

# Minutes

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Meeting: Local Pension Board for the Dorset County Pension Fund

Time: **2.00 pm**

Date: **23 July 2025**

Venue: Teams Meeting

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**Present:**

Richard Bates	Chair
Adam Richens	Employer Representative
Neal Butterworth	Employer Representative
David Taylor	Employer Representative
Jonathan Stibby	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:**

Andy Canning	Pension Fund Committee Chair
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## 1. Apologies for Absence and Introductions

1.1. Advance apologies received from:

- Mary O'Sullivan Member Representative
- James Stevens Member Representative
- John Bird Member Representative
- Liz Bishopp Employer Representative

## 2. Declarations of interest

2.1. None

## 3. Minutes and matters arising from previous meeting

- 3.1. The minutes from the [26 March 2025](#) meeting were approved as a true and fair record.
- 3.2. The Service Manager for Pensions provided an update on late payments, confirming alignment with other Southwest Funds and outlining the rare use of interim payments of standard lump sums in exceptional circumstances.
- 3.3. Ahead of the meeting, a Member Representative had provided positive feedback on the Fund's good payment performance, which was noted for inclusion.

#### **4. Papers from the Pension Fund Committee**

Items on the agenda of the Pension Fund Committee meeting held on 24 June 2025 were reviewed: [Pension Fund Committee Meeting 24 June 2025](#)

It was noted that the Pension Fund Committee meetings can now be viewed live, or a recording watched later, on [YouTube](#).

##### **4.1. Pension Fund Committee Membership Changes**

- 4.1.1. Cllr. Patrick Canavan replaced Cllr. John Beesley (representing BCP Council) and Cllr. Steve Murcer replaced Cllr. Gary Suttle (representing Dorset Council).

##### **4.2. Questions from the Public**

- 4.2.1. A deputation from the Dorset Palestine Solidarity Campaign requested divestment from companies linked to military actions in Gaza. The meeting was emotionally charged and briefly adjourned due to disruptions.
- 4.2.2. The response from the Committee stated that their primary duty to our scheme members and their employers is to ensure that their contributions to the pension fund are invested appropriately to make returns sufficient to pay pensions when they fall due whilst minimising the need for additional contributions in the future.

The Committee can, however, make decisions for non-financial reasons if they are satisfied that two conditions are met – (1) that there is no risk of significant financial detriment to the pension fund and (2) that it would have the support of the scheme beneficiaries. The Committee therefore agreed to investigate further the financial implications of divestment from companies engaged in the activities identified in the deputation and to investigate the costs and benefits of a survey of scheme members' views on non-financial factors as part of the next review of the Investment Strategy Statement following the conclusion of the triennial actuarial valuation

##### **4.3. Draft Pension Fund Accounts and Independent Auditors Plan 2024/25**

- 4.3.1. The 2024/25 accounts and audit plan was shared with the Committee.
- 4.3.2. The Service Manager for Treasury and Investments said it was pleasing to get back on track in terms of only having one year's worth of accounts on our radar, rather than having 3 at various stages of audit, although challenges remain due to the large number of employers and external audit queries.

##### **4.4. Pension Fund Investments**

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

- 4.4.1. The estimated value of the pension fund's assets at 31 March 2025 was £4,071m compared to £3,918m at the start of the financial year, an increase of £153m.

- 4.4.2. Markets saw high levels of volatility over the quarter, much of which was driven by what has been happening in the USA in terms of tariffs.
- 4.4.3. A letter had been received from the government to all the administering authorities within the Brunel Pension Partnership, saying that they have got to find another pool to work with and make a decision in principle by 30 September 2025.

## 5. LGPS Administration - Key Performance Indicators (KPIs)

- 5.1. Performance against KPIs for the period February to April continued to be good.

## 6. LGPS Administration – End of Year Processes 2025

- 6.1. The end of year processes for 2025 are now complete. This is a huge task and critical to the posting of annual CARE pension, the provision of annual benefit statements, the valuation process and data, the calculation of annual allowance, pension dashboard readiness and the maintenance of accurate data.
- 6.2. Key statistics:

	2023	2024	2025
Total number of returns processed	163	165	163
Total number of queries	5727	5868	4956
Number of late returns	5	8	11
Number of employers with financial penalties	41	50	34
Total financial penalties (£)	£23,850.00	£43,750.00	£130,050.00
Total CARE pay posted (£)	£502,135,219.86	£546,889,670.80	£573,362,363.97

Gender	Average CARE Pay Posted
Female	£16,745.06
Male	£25,505.59

Total Members Posted	30,353
Total Members Left During Year	6,438

- 6.3. An Employer Representative noted that the number of late returns has risen and asked if there was anything the Pension Fund or Board could do to improve that.

The Service Manager for Pensions said it's important to understand how difficult this can be for employers and for us to manage our employers. This is about employer engagement and getting employers to understand the importance of what they do and meeting their responsibilities under the LGPS. The Pensions Regulator doesn't deal directly with employer poor performance, but instead the administering authorities can deal with poor performance via their Administration Strategy, which allows the issuing of financial penalties. Where our employers default, they receive a financial penalty. We had many years where we didn't issue financial penalties, and it was just a constant struggle to engage with some employers.

- 6.4. In the last year our Pensions Administration Strategy has been reviewed, updated and amended which has led to the increased penalty charges. The vast majority of

the financial penalties have been incurred by schools or academies with outsourced payroll provision.

