

Minutes

Meeting: Local Pension Board for the Dorset County Pension Fund

Time: **2.00 pm**

Date: **1 October 2025**

Venue: Teams Meeting

Present:

Richard Bates	Chair
David Taylor	Employer Representative
Liz Bishopp	Employer Representative
Jonathan Stiby	Member Representative
Mary O'Sullivan	Member Representative
James Stevens	Member Representative
Jon Bird	Member Representative

Officer Attendance:

David Wilkes	Service Manager for Treasury and Investments
Sean Cremer	Corporate Director Finance & Commercial
Karen Gibson	Service Manager for Pensions
Vince Elliott	Senior Employer Services & Communications Officer

Managers, Advisors and Others Attendance:

None

1. Apologies for Absence and Introductions

1.1. Advance apologies received from:

Adam Richens	Employer Representative
Neal Butterworth	Employer Representative
Andy Canning	Pension Fund Committee Chair

2. Declarations of interest

2.1. None

3. Minutes and matters arising from previous meeting

3.1. The minutes from the [23 July 2025](#) board meeting were approved as a true and fair record.

4. Papers from the Pension Fund Committee

Items on the agenda of the Pension Fund Committee meeting held on 9 September 2025 were reviewed: [Pension Fund Committee Meeting 9 September 2025](#)

It was noted that the Pension Fund Committee meetings can now be viewed live, or a

recording watched later, on [YouTube](#).

4.1. Questions from the Public

- 4.1.1. A member of the public asked Dorset Council Pension Fund Committee (DCPF) to comply with international law by ending procurement contracts with all companies complicit in Israel's violations of international law and human rights against Palestinians.
- 4.1.2. The Committee responded by saying that DCPF does not directly own shares in any individual companies involved with Israel. Instead, it owns units in investment vehicles which in turn own shares in individual companies and give the pension fund a highly diversified investment portfolio with exposure to nearly 3,000 companies. Current advice suggests DCPF are not acting illegally through these investments, but the concerns raised are a matter for all LGPS administering authorities and further advice is being sought from central government and the LGPS Scheme Advisory Board (SAB).
- 4.1.3. The Board Chair noted that another fund has decided to consult with their membership on this issue. The Service Manager for Treasury and Investments said that it will be interesting to see the result of this, and it may be something that DCPF will be considering in respect of non-financial factors, but the challenges would be in gauging support, given that the number of responses is often small, and to also avoid leading questions.

4.2. LGPS Investment Pooling Update

- 4.2.1. Dorset Council and the other administering authorities in the Brunel Pension Partnership investment pool had been directed by the Government to make a "decision in principle" by 30 September 2025 as to which of the other LGPS investment pools they wished to work with.
- 4.2.2. The Committee was asked to endorse the officer recommendations that Local Pension Partnership Investments (LPPI) is the preferred pool Dorset wishes to work with. To make the decision senior Dorset officers and Committee members worked collectively with other Brunel funds over several months. KPMG were engaged to provide analysis of the options available, and Mercer Investment Consultants also advised on due diligence in terms of other pooling options.
- 4.2.3. A Member Representative asked whether this would involve selling investments in Brunel and reinvesting them. The Service Manager for Treasury and Investments said that although nothing has been decided, this certainly would not be the case before 1 April 2026. Conversations are now taking place in terms of how this is going to work going forward.

4.3. Pension Fund Investments

The quarterly report on the value and performance of the Pension Fund's investments.

- 4.3.1. The estimated value of the pension fund's assets at 30 June 2025 was just over £4.2bn. The total return from the pension fund's investments over the quarter to 30 June 2025 was 3.6%, compared to the combined benchmark return of 3.7%. The total return for the year to 30 June 2025 was 7.3%

compared to the benchmark return of 9.1%.

- 4.3.2. Markets continued to see high levels of volatility over the quarter to 30 June 2025. This was largely driven by uncertainty around the US trade tariffs.
- 4.3.3. A Member Representative asked, as the triennial valuation is underway, whether there is a feeling that the funding level will be greater than the 96% it is at present. The Service Manager for Treasury and Investments said that it is expected to be getting closer to 100%, possibly 1 or 2% below. We are expecting to be in the position where there may be some gradual reductions in employer contribution rates, however, given the number of employers in the fund, that may not be the case for all employers. The bottom line is that the fund is in a better position now than it was three years ago

5. LGPS Administration - Key Performance Indicators (KPIs)

- 5.1. [KPI Report May to July 2025](#). Despite an extremely busy quarter, performance against KPIs was good. Compared to the previous period, there was an increase of 43% in completed processes. This was mainly due to the work that comes in from the end of year processes.
- 5.2. A Member Representative asked why there was a drop in the number of McCloud cases. The Service Manager for Pensions said this was because we are towards the end of the McCloud data updates and less cases are coming in.

