

PENSION BOARD

MINUTES of the meeting of the Pension Board, held on Friday 22 April 2016 at 10.00 am in the Cabinet Suite - Shire Hall, Gloucester.

PRESENT:

Sean Collins
Cllr Nigel Moor
Owen Shaw

Jon Topping
Kate Walton

17. APOLOGIES

There were no apologies at the meeting.

18. DECLARATIONS OF INTEREST

No declarations of interest were made at the meeting.

19. MINUTES OF THE PREVIOUS MEETING

The minutes of the board meeting held on 23 October 2015 were agreed and signed as a correct record of that meeting.

Board member, Owen Shaw, reaffirmed his retirement as Head of Human Resources at Cirencester College. Members noted that Owen's attendance at future meetings would be as a 'member' representative of the Pension Board, and not as an 'employee representative'.

At the request of board members, it was agreed a 'summary of actions sheet' would be circulated with the minutes of future meetings. **Action by – Jo Moore**

20. UPDATE REGARDING ANNUAL BENEFIT STATEMENTS

Head of Pension Fund, Mark Spilsbury, gave an update on the production and distribution of the Annual Benefits Statements 2015/16. Noting member's concerns from the previous meeting, Mark informed members that significant steps had been taken to ensure employer information was provided on time, and of the importance of communicating this requirement to those concerned.

Requesting an update on the employers who had not, as yet, sent in their returns, members welcomed the new approach and urged officers to consider imposing charges on late returns to reflect additional costs. Officers were requested to notify employers of this intention.

Action by – Mark Spilsbury

21. BREACHES POLICY

Head of Pension Fund, Mark Spilsbury, referred to the legal requirement for members of the Pension Committee and Pension Board to report significant breaches of the law to the Pensions Regulator.

Formal training of the procedures for the reporting of breaches to be given to the Pension Committee and Pension Board on 27 April 2016. The policy to be introduced after the training session.

In adherence to this requirement, officers produced a Breaches Policy Guideline, setting out the necessary framework from which to identify, manage, and where necessary, report any breaches of law. Examples of potential breaches were noted at Appendix A of the report.

Members requested that the Director of Strategic Finance advise the Chairman of the Pension Committee of potential or retrospective breaches of policy, and to inform the Pension Board of this position. It was suggested the request be inserted in the policy guidelines, and this was agreed.

Action by – Mark Spilsbury

22. KEY PERFORMANCE INDICATORS

Head of Pension Fund, Graham Burrow, outlined the Key Performance Indicators developed and piloted by the national Local Government Pension Scheme (LGPS) Advisory Board to monitor the management and performance of local authority pension funds.

Graham informed members that there had been no official confirmation from the Pension Scheme Advisory Board that the performance indicators had become mandatory. Pending notification of this instruction, it was suggested the Gloucestershire Pension Fund continue to monitor performance based on the principles set out in the performance indicators for 2016/17. An update on this position to be presented at the next board meeting.

It was suggested officers amend the Key Performance Indicator Proforma Sheet to record 'maximum' and 'actual' scores, where possible. .

Action by – Graham Burrow

23. BUSINESS PLAN 2016/17

Head of Pension Fund, Graham Burrow, gave an update on the Local Government Pension Fund Business Plan 2016/17.

Seeking advice on how the Pension Board might become more actively engaged at Pension Committee meetings, it was suggested officers liaise with the Chairman of the Pension Committee to seek approval for the inclusion of a standing item on the agenda of future committee meetings. It was hoped consideration of the minutes of

board meetings at committee meetings would allow the committee to note any areas of concerns, and to provide an opportunity for board members to address the committee, subject to the invitation of the Chairman.

Action by - Graham Burrow

Expressing concern about 'resources' and the 'resilience of officers' in administering the Gloucestershire Pension Fund, board members were assured by officers that significant measures had been put in place to overcome some of the previous challenges. Such of the measures included; creation of additional posts and clarification of roles within the administration team. Officers informed the Pension Board that they were confident the new arrangements would help fulfil member's expectations.

24. RISK REGISTER

Head of Pension Fund, Mark Spilsbury, gave an update on the Pension Fund Risk Register. The risk register is presented to the Pension Committee on a 6 monthly basis and was last presented on 12 February 2016.

Questioning the relatively low risk scoring for some of the risk levels, several members proposed that the Pension Committee be asked to consider adding 'emerging risks' to the register.

One particular area of concern identified at the meeting was the current position relating to the West Oxfordshire/Cotswold District unitary proposal. Another area of concern was the potential risks associated with the development of the South West Investment Pool (Brunel Project). The Pension Board requested that these two areas of concern be highlighted as 'emerging risks' to the Pension Committee.

Action by – Mark Spilsbury

25. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that, in accordance with Section 100 A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following agenda items, because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12 A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

26. POOLING OF INVESTMENTS

As part of the July 2015 Budget Statement, the Chancellor of the Exchequer announced that the government would be working with Local Government Pension Scheme (LGPS) Administering Authorities to ensure they pooled investments in order to reduce costs while maintaining overall investment performance.

Minutes subject to their acceptance as a correct record at the next meeting

Joint Head of the Pension Fund, Graham Burrow, updated members on the Fund's Pooling proposals. In noting the information, members requested further updates on key issues.

Action by – Graham Burrow

27. INVESTMENT FEES

Following a request at the last meeting, Head of the Pension Fund, Graham Burrow, updated members on investment fees.

28. NEXT MEETING

The Pension Board noted the dates of future Pension Committee meetings: -

Friday 13 May 2016
Friday 12 August 2016
Friday 11 November 2016
Friday 2 December 2016 (annual meeting)
Friday 10 February 2017 (provisional date)
Friday 12 May 2017 (provisional date)
Friday 2 September 2017 (provisional date)

It was suggested the next board meeting be held in late October, taking into account the outcomes of the May and August committee meetings.

Suggested items for the meeting included: -

- a) Administration update report;
- b) Risk register update (including updates on the West Oxfordshire/Cotswolds unitary proposal and the pooling of investments);
- c) KPI's (standard item)
- d) Risk register (standard item)

CHAIRPERSON

Meeting concluded at 12.30 pm