Risk Register and risk monitoring of scheme employers
- Reviewing the implementation of revised policies and procedures, including the administering discretions
- Reviewing the compliance of projects commissioned by the Pension Fund Committee, including the Triennial Valuation of the Pension Fund
- Ensuring pension rules and regulations are being complied with, when officers are making decisions on pension matters
- Scrutinising data quality
- Reviewing internal audit reports
- Assisting in the development of improved customer services
- Reviewing compliance of Investment Managers with Investment Management Agreements; and
- Reviewing progress of agreed actions to address finding from any review of the Pension Fund activities.

Membership of the Pension Board

The Pension Board consists of an independent Chair and 8 members and constituted as follows

- 4 employer representatives
- 4 scheme membership representatives

The Pension Board meets four times a year.

Current board (as at 26 November 2024):

Independent Chair

Richard Bates

Employer Representatives:

Adam Richens - Vice-Chairman (BCP Council)

Cllr David Taylor (Dorset Council)

Liz Bishopp (Ferndown Parish Council)

Neal Butterworth (Dorset Police)

Scheme Member Representatives:

Jon Bird (nominated by GMB)

James Stevens

Mary O'Sullivan

Jonathan Stiby

Board membership changes during 2023/24

Richard Bates was appointed as Independent Chair in April 2023.

John Jones stepped down as a Member Representative in August 2023.

Jonathan Stiby joined the board as a Member Representative in August 2023.

James Sheehy joined the board as a Member Representative in August 2023.

Julie Strange stepped down as an Employer representative in November 2023.

Neal Butterworth joined the board as an Employer representative in November 2023.

James Sheehy stepped down as a Member Representative in March 2024.

Mary O'Sullivan stepped down as an Employer representative and became a Member Representative in March 2024.

In addition, the following changes took place between 31 March 2024 and the production of this report:

Cllr David Shortell was replaced as Dorset Council's Employer Representative by Cllr David Taylor in May 2024.

Liz Bishopp became an Employer Representative in July 2024.

Meeting attendance during 2023/24

The Board met four times during the 2023/24 scheme year. The September meeting took place in person at County Hall, all others took place on-line via Microsoft Teams.

The meeting originally scheduled for March 2024 was delayed until April 2024 but has been included in this report.

Board Member	Meetings 2023/24			
	June	September	December	April
	2023	2023	2023	2024
Rich Bates - Chair	✓	✓	✓	✓
Adam Richens – Vice Chair	✓	✗	✓	✓
Mary O’Sullivan	✓	✓	✓	✓
James Stevens	✓	✓	✓	✓
Cllr David Shortell	✓	✓	✓	✓
Julie Strange	✓	✓		
John Jones	✗			
Jon Bird	✓	✓	✓	✗
James Sheehy		✗	✓	
Neal Butterworth			✓	✓
Jonathan Stiby		✓	✓	✓

Matters discussed by the board

During 2023/24 the following items were discussed by the board.

Standing items at each board meeting:

- LGPS Administration report, which includes Key Performance Indicators
- Papers from the Pension Fund Committee meetings
- Investment Update
- Risk Register

In addition, other subjects included:

- Overseas existence checks on pensioners
- Death grant policy changes
- McCloud judgement (court ruling to remove age discrimination in public service pensions) and remedy
- Performance Monitoring
- Abolition of the Lifetime Allowance
- Annual end of year processes and annual benefit statements
- TPR’s General Code of Practice
- Dorset County Pension Fund data quality report
- Board member training

Pension Board agendas, minutes and additional reports are published on the Dorset County Pension Fund website at www.dorsetpensionfund.org/dorsetpension-fund/about-us/local-pensionboard/

Scheme Compliance / Breaches

During the 2023/24 scheme year no materially significant breaches of the law were identified that required reporting to The Pensions Regulator (TPR).

The TPR's guidance on reporting breaches of the law can be found here: [Reporting breaches of the law - The Pensions Regulator](#)

Training

Dorset County Pension Fund is committed to providing training to those involved in the governance of the Fund and to ensure members have the necessary skills and knowledge to act effectively in line with their responsibilities.

