

# **PENSION BOARD**

**MINUTES of the meeting of the Pension Board held on Friday 24 March 2017 at Shire Hall, Gloucester.**

**Present:**

Sean Collins	Jon Topping
Cllr Nigel Moor	Kate Walton
Owen Shaw	

**Officers in attendance:**

Graham Burrow, Jo Moore and Mark Spilsbury

**37. APOLOGIES**

There were no apologies at the meeting.

Kate Walton, an employee member of the Pension Board, announced she would be leaving the University of Gloucestershire on 12 May 2017. Kate advised that the University would like to nominate a replacement representative to the Board, and that, she herself, would like to continue as a member representative. It was suggested the Joint Head of the Pension Fund would refer to the governance arrangements of the Pension Board and make the necessary arrangements to seek a replacement member.

Graham Burrow, Joint Head of the Pension Fund, announced he would be retiring from Gloucestershire County Council on 11 May 2017. The Pension Board thanked Graham for his hard work and commitment and wished him well in his forthcoming retirement.

Mark Spilsbury, Joint Head of the Pension Fund, confirmed he would be taking on the role of 'Head of the Pension Fund' following Graham's retirement.

Members noted that, pending the forthcoming County Council election on 4 May 2017, there may be further changes to the membership of the Pension Board.

**38. MINUTES OF THE PREVIOUS MEETING**

The non-exempt minutes of the Pension Board meeting held on 26 October 2016 were confirmed as an accurate record of that meeting.

**39. MINUTES OF THE PENSION COMMITTEE**

The minutes of the Pension Committee meeting held on Friday 10 February 2017 were noted.

#### **40. RISK REGISTER**

Joint Head of the Pension Fund, Graham Burrow, 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 to the committee in August 2016.

In response to feedback from the Pension Board, and subsequent agreement by the Pension Committee to consider a quarterly report on the Risk Register as a standing item, it was confirmed that the information below would be presented to the Pension Committee at the committee meeting on 29 March 2017. Clarification of the new arrangement was welcomed by the Pension Board.

During the discussion, it was agreed to clarify the risks referred to under G7 of the risk register, (failure to hold personal data securely and keep pension records up-to-date and accurate), and to confirm whether the risks were external or internal related risks.

It was also agreed to look at the status/level of risk at F4 of the Risk Register, (Increasing Pension Fund Deficit), and to review the risk at FD7, (Adverse effect on the Fund's Investment Strategy and Employer Contributions, if 'large' numbers of active members were outsourced on a "closed" (to new entrants) basis). It was suggested the description of the risk be considered, (particularly in relation to the reference 'large numbers'), rather than review the impact of the risk.

Several members supported the proposal that a 'direction of travel' symbol be applied to each risk to update members on the status of the risk over time and to enable them to make comparisons with the previous stages of review. This was agreed.

The risk register was noted, including the amendments identified in the published officer report.

#### **41. 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 was 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 that the public interest in withholding the information outweighed the public interest in disclosing the information to the public.*

#### **42. EXEMPT MINUTES OF THE PREVIOUS MEETING**

The exempt minutes of the meeting held on 26 October 2016 were confirmed and agreed as a correct record of that meeting.

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

**43. EXEMPT DRAFT MINUTES OF THE PENSION COMMITTEE**

The exempt minutes of the Pension Committee meeting held on Friday 10 February 2017 were noted.

**44. STRATEGIC ASSET ALLOCATION AND INVESTMENT STRATEGY STATEMENT**

Joint Head of the Pension Fund, Mark Spilsbury, referred to the requirements of the Local Government Pension Scheme 'Management and Investment of Funds Regulations' and requested that the Board consider the adequacy of the procedures for the production of the Draft Strategic Asset Allocation and the Investment Strategy Statement.

The Pension Board noted the report and agreed robust processes had been followed in terms of formulation of the Draft Strategic Asset Allocation and consultation with Employers.

The Pension Board supported the proposal for officers to continue to work on this issue, with a view to coming back to the Pension Committee with a final proposed Strategic Asset Allocation at the committee meeting on 29 March 2017.

**45. PENSION ADMINISTRATION REPORT**

Joint Head of the Pension Fund, Mark Spilsbury, provided an update on the Pension Fund's administrative arrangements for 2016, including updates on Pension Administration Benchmarking and Pension Administration Performance, and an indication of how the Gloucestershire Fund compared with other funds.

The report was noted, with a request for further updates at 6 monthly updates.

**46. BRUNEL PENSION PARTNERSHIP UPDATE**

At the last meeting of the Pension Board, members requested an update on the governance arrangements relating to the Brunel Pension Partnership.

Joint Head of the Pension Fund, Mark Spilsbury, confirmed that in December 2016, Gloucestershire County Council had agreed that the Brunel Pension Partnership Investment Pool be developed, funded and implemented, in accordance with the detailed business case.

The report was noted, followed by a request for further updates.

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

## **CHAIRPERSON**

Meeting concluded at 11.45am

It was agreed the next Board meeting would be held in October 2017.

### **Summary of items suggested for consideration at future meetings:**

- i. Pension Board Annual Report – a draft version of the report to be circulated for comment by email in August. The final version of the report to be signed off in mid September 2017. **Action by – Sean Collins**
- ii. Risk Register Quarter Report – the report to be considered as a standing agenda item at each Pension Board meeting. The Pension Board to refer any comments to the Pension Committee.
- iii. Strategic Asset Allocation and the Investment Strategy Statement Update (October meeting)
- iv. Brunel Update – every 6 months (October meeting)
- v. Pension Administration update – every 6 months (October meeting)