

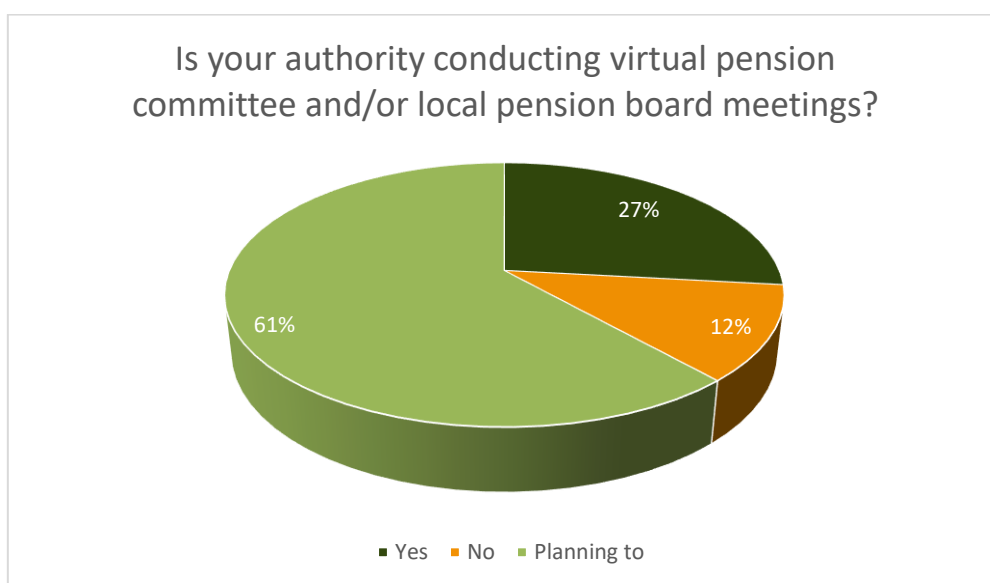
LGPS COVID-19 governance survey conducted 1st May to 15th May

The survey was sent to LGPS administering authorities across England, Wales, Scotland and Northern Ireland.

83 Responses were received from:

- 21 London Boroughs
- 38 English county or unitary councils
- 6 English metropolitan authorities
- 7 Scottish authorities
- 8 Welsh authorities
- LPFA, the Environment Agency and NILGOSC

Question 1 - Is your authority conducting virtual pension committee and/or local pension board meetings?

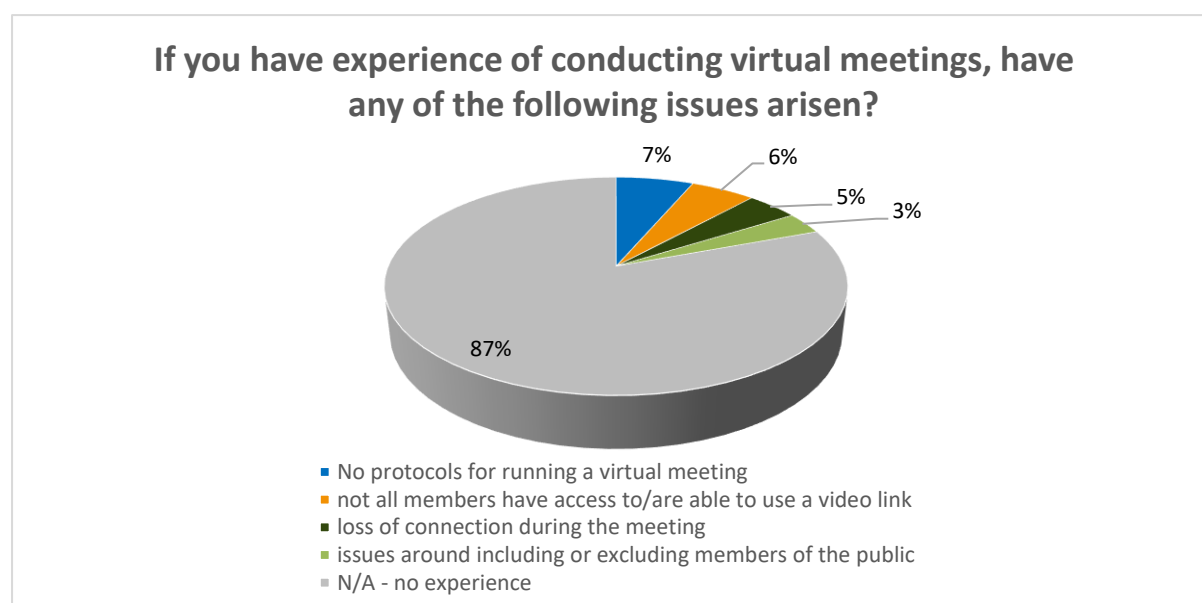


Yes	27%	23
No	12%	10
Planning to	61%	50

Question 2 - If you are not conducting, or not planning to conduct virtual meetings, please confirm how decisions are being made and if you have changed your delegations?