6. Annual Benefit Statements 2025

- 6.1. The Annual Benefit Illustrations (ABIs) for both active and deferred members have been issued. 22,570 deferred benefit illustrations were issued on 16 July 2025, and 23,103 active benefit illustrations were issued on 21 August 2024. An online version of the ABI has been available to view on the member portal since 21 July 2025.
- 6.2. The annual newsletter was also sent out with the active ABI which contained essential updates and key messages for members. This year it included information on ill health retirements as people don't always know about this. There was also a reminder for members to check that their death grant nominations are up to date.
- 6.3. The issuing of these ABIs is a particularly important statutory requirement for the fund. It also serves several important functions that benefit the fund as members are able to check the pay data provided by the employer and that essential data requirements, such as address and marital status, are up to date and correct.
- 6.4. Both the ABIs and newsletter are well received by members. As an example, the newsletter included details on training sessions specifically set up to help members understand their ABI. These sessions were quickly oversubscribed and over 400 members attended the ABI training online in a short space of time. That tells us that people were reading the information that went out with the statement and that they were interested to know a bit more.
- 6.5. We want people to use the online portal as much as possible and visits to the site dramatically increase after the issuing of the ABIs. Often members are updating their address, their marital status or their nomination, but there is also a huge increase in people running estimates.

6.6. A Member Representative asked whether DCPF are unusual in sending out ABIs by Post. The Service Manager for Pensions said that there is a mix with some funds just providing them online. There is an important consideration in that with the demographics of the LGPS, unlike other public sector schemes, we have a lot of people working in very different environments where it's harder to engage with things that arrive by e-mail. We also find not everybody has the skills to go online to look at things and say they don't want to go on the portal.

7. Data Quality Results 2025 and Data Quality Report

7.1. Each year, the quality of our data is reviewed and measured in accordance with guidance set out by the Pensions Regulator. This serves two main purposes. Firstly, it feeds into the future year's data improvement plan, and secondly it provides the Data Quality scores for the Dorset County Pension Fund which must be reported to The Pensions Regulator each year and recorded in the Fund's Annual Report.

7.2. **Common Data** – this is the reporting of items applicable to all pension schemes, for example a correct address, date commenced, name, national insurance number etc. The overall score of tests passed for common data held was 99.67%, the score for the previous year was 99.65%.

7.3. **Scheme Specific Data** (also known as 'Conditional' data) – this is the data specific to the LGPS. This includes items such as the presence of CARE data, member benefits and GMP data where it applies. The overall score for scheme specific data was 95.89%, a slight increase on the previous year's score of 95.30%.

7.4. This illustrates the excellent standard of data for the fund and the continued hard work of the team to ensure records are accurate and current. We rely on employers providing regular and accurate data, and we put a significant resource into supporting employers and ensuring accuracy of monthly and annual data submissions.

7.5. A Member Representative asked why in the Validation Test Criteria is the benchmark set at 90% for many items. The Service Manager for Pensions said that this is part of the Civica report so can't be changed, but our own benchmarks were discussed and were set at 95% and 99% as putting 100% would be unrealistic.

7.6. A Member Representative asked why some things are described as gender in one place and sex in another place and whether that a problem. The Service Manager for Pensions said that we are so used to using the term 'gender specific', but recently things have changed. In terms of pension benefits, they are specific to the sex of the person and that can't change as that is embedded in the regulations. However, we are more than happy for anyone to have the title and the name that they want to use.

Action: The Service Manager for Pensions will look at Civica's report to see if they are relating to different things, or not.

7.7. A Member Representative noted that GMP scores were slightly lower. The Service Manager for Pensions said that this related to contracting out which ended a long time ago. This is an example where the data checks are expecting to see something, but not all members that contracted out would have a GMP, so that is OK. It's a similar case with NI numbers. The checks expect all entries to have an

NI number, but somebody under 16 receiving a child's pension won't have one.

- 7.8. A Member Representative asked whether employer penalties are making a difference. The Service Manager for Pensions said the fund's administration strategy sets out expectations for employers and the financial penalties if they default. Until recently we didn't impose any financial penalties, but we've made huge efforts to use our administration strategy as it's designed and to impose financial penalties on employers that have failed in what they're doing. This is making a big difference as it makes employers engage, it makes them change and not want to have that charge next year. This year we had the largest financial penalties that we've ever issued, and it was mostly due to schools outsourcing their payroll. Most employers will pass on these charges to the payroll company, and many employers have moved to new payroll providers due to poor service.

8. Valuation 2025

- 8.1. Since the completion of the end of year processes, we have been working towards providing the actuaries with the 2025 valuation data. We managed to get everything in on time, which was a bit of a struggle this year. There had been some initial delays due to third parties, including Civica, which meant we were not able to use the new valuation extract, which included McCloud and underpin data, due to errors we identified within the report. As a result, the actuaries will estimate the McCloud impacts as they did in 2022.
- 8.2. As part of the work required to finalise data, the team have cleared over 12,000 validation checks within two weeks. Each check needs to be individually reviewed, and will include data from active, deferred, pensioner and dependant members. This was followed by a further 2,000 checks, mainly concerning payroll data.
- 8.3. The result of this work is that we'll be able to give our employers their contribution rates as early as we possibly can.

