

Minutes

PENSION FUND COMMITTEE

MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE HELD ON MONDAY 18 MARCH 2019, IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 2.00 PM AND CONCLUDING AT 3.10 PM.

MEMBERS PRESENT

Mr J Chilver (Chairman), Mr T Butcher, Mr C Harriss, Mr D Martin (Vice-Chairman), Mr J Gladwin, Mr N Miles and Mr A Hussain

OTHERS PRESENT

Carolan Dobson, Independent Adviser
Julie Edwards, Pensions and Investments Manager
Mark Preston, Finance Director, Business Services Plus
Matthew Passey, Investment Consultant, Mercer Investment Consulting
Katie-Louise Collier, Committee and Governance Adviser
Tony English, Investment Consultant, Mercer Investments

AGENDA ITEM

1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies had been received from Mr Barber.

2 DECLARATIONS OF INTEREST

Mrs Dobson stated that she was a Non-Executive Director for Aberdeen Standard Managers LTD.

3 MINUTES

The minutes for the last meeting, dated 26th November 2018, were agreed. The Committee noted the minutes from the last Pensions Fund Board meeting dated 10th October 2018.

4 APPOINTMENT OF AN ADJUDICATOR - LGPS DISPUTES

The Chairman welcomed Mr Hollis, Head of Legal and Compliance.

Mr Hollis requested that the Committee agreed to the appointment of an adjudicator for Local Government Pension Scheme (LGPS) hearings. He stated that regulations required the council to appoint an adjudicator as the previous, Mrs Forsyth has stepped down and there had been two matters arising which required hearings. Mr Hollis suggested Ms Farmer of HB Law as the main appointment and Mr Hodge as a standing substitute. He informed the Committee that there had been no LGPS issues since 2013 which was why there had been no necessity to appoint prior to this.

RESOLVED: The appointment was AGREED by the Committee Members

The Chairman thanked and dismissed Mr Hollis

5 PENSIONS ADMINISTRATION STRATEGY

Ms Lewis-Smith requested Committee Member approval for revisions to the Pension Administration strategy. She informed the Committee that the main revisions had been updates to the overriding legislation, employer responsibilities and charging schedule. She emphasised that charges would now vary, based on the amount of time spent dealing with each issue.

Ms Lewis-Smith clarified that where the strategy had made reference to local performance within section **1.2.5. Timeliness**, found on p24 of the agenda pack, this had referred to pension performance and not investment performance.

There were no further comments or questions.

RESOLVED – The Pension Administration Strategy was APPROVED by Committee Members

6 TREASURY MANAGEMENT SERVICE LEVEL AGREEMENT

Ms Edwards introduced the next item as a follow-up item from the Committee's meeting on 1st March 2018, where the arrangements for investing the Fund's surplus cash within a separate bank account had already been agreed. She stressed that there would be a wording change on the first page of the document as they would not be investing in a service level agreement (SLA). This wording change would read 'the arrangements for investing the Fund's surplus cash in a separate bank account'. It was noted that during 2018, £560,000 of interest had accrued on the £8.9 million total.

Mr Martin queried paragraph 4's (p36) statement about there being no instances of the pension fund borrowing from the County Council in 2018 and was told that there had been no instances of this happening over the past few years, but that it had happened on occasion.

Mr Butcher queried whether the County Council could borrow money from the pension fund to obtain a higher rate of interest. He was informed that the Council received more income and interest if the money remained in the bank, and that the Council received 0.75% interest from Lloyds. There would also be issues if money was required quickly for the pension fund. Mrs Dobson stated that the County Council would potentially have to meet the same credit rules as other lenders and policy would need revision. Press and Councillors in other councils had historic concerns about co-mingling of funds. Mr Preston recommended that borrowing from the pension fund didn't occur as it had not been set up that way.

RESOLVED – The treasury management service level agreement was APPROVED by the Committee

7 PENSION FUND RISK REGISTER

Ms Edwards introduced the item and explained that the risk register had been brought to the Committee last November. Since then there had been few changes and no changes to the direction of travel.

RESOLVED: The Committee NOTED that there had been no changes.

8 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)

9 CONFIDENTIAL MINUTES

10 EMPLOYER RISK ANALYSIS

11 PENSION FUND PERFORMANCE

12 BRUNEL UPDATE

13 DATE OF NEXT MEETING/AOB

The date of the next meeting was agreed to be 30th May 2019. The Chairman thanked all attendees and closed the meeting.

CHAIRMAN