The Local Pension Board Training Policy for Dorset County Pension Fund can be found on our website here: [Local Pension Board Training Policy](#)

The Pensions Regulator Public Service Toolkit

All board members are required to complete the Pensions Regulator's online Public Service toolkit. The programme is split into seven separate courses designed to cover the governance and administration of public service schemes, as described in the [public service code of practice](#).

- Conflicts of interest
- Managing risk and internal controls
- Maintaining accurate member data
- Maintaining member contributions
- Providing information to members and others
- Resolving internal disputes
- Reporting breaches of the law

LGPS Online Learning Academy (LOLA)

Board members are also given access to Hymans Robertson's online platform, LOLA. This is designed to support the training needs of Pension Committees, Pension Boards and Fund Officers. The learning plan consists of a series of short video presentations with additional learning materials and quizzes.

Further details can be found here: [LGPS Online Learning Academy - Hymans Robertson](#)

Training Sessions and Events

Various conferences and seminars organised by industry bodies such as the Local Government Association (LGA) and the Chartered Institute of Public Finance and Accountancy (CIPFA) take place during the year. Attendance at these events will count as board member training, along with bespoke sessions arranged for board meetings.

Training events attended by board members during 2023/24 were as follows

Event	Content	Method of Delivery	Attendees
McCloud Judgement – June 2023 Board Meeting	Presentation by the Service Manager for Pensions on the McCloud Judgement and how it affects Dorset County Pension Fund.	Presentation	Adam Richens James Stevens Julie Strange Jon Bird Mary O’Sullivan David Shortell
Performance Monitoring – September 2023 Board Meeting	Presentation by the Service Manager for Pensions on how Dorset County Pension Fund monitors performance and success.	Presentation	Julie Strange Mary O’Sullivan David Shortell James Stevens Jon Bird Jonathan Stiby
LGA Fundamentals Training Held over 3 days: October 2023 November 2023 December 2023	Bespoke LGPS courses that provide members of pension committees and local pension boards with the knowledge and skills to enable them to carry out their duties effectively.	Webinar	Jonathan Stiby James Stevens
Cyber and Technical Security – December 2024 Board Meeting	James Ailward, Head of ICT Operations for Dorset Council, gave a presentation on Dorset Council’s approach to cyber security.	Presentation	Mary O’Sullivan Neal Butterworth David Shortell Adam Richens James Stevens Jon Bird Jonathan Stiby James Sheehy
LGA Annual Governance Conference. York January 2024	Conference aimed at elected members and others who attend pension committees and local pension boards	Conference	Jonathan Stiby

Events and Conferences scheduled for 2024/2025

Event	Content	Method of Delivery	Date
PLSA – Local Authority Conference <u>Local Authority Conference (plsa.co.uk)</u>	The Local Authority Conference is the largest of its kind dedicated to the Local Government Pension Scheme. Speakers include senior policy makers and high profile industry figures.	Conference	13 – 15 June 2024 De Vere Cotswold Waterpark, Gloucestershire
<u>LGPS Governance Fundamentals Training Day 1</u>	Bespoke training course aimed at elected members and others who attend pension committees and local pension boards.	Seminar	23 & 30 October - Online 16 October - LGA Offices, London
<u>LGPS Governance Fundamentals Training Day 2</u>	Bespoke training course aimed at elected members and others who attend pension committees and local pension boards.	Seminar	21 & 28 November - Online 13 November - LGA Offices, London
<u>LGPS Governance Fundamentals Training Day 3</u>	Bespoke training course aimed at elected members and others who attend pension committees and local pension boards.	Seminar	12 & 17 December - Online 10 December - LGA Offices, London
LGPS Governance Conference 2025	An annual conference aimed at elected members and others who attend pension committees and local pension boards e.g. employer representatives, trade union and other member representatives, as well as officers.	Conference	30 & 31 January 2025 – Bournemouth Online or in person

2024/25 Local Pension Board Meetings

Local Pension Board Meetings have been provisionally scheduled for the following dates

- 10 July 2024
- 27 September 2024
- 4 December 2024
- 26 March 2025

This Report is intended for the information of Dorset Council and the Scheme members and employers who participate in the Dorset County Pension Fund. This Report has been formally noted by the Dorset County Pension Fund's Local Pension Board at their meeting of 4 December 2024