

DRAFT

LOCAL PENSION BOARD

MINUTES of the meeting held on Friday, 23 April 2021 commencing at 10.30 am and finishing at 12.30 pm

Present:

Voting Members: Matthew Trebilcock – in the Chair

Alistair Bastin
Stephen Davis
Councillor Bob Johnston
Angela Priestley-Gibbins
Sarah Pritchard

By Invitation: Ian Colvin and Andrew McKerns from Hymans
Robertson LLP

Officers:

Whole of meeting Sean Collins, Service Manager Pensions Insurance and Money Management; Sally Fox, Pension Services Manager; Colm Ó Caomhánaigh, Committee Officer

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

13/21 APOLOGIES FOR ABSENCE

(Agenda No. 2)

Sean Collins reported that Lisa Hughes had resigned from the Board for personal reasons. He had thanked her for her work on the Board. Members of the Board agreed that she had been a very active participant in their discussions and would be missed.

14/21 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE OPPOSITE

(Agenda No. 3)

There were no declarations of interest.

15/21 MINUTES

(Agenda No. 5)

The minutes of the meeting held on 22 January 2021 were approved.

16/21 UNCONFIRMED MINUTES OF THE PENSION FUND COMMITTEE - 5 MARCH 2021

(Agenda No. 6)

The meeting had before it the draft minutes of the last Pension Fund Committee meeting for consideration. Members who had attended the meeting confirmed that the draft minutes were an accurate record in their view and noted that the presentation by David Vickers of Brunel had been very impressive.

Sean Collins responded to questions on the resignation of Peter Davies as Independent Financial Adviser. He stated that Peter Davies was continuing to work on an ad hoc basis and that he hoped an appointment would be made before the June Committee meeting.

17/21 GOVERNANCE REVIEW

(Agenda No. 7)

The Board had been invited to consider the Governance Review which was presented to the March meeting of the Pension Fund Committee. Council subsequently had agreed to the proposed amendments to the Constitution as set out in the proposal from Hymans Robertson.

The Board had been invited to offer any comments on the process to fill the representative places on the new Pension Fund Committee and to offer any comments in respect of the other recommendations of the Hymans Robertson report, so that these can be taken into account when the Committee further considers the findings at their June meeting.

Ian Colvin, Head of Public Sector Consultancy and Governance at Hymans Robertson LLP, gave a presentation summarising the report. The Chairman suggested that the meeting discuss each of the recommendations in turn.

Recommendation 2

Sean Collins confirmed that this recommendation had been agreed by the Pension Fund Committee and had been adopted by Full Council.

Members discussed the number of places allocated to county councillors as well as city and district councillors and possible difficulties in reflecting political proportionality. Sean Collins responded that whatever number one chose, there was potential for problems in certain scenarios. He noted that the five city and district councils had no problem selecting just two representatives. The Chairman added that political proportionality was a requirement since it was a statutory committee.

Sean Collins asked if Members wanted to reconsider the make-up of the Board now that the membership of the Pension Fund Committee had been broadened. He recalled that they had previously targeted the academy sector but that they were now going to have representation on the Committee.

It was suggested that Members attend the June meeting of the Pension Fund Committee in order to introduce themselves to the new Committee members.

However, it was noted that the meeting would have to take place physically, not virtually, and due to social distancing requirements, there would be limited space at the meeting. It was agreed though that it would be beneficial to have at least one Member attend the Committee meeting.

Sean Collins stated that he would initiate recruitment for both the Board and Committee and let people know that there were vacancies on both. If there are more people interested than the places available, they will take into account the current membership and aim to balance the representation of different sectors.

Recommendation 1

Agreed.

Recommendation 3

Members supported the proposal to review the Terms of Reference of the Board and the Committee. It was agreed that greater clarity on communication between the two bodies would be helpful. In particular, they agreed that it would be beneficial to have a member of the Committee attend Board meetings in the same way that a member of the Board attends Committee meetings.

Recommendation 4

Agreed.

Recommendation 5

The criticism was raised that the Board had no opportunity to input into decisions of the Committee because there was no time for the Board to meet between the publication of the committee's agenda and the meeting. Others responded that individual Board members could make representations through Committee members but that the role of the Board was to scrutinise decisions after they were made and not to lead the Committee in its decision-making.

It was noted that the new composition of the Committee could lead to a new relationship with the Board. It was agreed to review the relationship after six months.

Recommendations 6, 7, 8 and 9

Agreed

Recommendation 10

Sean Collins emphasised that this was about a more formal approach to training and assessment that would include the power to remove somebody if they were not properly engaging. The recommendation was agreed.

Sean Collins agreed to take the report to the June Committee meeting back to the Board for further discussion.

18/21 REVIEW OF THE ANNUAL BUSINESS PLAN

(Agenda No. 8)

The Board was invited to review the latest position against the Annual Business Plan for 2020/21 as considered by the Pension Fund Committee at their meeting on 5 March 2021, and to comment on the Business Plan agreed for 2021/22.

Sean Collins noted that the objectives for 2021/22 largely followed on from 2020/21. The objectives on climate change were always going to take more than one year to achieve.

Members asked if in future the Green, Amber, Red indicators could also be flagged by text so that it is clear for those who cannot see the colours.

Sean Collins stated that an update will go to the Pension Fund Committee every quarter. Work was ongoing on improving the presentation and ensuring that it was clearly linked to the risk register.

19/21 RISK REGISTER

(Agenda No. 9)

The Board had been invited to review the latest risk register as considered by the Pension Fund Committee on 5 March 2021 offer any further views back to the Committee.

The report was introduced by Sean Collins. There were no red indicators. There had been one in the last report related to the exit cap but that had been removed by the government. The outcomes of the February 2021 review had been reflected in the report.

The report was noted.

20/21 ADMINISTRATION REPORT

(Agenda No. 10)

The Board had been invited to review the latest Administration Report as presented to the Pension Fund Committee on 5 March 2021, including the latest performance statistics for the Service.

Asked about the McCloud judgement, Sally Fox responded that the data received for employers was being examined by the Systems Team to identify any gaps. They will then be sent to the Employer Team who will set out a plan to contact employers who are affected to get that information. Scheme employers had been alerted to the situation.

On staffing, Sally Fox reported that she had several vacancies and four new staff on training. The more experienced team members were being distributed thinly in order to support the less experienced.

The report was noted.

21/21 ITEMS TO INCLUDE IN REPORT TO THE PENSION FUND COMMITTEE

(Agenda No. 11)

It was agreed that the key points to feedback to the Committee on the Governance Review were as follows:

- To notify the Committee of the vacancy on the Board and the process for recruitment.
- The suggestion to have a Committee member attend each Board meeting.
- The Terms of Reference review should clarify the roles, relationships and communications between the Board and Committee.
- The importance of training and assessment.
- The suggestion to review the relationship after six months.

22/21 ITEMS TO BE INCLUDED IN THE AGENDA FOR THE NEXT BOARD MEETING

(Agenda No. 12)

The Committee discussed possible items for the next agenda. The Chairman noted that they would receive another report on the Governance Review following the Pension Fund Committee meeting.

It had already been agreed to provide a report on investment performance and costs for the July meeting. Sean Collins agreed to include a comparison of fees over the last three years.

..... in the Chair

Date of signing