- 6.5. An Employer Representative asked what happens to the money received from the penalty charges. The Service Manager for Pensions said it goes into the pension fund and in part helps to pay for the additional administration costs caused by these failings.

## **7. MHCLG LGPS Regulations Consultation – Access and Fairness**

- 7.1. The Ministry of Housing, Communities & Local Government, (MHCLG) has launched a [consultation on proposed new regulations](#) for the LGPS in England and Wales. The consultation focuses on equal access to the scheme and its benefits.
- 7.2. The consultation is quite large in scope, including the equalisation of survivor pension entitlements, age 75 death grant cap, gender pension gap, forfeiture, unpaid leave and the McCloud remedy.
- 7.3. Dorset County Pension Fund has contributed data and feedback to the consultation. There are several things in this consultation that affect employers. We have highlighted this at our employer meetings and in our monthly employer newsletters and have encouraged employers to respond to the consultation.
- 7.4. The case of unpaid maternity leave in particular has been highlighted as discriminatory as it mostly affects women and buying back lost pension costs more than if paying normal pension contributions.
- 7.5. An Employer Representative asked whether forfeiture was just restricted to theft or could changes expose individuals to greater chance of forfeiture than there is currently. The Service Manager for Pensions said that is possible as the regulations are brief, restrictive and not helpful. It is proposed that guidance would be issued to assist employers.
- 7.6. The Corporate Director Finance & Commercial commented that the Service Manager for Pensions is doing great work contributing to much of this equality work. And the changes being considered will hopefully make a big impact to the relatively small number of staff affected by many of these restorations of pension benefits.

## **8. Fit for the Future – Governance Requirements**

- 8.1. The Government's recent '[Fit for the Future](#)' consultation included a number of proposals relating to LGPS fund governance. These requirements were set out several years ago in the final report and action plan from the [SAB's Good Governance report](#). This includes requirements for:
- Governance, training strategy and knowledge and skills
  - Administering Authorities to appoint a Senior LGPS Officer
  - Developing and publishing an Administration Strategy
  - Making the Annual Report more accessible and transparent
  - Appointing an independent committee advisor
- 8.2. In respect of governance, knowledge and skills requirements for Board members do not exist for Committee members, so it is planned to address gaps in knowledge and skills for committee members, and for Administering Authorities to publish a governance and training strategy.

## **9. Pensions Dashboard Update**

- 9.1. The Fund has appointed Aquilla Heywood for its ISP provision, and work has commenced on preparations for connection. This will be achieved by the deadline of 31 October 2025. Our current software provider was not chosen for this project due to delays over the McCloud software. A lot of work has been carried out in terms of testing, data cleansing and working with this new ISP provider to ensure that things will run smoothly.
- 9.2. Phase One of the implementation has been completed which involved acceptance testing for the data extract. Phase Two commences on 8 September 2025, which means that we should be able to connect well ahead of the 31 October deadline. However, the dashboard will not go live to the public until much later, possibly two years.

## **10. McCloud Update**

- 10.1. Progress is being made with the software. A lot of the business-as-usual software is running smoothly and is in place.
- 10.2. We are struggling with the retrospective work to revisit 2014 calculations. There is a deadline of 31 August 2025, but we cannot make that as the software has not been delivered. The software to start that work is not expected until the beginning of September. This means that huge amounts of testing will need to be done at the same time as the valuation work.
- 10.3. The Board was made aware that the Fund will not be able to include underpin information in the 2024/25 annual benefit statements. The Government has acknowledged that Funds may be in this position, having recognised the scope and technical challenges. This will be postponed until 2026. A statement explaining this will be included in the 2024/25 annual benefit statements.

## **11. Business Continuity Plan**

- 11.1. Due to recent cyber-attack attempts, there's been high security alerts in Dorset Council. We haven't been subject to an actual cyber-attack, but Dorset Council have been aware of ongoing attempts.

For that reason, Dorset Council took action to tighten up security to prevent any possible attack and as a result there were impacts to Dorset County Pension Fund. Our employer portal was closed which effectively meant work couldn't be submitted by employers. At one point it affected our administration system and our member portal.

- 11.2. The employer portal was only down for just over a day, so wasn't a problem. Our systems are working, and access to the portals is fine apart from anyone trying to access them from overseas. It is possible that Members won't be able to access the Member Portal from overseas for a while, but that's not going to impact people hugely.
- 11.3. The biggest potential impact is with the employer portal. This event highlighted that had the employer portal been down for a longer period, it would have caused significant issues as we rely on this portal for our work and our business.

- 11.4. We had to review our processes to make sure that we have alternative methods for employers to notify us of urgent matters such as retirements and deaths. It also highlighted communication issues between Dorset Council IT and us. We weren't getting a lot of information from them although they were obviously working hard to rectify the issue and deal with a very serious situation. So going forward we will be updating our business continuity plan.

## **12. Risk Register**

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

- 12.1. A new item has been added to the risk register to take into account a possible loss of service due to an incident such as a cyber-attack.

## **13. Any Other Business**

- 13.1. Board members were reminded to record any training activities undertaken in their training log, and to provide this information to the Senior Employer Services & Communications Officer.
- 13.2. The LGPS Governance Conference 2026 will take place on 29 and 30 January 2026 in Cardiff. Board members will be informed when bookings can be made.

## **14. Meeting closed at 3:30**

## **15. Date of Next Meeting – 1 October 2025 (2.00 pm)**

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