

MINUTES OF THE PENSION FUND BOARD HELD ON TUESDAY 21 JULY 2015, IN COMT BOARD ROOM, IRELAND ROOM, COUNTY HALL, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.06 PM.

MEMBERS PRESENT

1 ELECTION OF CHAIRMAN AND ELECTION OF VICE CHAIRMAN

A vote was taken to determine the Chairman of the Pension Fund Board; with Steve Mason winning by a majority vote. Roona Ellis was elected as the Vice Chairman.

2 APOLOGIES/DECLARATIONS OF INTEREST

Apologies had been received from James Smith, Reece Bowman and Claire Lewis-Smith.

There were no declarations of interest.

3 MINUTES

Minutes from the Pension Fund Committee Meeting (28/5/15)

The Vice Chairman questioned when the governance statement approved at the Committee meeting would be published on the website. The Pensions & Investment Manager advised that this would be published imminently.

The Chairman asked what questions would be appropriate regarding the minutes of the Pension Fund Committee meetings. The Finance Director explained that the minutes would provide a broad idea of the areas and topics discussed and that this could be used as a trigger for further discussion.

4 ADOPTION/REVIEW OF BOARD POLICIES

Appendix A: Terms of Reference: paragraph 13 noted substitutes could be appointed. The issue of substitutes having a vote was brought into question; with the Chairman explaining that substitutes to the Board would not be applicable due to the manner in which the Board was appointed. The Chairman requested that items 13 and 17 were removed.



- It was explained that conference calls for those absent from the meeting would be included as a means of keeping the Board quorate; and that the CoMT Boardroom would be a suitable location for future meetings for this reason.
- The Chairman advised he would contact the Committee Assistant (James Batt) prior to meetings taking place to confirm that the meeting would be quorate; and to cancel the meeting to avoid wasted travel time if this was not the case.
- It was noted that the Pension Fund Committee were unable to change the Terms of Reference for the Pension Fund Board; and it had also been requested that item 69 – the frequency with which the Terms of Reference were reviewed - is changed from every 3 years to an annual basis.
- It was questioned what the repercussions would be of not adhering to item 34 (Board Members to attend no less than 2 Board meetings a year). The Finance Director and Vice Chairman advised that meetings were scheduled well enough in advance to be accommodated for; and that regular attendance is required for the effectiveness of the Board. The Chairman suggested having a 'trigger' for attendance issues; so that failure to attend an adequate amount of meetings could be investigated and action taken (providing there are no exceptional circumstances). This item was agreed to remain - although as a guideline as opposed to a sanction.

A question was raised about vacancies at the end of the 3 year period, with the Pensions & Investments Manager confirming that any vacancies would require advertising.

The Chairman requested that another item was added to item 26 stating that; where a vacancy occurred, a new Board Member would be recruited for the balance of the 3 year term.

ACTION: Pensions & Investments Manager

The Vice Chairman questioned the logic in all 8 Board Members leaving at the end of the 3 year period; as the Board would then lose all experienced Members. A suggestion was proposed whereby only a third of Board members would leave at the end of the 3 year period so that a degree of experience is retained. The Finance Director suggested that this should be reviewed as part of the review of the Board's first year; he also suggested that this could provide an opportunity to learn best practice from how other Local Pension Boards are operating. The Chairman also suggested reviewing how the 3 year term will affect the make-up of the Board on an annual basis (as denoted in item 24).

It was agreed to make changes to paragraphs 13, 17, 69 of the Terms of Reference; with an additional item (item 26, i) being added. It was agreed with the Chairman that these changes were to be made by the Pensions & Investments Manager and signed off by a Local Representative.

ACTION: Pensions & Investments Manager

Appendix B: Code of Conduct – Everyone present was in favour of adopting this.