Around 20 responses were received as some administering authorities planning to conduct virtual meetings provided information about how they are making decisions in the interim. In summary, most confirmed that they have delegated decision making to a combination of the Section 151 officer, the Chair and Vice chair of the pension committee. One authority has delegated decision making to the Chief Executive with appropriate advice from officers, another has a COVID-19 special committee and one is currently assessing the options.

Question 3 - If you have experience of conducting virtual meetings, have any of the following issues arisen?



No protocols for running a virtual meeting	7%	6
not all members have access to/are able to use a video link	6%	5
loss of connection during the meeting	5%	4
issues around including or excluding members of the public	3%	3

Note some may have responded to more than option hence this does not add up to 100%

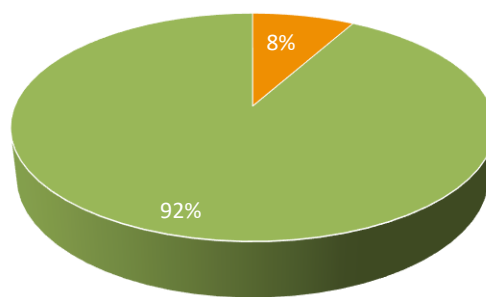
Summary of the comments regarding virtual meetings:

A variety of protocols and practices are emerging with some authorities offering training on attending a virtual meeting. Meetings are being shortened and agendas adapted. One authority shared their tips for holding a successful meeting, these are:

- have an appropriate revised agenda
- set clear rules of engagement
- the Chair should provide clarity as to how meeting is to be conducted at the start
- provide regular opportunities for questions/comments
- ensure agenda items are timed and that presenters stick to them
- summarise issues at the beginning of the meeting so everyone is clear what will be covered
- contact every attendee before the meeting to check they can access the meeting papers and trial dialling in
- open the meeting an hour early so people have capacity to check they can dial in on the day

Question 4 - Has the current situation impacted on your ability to liaise with, manage or monitor your pool company?

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■ Yes ■ No

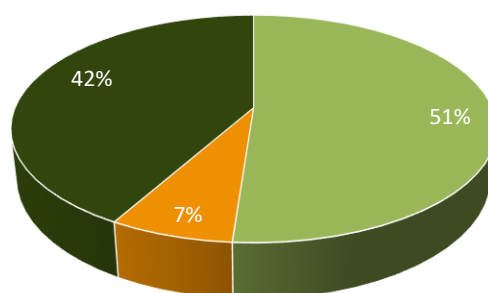
Yes	8%	7
No	92%	76

Summary of the comments regarding current situation:

Some respondents felt that relationships have improved with virtual meetings as the practical issues around meeting face to face are removed. Others felt that face to face meetings provide more opportunity for genuine debate and better support governance and oversight.

Question 5 - Has your authority revisited its risk register in light of the COVID-19 pandemic?

