

# PENSION BOARD

**MINUTES** of a meeting of the Pension Board held on Wednesday 26 October 2016 at the Members' Room - Shire Hall, Gloucester.

**PRESENT:**

Sean Collins  
Cllr Nigel Moor  
Owen Shaw

Jon Topping  
Kate Walton

**Substitutes:**

Officers in attendance: Stephen Bace and Graham Burrow

**Apologies:**

## **29. DECLARATION OF INTERESTS**

Owen Shaw informed the Board that he had been co-opted as a Governor at Cirencester College.

## **30. MINUTES OF THE PREVIOUS MEETING**

- 30.1 The minutes were approved as a correct record.
- 30.2 Board members considered the actions from the previous meeting.
- 30.3 The Board was informed that the National Scheme Advisory Board recommended high level Key Performance Indicators were still in draft form. Gloucestershire would wait until they were formalised.
- 30.4 The Pension Administration Report which had been received by Pension Committee in May 2016 was circulated for the Board. This included benchmarking data which presented Gloucestershire as one of the lowest cost funds as well as being low on staff numbers. Although additional staff had been recruited, draft figures for 2015/16 still showed Gloucestershire as one of the lowest cost Funds. A staffing review of the Pension Team was being undertaken with proposals to increase staff further.
- 30.5 In response to a question, it was explained that there had been an increase in workload for the pension team due to the new 2014 care LGPS scheme; a lot more information was required from employers and there were additional updates required to the administration systems.
- 30.6 While responses to the benchmarking data were anonymised, a comparator group of fifteen would be selected; these generally included the members of the Brunel group and other LGPS Funds of a similar size to the

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Gloucestershire Fund. The data from this would be shared with the Pension Board.

**ACTION**                      **Graham Burrow**

- 30.7 Local performance indicators for 2014/15 and 2015/16 showed a reduction in performance levels. Concern was expressed by the Board about the revised performance targets which allowed for additional days to complete tasks. The Board questioned whether these targets had been revised due to the original targets being unrealistic or due to comparisons with other Funds. The Board requested that they be provided with these details.

**ACTION**                      **Graham Burrow**

- 30.8 The Board noted the positive actions that had been taken to improve the timeliness of returns for the Annual Benefit Statement.

### **31. MINUTES OF THE PENSION COMMITTEE MEETING**

- 31.1 The Board noted the minutes of the last Pension Committee meeting. In response to a question on item 75 in relation to Cotswold Water Park, it was explained that further detail would be available in the exempt minutes that would be circulated prior to the next Pension Committee meeting.

- 31.2 Confirmation of the date in January for the annual training day would be circulated.

**ACTION**                      **Stephen Bace**

### **32. ANNUAL PENSION BOARD REPORT**

The Board noted the report which had been agreed by the Chairman and Officers.

### **33. PENSION FUND RISK REGISTER**

- 33.1 The Board received the Risk Register that had been considered by the Pension Committee in August. This included a new risk (G8) which was linked to IT vulnerabilities through malicious attacks. There was some discussion around the differences between this risk which were assessed as being 'medium' and risk (G7) which was 'low'. It was explained that G8 related to external attacks and therefore even with mitigation there was still an element of risk that could not be controlled. G7 related to internal processes and therefore there was a greater deal of control. It was requested that the wording be amended to make this clear.

**ACTION**                      **Graham Burrow**

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33.2 Some discussion was given to the impact of mitigation on risks such as G8. The Board considered whether for a risk such as G8, the likelihood or impact of the risk would be affected by putting in measures of control.

33.3 The risk levels for (F1 and F5) had not changed, but given the market fluctuations it was important to keep an eye on market returns. Short term fluctuations could be managed but any more permanent changes to returns would have to be taken into account. It was suggested that the comments shown for these risks be extended into the further actions section on the spreadsheet.

**ACTION**                      **Graham Burrow**

33.4 The Board noted that for the majority of the risks the impact was considered moderate. It was suggested that in future the report include the guidance on the different categories to help the Board's understanding.

**ACTION**                      **Graham Burrow**

33.5 The Board expressed some surprise that the direction of travel had not changed since they had last considered the register. They asked that these points relating to the Risk Register be shared with the Pension Committee.

**ACTION**                      **Graham Burrow**

#### **34. 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.

#### **35. UPDATE ON BRUNEL PENSION POOLING**

The Board were updated on the proposals, including timescales.

#### **36. NEXT MEETING**

The Board agreed that a meeting be arranged in March 2017.

**ACTION**                      **Stephen Bace**

**CHAIRMAN**

Meeting concluded at 11.40 am