

PENSION FUND COMMITTEE – 9 JUNE 2023

REPORT OF THE PENSION BOARD

Report by the Independent Chairman of the Pension Board

RECOMMENDATION

The Committee is RECOMMENDED to note the comments of the Board as set out below,

Introduction

1. This report is part of the process by which the Local Pension Board works with the Committee in fulfilling its duty to support the work of the Committee and ensure that the Committee delivers its responsibilities in line with the regulatory framework. The report covers the key issues discussed by the Board and any matters that the Board wishes to draw to the attention of the Committee.
2. This report reflects the discussions of the Board members at their meeting on 5 May 2023. The virtual meeting was attended by Matthew Trebilcock as the independent Chairman, and the four voting members of the Board, including Liz Hayden who was attending her first meeting following her recent appointment as a new scheme member representative. Cllr John Howson in place of Cllr Bob Johnston who had sent his apologies, to maintain the link to the work of the Pension Fund Committee.

Matters Discussed and those the Board wished to bring to the Committee's Attention

3. The Board received a follow-up report from the Governance and Communications Manager, and the Communications Officer on the implementation plan to the approach to engagement with scheme members. This followed on from their discussions in January which agreed the approach, which was subsequently endorsed by the last meeting of this Committee alongside the updated Communication Policy. The Board endorsed the implementation plan and asked to be kept regularly informed of progress.
4. As part of their discussion on scheme member engagement, the Board raised the issue of consulting scheme members on the Fund's investments. It was noted by the Independent Chairman and the Officers that it was very difficult to get meaningful engagement with scheme members on such a complex issue, but it was agreed to consider the issue further.

5. The Board then considered several of reports as presented to the last meeting of the Pension Committee. These were the review of the Annual Business Plan, the Risk Register, the Administration report, the report on Cyber Security and the review of the Strategic Asset Allocation.
6. As part of the detailed discussion amongst the Board members on the Administration Report they recommended the Committee to ask officers to develop the performance reporting to make greater use of graphical presentations and trend analysis which they felt would provide greater transparency on the issues that may require Committee attention.
7. The Board also recommended the Committee to consider the costs of managing the various portfolios being considered as alternatives to the current UK active equity allocation, and the impact of these costs on the net performance of the portfolios.

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Independent Chairman of the Pension Board

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May 2023