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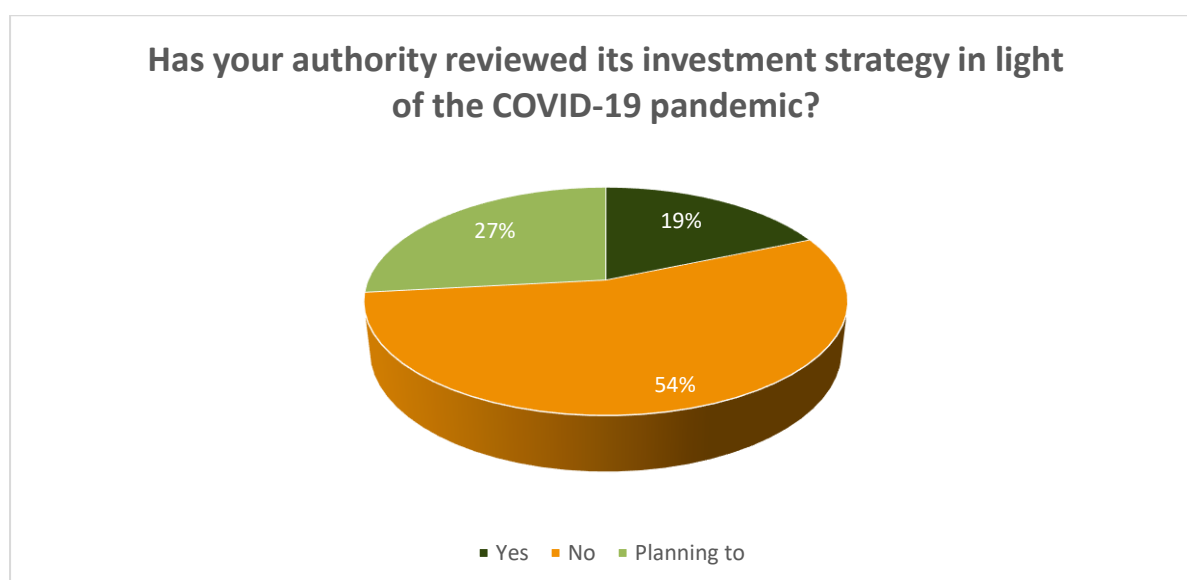
■ Yes ■ No ■ Planning to

Yes	51%	42
No	7%	6
Planning to	42%	35

Summary of the comments:

A significant number of comments were provided – these fell into two camps; firstly, where a specific COVID-19 register has been created and secondly where a specific risk or risks have been added to the existing register.

Some respondents provided information on the specific risks they are considering – these include; loss/deferred contribution income, employers exiting the scheme, reduction in investment income, staff absences, maintaining liquidity to meet projected cash flows, data flow from employers, third party pension administrator delivery and business continuity.

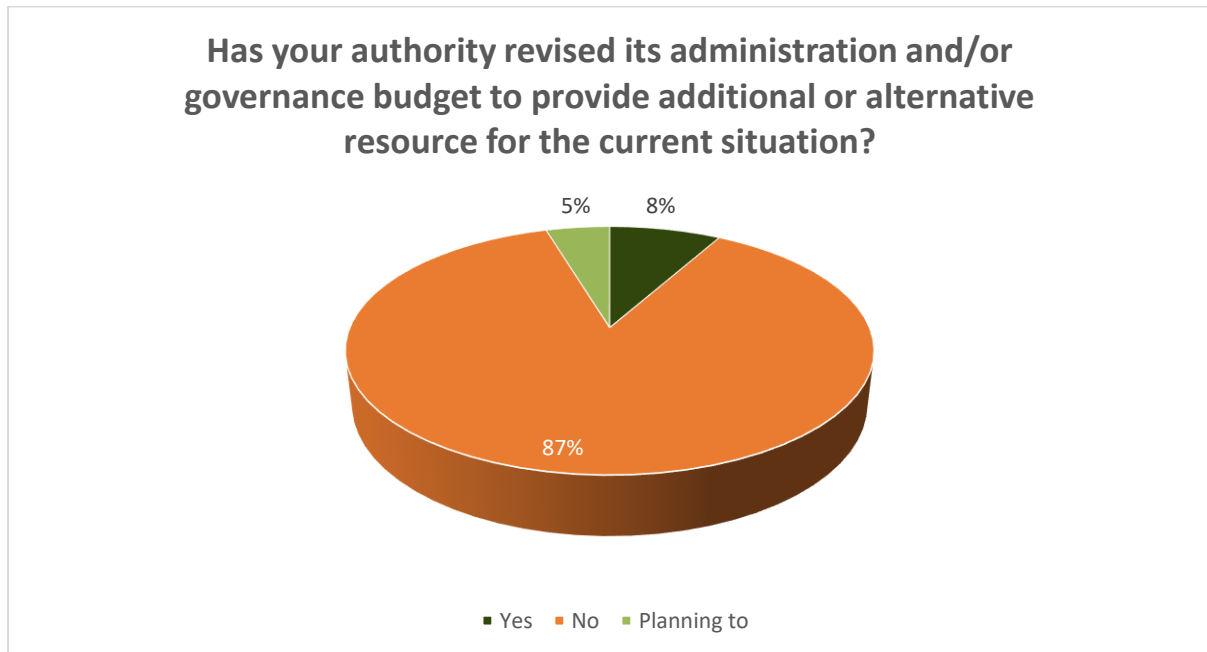
Question 6 - Has your authority reviewed its investment strategy in light of the COVID-19 pandemic?