9. Pensions Dashboard Update

- 9.1. We have completed phase 1 of the implementation, this included testing for the data extract and upload of member data. This means that we are now connected to the dashboard, although this isn't currently live, and the team are currently being trained in terms of uploading the files.
- 9.2. The next plan is to approach Dorset IT to get an automated extract done on a daily basis. It will be a case of monitoring what is done, even though it's not live to the public, so that it's functioning as well as it can be when it goes live
- 9.3. We are also working with our AVC providers to ensure all data consistency. As an authority we could choose to upload our AVC provider's data, but we didn't want to do that. We didn't want the responsibility, and we don't want queries for the AVC providers coming to us. Instead, we have agreed the multi-source option with our main AVC provider, the Prudential, meaning the AVC provider must connect to the dashboard via their own ISP and display their data separately.

10. McCloud Update

- 10.1. A letter has been sent to 15,910 members who are not in scope for the McCloud remedy to ask for details of any previous non LGPS public service employments that may entitle the member to be in scope within the LGPS Dorset Fund. A large number of queries and responses were received, and we are updating our records

to ensure everyone with an entitlement is marked as in scope.

- 10.2. The 'business as usual' software is in place and working, so if we're doing retirements or deferred benefits, for example, it is calculating any underpin well.
- 10.3. The big problem is that we have not started the rectification work, as we do not yet have the software to do it. The rectification work will be a huge project involving revisiting tasks that have been completed since 2014 (retirements, deaths, transfers. etc.). Errors have been found while testing the software, which have been reported back to Civica. It's now looking like we won't have this until the beginning of November. This is a frustrating as funds with other software providers have already completed this work, and we are concerned that Civica won't be able to provide us with necessary changes to our software relating to new regulations that are due to come in later this year.
- 10.4. An Employer Representative asked whether in terms of the risk, other than the financial risk and the reputational damage by not complying to the time scales, are there any other risks that the board needs to be aware of. The Service Manager for Pensions said we need to think about whether we can take legal action against them for breach of contract, as in the contract regulatory updates need to be delivered within a reasonable time frame. But aside from the impact on the teams due to the volume of work, ultimately there's not many members that are going to get some financial benefit from this compared to other public sector schemes.

11. Changes to Independent Disputes Resolution Procedure (IDRP) Policy

- 11.1. Changes are being made to Dorset Count Pension Fund's IDRP policy. These haven't been finalised but will give more flexibility around officers that can act as stage 1 or stage 2 persons for any IDRP case. It had been highlighted that in the currently policy there could be instances where the person designated at stage 1 and stage 2 would be the same person, which cannot happen.
- 11.2. The changes will be communicated in due course

12. Overseas Existence Checks

- 12.1. The Fund is currently undertaking a new overseas existence check. This relates to pensioners that are living overseas and is about fraud and making sure that we are paying a pension to the right person and that they are still alive. Unlike in the UK where we have a register of deaths, there is not one for overseas residents.
- 12.2. This check is carried out every 3 years. Previously we used Western Union to carry out these checks, but this year we have used Target Professional Services, who also provide our monthly UK mortality checks. The new company offers more flexibility in terms of how pensioners can go through the existence check.
- 12.3. Letters have gone out, information has been put on our website, and information was included in the pay slip that went out to pensioners in April to say this will be happening later in the year.
- 12.4. A Member Representative asked whether the check finds many cases where the person has died and the pension is still in payment. The Service Manager for Pensions said it does occur and the last time we saved more in pension than the cost of the exercise. If a member does not respond to the existence check, then the pension will be stopped. This will then prompt them to get in touch if they are still alive.

13. Risk Register

The regular review of Dorset County Pension Fund's risk register.

- 13.1. There were two changes to existing risks. One relates to the Pensions Dashboard Programme and was to highlight that the fund's ISP will be Heywood and that we will be compliant with the October 2025 deadline.
- 13.2. The other relates to pensioner payroll migration. Dorset Council are tendering for a new payroll software provider. This is highlighted as a risk because at this stage we don't know whether Dorset Council will be able to continue providing payroll services to us.

14. Any Other Business

- 14.1. The LGPS Governance Conference 2026 will take place on 29 and 30 January 2026 in Cardiff. Bookings can now be made for in-person or on-line attendance. Details will be circulated to board members and anyone that wishes to attend should inform the Senior Employer Services & Communications Officer.
- 14.2. Mary O'Sullivan, Member Representative, announced her resignation from the Board with immediate effect and explained her reasons for the decision.

15. Meeting closed at 3:50

16. Date of Next Meeting – 7 January 2026 (2.00 pm)

Details of the Local Pension Board and past meetings can be found [here](#).