

**NORTHUMBERLAND COUNTY COUNCIL PENSION FUND  
Pension Fund Panel Meeting 22 February 2019**

**Progress made against items to be considered/actioned by the  
Panel in 2018/19 from the Action Plan 2018**

<b>Item to be considered in 2018/19</b>	<b>Outcome</b>	<b>Comments/follow up</b>
<b><u>ESSENTIAL</u></b>		
<b>Work with other BCPP administering authorities to develop the relationship with Border to Coast Pensions Partnership (“BCPP Ltd”), as owner and client, via active involvement in BCPP Joint Committee and officer groups</b>	The Panel has received a progress report on BCPP Ltd at every meeting during 2018/2019. The Chair and Vice Chair have been active participants in the BCPP Joint Committee, whilst officers have represented the Fund at every Officer Operations Group meeting.	Further reports will be brought to the Panel during 2019/2020 as BCPP developments unfold.
<b>Align Northumberland County Council Pension Fund (“the Fund”) policies and practices with proposed BCPP Ltd policies;</b>	The Panel terminated PIRC’s appointment at the meeting on 23 November 2018 to enable alignment of NCCPF’s and BCPP Ltd.’s policies, to be confirmed at this meeting.	Continue to explore policy alignment with BCPP Ltd as pooling develops.
<b>Develop client relationship and monitoring of KPIs / breaches information from Tyne and Wear Pension Fund (“TWPF”) on the shared pensions administration service</b>	The Panel has received KPIs/breaches information at every quarterly Panel meeting and delegated the review of these to the Board.	Continue to receive information at every quarterly meeting in 2019/2020 and delegate the review of these to the Board as the shared service reporting develops.
<b>Consider and develop the actions taken to implement the General Data Protection Regulation and mitigate cyber risk</b>	The Panel received an update at the 22 June 2018 meeting around the implications for GDPR. STC provided a list of key actions required to ensure compliance with GDPR to give assurance to NCCPF that STC could comply with the legal requirements.	
<b>Action items referred back to the Panel by the Local Pension Board</b>	Items referred back have been considered by the Panel at every quarterly meeting utilising the formal reporting mechanism put in place in 2017/2018.	Continue to build on the successful Panel/Board partnership working in 2019/2020.

**APPENDIX 13**  
**(continued)**

<b>Review and (and if necessary) respond to GAD's Section 13 Report on 2016 valuations.</b>	GAD's Section 13 Report was published in September 2018 and reviewed by the Panel at its 23 November 2018 meeting. NCCPF received no red or amber warnings.	
<b><u>DESIRABLE</u></b>		
<b>Progress further potential joint working with TWPF, per the Panel decision on 27 January 2017</b>	An update report on merger with TWPF will be brought to this meeting (see Part B Report 4). An informal meeting of the Panel is to be arranged in March 2019 to consider this further.	If NCCPF and TWPF pursue merger they will work to a target date of 31 March 2020.
<b>Collaborate with TWPF to review AVC arrangements</b>	Information about ongoing work by Hymans Robertson to formally review the Fund's current AVC provision has been brought to this meeting (see Part B Report 8).	The formal review will be completed and brought to the 21 June 2019 meeting of the Panel.
<b>Collaborate with TWPF to review adequacy of insurance for shared administration service and functions remaining at NCC</b>	No longer considered necessary due to the terms of the Service Agreement.	
<b>Collaborate with TWPF to review the Fund's membership data quality</b>	The Panel received update reports at every quarterly meeting during 2018/2019 in relation to the Fund's membership data, including common validation scores between NCCPF/TWPF data and information in relation to migration balancing items.	Continue to receive updates during 2019/2020.
<b>Review the Fund's Policy on Conflicts of Interest</b>	The Panel approved the updated NCCPF Conflicts of Interest Policy at its 5 October 2018 meeting.	Review Conflicts Policy in three years or sooner if necessary.
<b>Sign up to the UK Stewardship Code</b>	Not considered during 2018/2019 due to lack of time.	Consider in 2019/2020.
<b>Review PIRC's appointment</b>	The Panel terminated PIRC's appointment at its 23 November 2018 meeting.	
<b>Review Legal and General's Responsible Investment Policy</b>	As part of its review of PIRC's appointment at the 23 November 2018 meeting, the Panel reviewed Legal and General's RI Policy, in particular its alignment to BCPP Ltd.'s RI Policy. The Panel also received a presentation from Legal and General at the 22 June 2018 meeting.	

**APPENDIX 13**  
**(continued)**

<b>Review programme of future manager presentations</b>	Not considered during 2018/2019 as no longer relevant due to pooling.	
<b>Develop SharePoint knowledge hub for Panel and Board members' use (i.e. tPR's Document Recording Policy)</b>	NCCPF's website has been developed during 2018/2019, including linking it to TWPF's website which contains comprehensive information about the Scheme.	
<b>Progress GMP reconciliation work</b>	The Panel received an update report on GMP reconciliation work undertaken to date, and prospects for NCCPF meeting the October 2018 HMRC deadline for submission of queries, at its 5 October 2018 meeting.	Continue to receive updates in 2019/2020 with further national guidance awaited on rectification action as a result of the GMP reconciliation exercise.
<b>Consider introducing a statement of investment beliefs for the Fund</b>	Not considered during 2018/2019.	Potentially consider in 2019/2020.
<b>Update the Fund's risk register</b>	Updates to the Fund's risk register are included on this meeting agenda (see Part B Report 13) and the Board will undertake a detailed review of the register at its meeting on 25 March 2019.	The Panel will receive information during 2019/2020 as the Fund's risk register continues to evolve.
<b>Respond to MHCLG and other relevant consultations</b>	This meeting (see Part B Report 5) will provide information about the new draft guidance on pooling issued in January 2019 by MHCLG, and seeks a delegation to finalise a NCCPF response for submission before the closing date in March 2019.	Continue to respond to MHCLG and other relevant consultations.
<b>Respond to consultations and review guidance from the LGPS Scheme Advisory Board ("SAB") (including deficit management, academies, cost transparency, tier-three employers, ESG/RI, operation of Boards and the cost control mechanism)</b>	This report (see Part B Report 2) provides information about the LGPS cost cap mechanism, initially due to be implemented from April 2019, but paused by Government at the end of January 2019.	Continue to respond to SAB consultations and review guidance.

**APPENDIX 13**  
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<b>Review currency hedging impact</b>	The Panel received quarterly updates from Mercer during 2018/2019 on the impact of the Fund's currency hedged investments. Officers continued to monitor exchange rate fluctuations daily.	Continue to review quarterly in 2019/2020.
<b>Consider opportunities to invest in infrastructure in collaboration with BCPP administering authorities</b>	The Fund made an infrastructure investment with Pantheon in August 2018 which benefited from BCPP discounted fee rates.	Further opportunities will be explored where appropriate in 2019/2020.
<b>Consider the implications of IORP II on risk management, governance and disclosure requirements for the LGPS.</b>	The Panel received a report providing information about IORP II at the 5 October 2018 Panel meeting.	Further reports on the implementation of IORP II and the implications for the LGPS will be brought to the Panel in due course.