Yes	19%	16
No	54%	45
Planning to	27%	22

Summary of comments:

In the main, those who have or are planning to revise their investment strategy would have done so anyway, either under regular planned reviews or following the E&W valuation. Some authorities are pausing their planned review whilst markets are still volatile.

Question 7 - Has your authority revised its administration and/or governance budget to provide additional or alternative resource for the current situation?



Yes	8%	7
No	87%	72
Planning to	5%	4

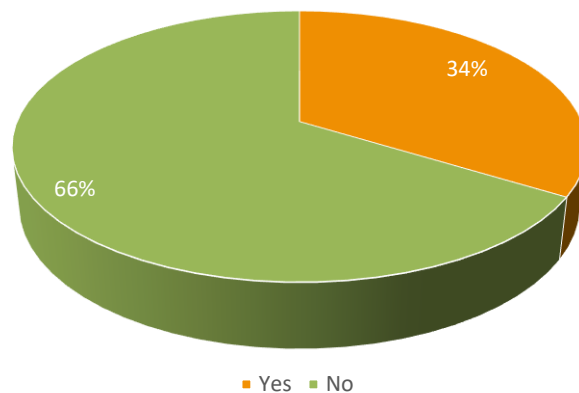
Very few authorities appear to be revising administration and/ or governance budgets to deal with the current situation. However, this may have changed if a more recent ‘live poll’ taken at a PLSA webinar on Monday 18th May which indicated a ‘yes or planning to’ response of nearer 40% is correct.

Summary of comments:

Those authorities that are planning to revise budgets confirmed that they were doing to purchase additional IT and other equipment necessary to enable home working.

Question 8 - Do you have any third-party contracts that are due to finish or renew soon?

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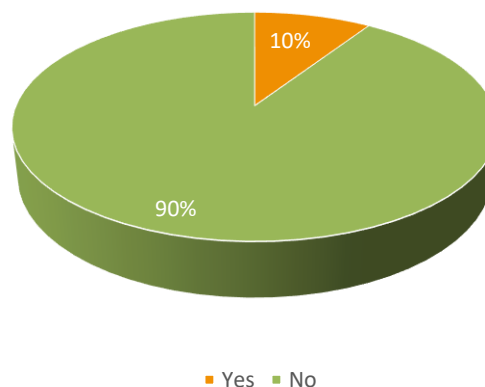
Yes	34%	28
No	66%	55

Summary of comments:

In the main extensions are being utilised where a procurement process is not possible or problems are anticipated. Several authorities are still planning to re-tender using the National LGPS Frameworks and do not anticipate any issues.

Question 9 - Do you have concerns about any third parties your service is reliant on? These could be administration system providers, service providers, consultants, advisers, managers etc

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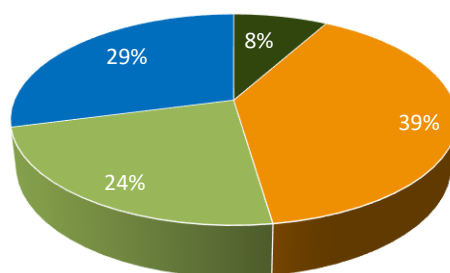
Yes	10%	8
No	90%	75

Summary of comments:

The comments confirmed that the experience has been largely positive. Many have engaged with third party providers and have received assurance about service provision. Where respondents expressed concern, it was around performance level and the ability of the third party to maintain the same level of service provision with remote working.

Question 10 - If you have members affected by the Equitable Life transfer to Utmost Life and Pensions, have you reviewed your advice to them about the suitability of the default fund, and other options, in light of the current market conditions?

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■ Yes ■ No ■ Planning to ■ Not applicable - no members are affected

Yes	8%	7
No	39%	32
Planning to	24%	20
Not applicable - no members are affected	29%	24

Around a third have or are planning to review advice; summary of comments below:

Several authorities confirmed they have written out with the facts of the transfer only and will not be providing advice. Some of those intend to highlight the ongoing market volatility and remind members that their funds are currently being held as cash (until 30 June).

Some authorities have reviewed their advice or are in the processing of doing so with their professional advisers or actuary. One authority commented that the majority of affected members are nearing retirement age so they will be looking to put them into very low risk investments.

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For further information members of the press should contact the Scheme Advisory Board Secretary jeff.houston@local.gov.uk

Further information on COVID-19 issues for LGPS administering authorities can be found at <http://lgpsregs.org/news/covid-19-news-2020.php>