Appendix C: Conflicts Policy – The Vice Chairman presumed that it would be the role of the Board Secretary to maintain the conflicts register; and also suggested that ‘there were no conflicts on (with a date being provided)’ was overtly stated in order to provide positive confirmation that the matter has been addressed as opposed to the potential ambiguity of incompleteness. The Board were in favour of adopting this.

ACTION: Committee Assistant

Appendix D: Knowledge and Understanding Framework – item 4.3 (not all Public Service Toolkit had been completed by Ian Thompson).

The Vice Chairman had explained that she was dependent on receiving the relevant information in order for there to be effective review and scrutiny processes. The Chairman explained that sufficient information should be provided to allow the Board to scrutinise the Pension Fund Committee; and that the listed documents would need to be read and understood by the Board – although some would be covered in future training for the Board Members. The Chairman questioned if the Board would receive changes to any documents to the Pension Fund Committee; with the Finance Director explaining that the Board would be notified as and when this happens.

ADD BOARD ATTENDEES TO THE DISTRIBUTION LIST FOR THE PENSION FUND COMMITTEE.

ACTION: Committee Assistant

Item 5.1 – The Chairman asked what Board Members were to do regarding the training needs analysis assessment. The Pensions & Investment Manager queried whether this would be completed now or in 6 months’ time when Board members had undertaken more training. The Chairman requested that Board Members complete the Training Needs Analysis document and returned to the Pensions & Investments Manager to enable gaps in training to be identified.

ACTION: Board members

The Chairman then asked if the Board were happy to agree Appendix D. This was agreed.

5 FORWARD PLAN

It was requested that the draft agenda for the Pension Fund Board was distributed 3 weeks prior to the meeting so that any required amendments could be requested.

The Pensions & Investments Manager advised they would check with the Principal Pensions Officer to ascertain if the Governance Policy Statement required inclusion at October’s meeting; and also would look into whether there would be a Fund Manager Presentation at October’s meeting as the Chairman had commented that this would be useful on a once-a-year basis.

ACTION: Pensions & Investments Manager

The Vice Chairman questioned whether it would be advisable to have a member of the LPB attend the PFC meeting in order to observe their investment discussions. The Chairman

explained that it had been mooted that the Chair (or representative) of both the PFC and PFB's would attend the other meetings.

Julie Edwards and Mark Preston would consult with the Committee Chairman on reciprocal arrangements.

ACTION: Pensions & Investment Managers / Finance Director

The Vice Chairman also questioned the fact that no confidentiality document had been signed by the Board. The Chairman advised that a general contract of appointment to the Board should include the relevant clauses and be signed by each individual Member of the Board. The rest of the Board was in agreement.

ACTION: Pensions & Investments Manager

A member commented that the Board needed an understanding about the liabilities of the Pension Fund. The Pension & Investment Manager suggested that Barnet-Waddingham could be invited to the next meeting to take the place of the Fund Manager Presentation; with the FMP taking place the following meeting.

ACTION: Pensions & Investments Manager

Training Needs Evaluation and the Terms of Reference were requested to be added to the forward plan for 23/10/2015.

ACTION: Pensions & Investments Manager

The Board requested to have a rolling forward plan looking ahead at the next 2 meetings at least.

The Chairman raised the issue about how the Board should be contacted by scheme members. The Vice Chairman asked how – as an Employer Representative - she would be contactable by employers. The Pensions & Investments Manager advised that a quarterly newsletter is distributed to employers and that the details of Board members could be included in the next newsletter.

ACTION: Pensions & Investments Manager

The Finance Director would speak with the ICT department regarding the County email address suggestion and investigate potential options.

ACTION: Finance Director

The Vice Chairman noted the annual accounts item in October and the Pensions & Investment Manager confirmed that this would be the final audited accounts.

6 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it

contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

7 CONFIDENTIAL MINUTES

8 FUND MANAGER PERFORMANCE

9 DATE OF THE NEXT MEETING

The next meeting will be held on 23/10/2015.

CHAIRMAN

