

Minutes

PENSION FUND COMMITTEE

MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE HELD ON FRIDAY 20 JULY 2018, IN MEZZANINE ROOM 1 - COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.25 PM.

MEMBERS PRESENT

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

OTHERS PRESENT

Carolan Dobson, Independent Adviser
Julie Edwards, Pensions and Investments Manager
Mark Preston, Finance Director, Business Services Plus
Matthew Passey, Mercer Investment Consulting
Cheryl Platts, Pensions Communications Officer
Anne-Marie Kenward, Committee Assistant

AGENDA ITEM

1. APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

There were no apologies.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

It was agreed that actions arising from the 24 May 2018 meeting would be addressed under item six - Annual Accounts Audit, of this meeting.

With regard to the statement on page three, paragraph two of the minutes Ms C Dobson asked for this to reflect that there had only been a discussion around tax exemption on USA income. There had been no advice or confirmation given around this matter. The minutes would be amended accordingly.

Minutes from the Pension Fund Committee meeting held on 24 May 2018 were otherwise agreed as a true record.

4. VERBAL UPDATE ON PENSIONS ADMINISTRATION TASKS

Ms J Edwards gave an update on the Pensions Administrations team.

Ms Edwards confirmed the team continued to work through a backlog of data received from Milton Keynes Council (MKC), which consisted of approximately 18 months' worth of leavers' data. However all of the team's business as usual work was up to date.

5. ANNUAL ACCOUNTS AUDIT

Ms Edwards reviewed the actions from the 24 May meeting as they appeared in those minutes. There were no actions to carry forward.

Mr T Slaughter gave an overview of the reports circulated with the agenda.

Mr Slaughter highlighted:

- The sign off of the report would be undertaken by the Regulatory and Audit Committee who would meet on 25 July 2018.
- Buckinghamshire County Council (BCC) had been signing off their reports by 31 July for 3 years. However this was the first year it had been a statutory requirement to do so.

Discussions were held around:

- The discrepancies between the rates of funding. Ms Edwards and Mr Slaughter would look into this
ACTION: Ms Edwards and Mr Slaughter
- The definition of assets. There appeared to be two different ones used - £2.813bn on p 21 vs £2.682bn on p23. Mr Slaughter confirmed the figures had been taken at two different dates, the first one was from November 2017 when the actuary requested information, and that small differences were common and expected.
- The increase in BCC contributions from £34m to £43m (p 32). Ms Edwards confirmed this was largely due to the increase in the contribution rate. There had also been people transferring into the Fund. A Member of the Committee believed that the net increase of contributors versus the net increase to contributions would mean an average of approximately £11,000 per person. Ms Edwards would review this.
ACTION: Ms Edwards
- Regarding the additional questions posed by Grant Thornton during the audit process, it was asked whether these could have been asked in a more timely manner as they had led to delays in publishing this report. Mr Slaughter confirmed that they could not be posed before the first draft had been received and had

been sent on as soon as possible. Mr Slaughter explained there was a requirement to carry out a more thorough audit every three years.

Ms Edwards confirmed the figures highlighted in blue had been made since the last audit review and would be confirmed as final ahead of report sign off. The deadline for signing was 31 July, however it was hoped this could be done at the Regulatory and Audit Committee meeting on 25 July.

6. ANNUAL REPORT 2017/18

Mrs C Platts gave an overview of the report circulated with the agenda. Mrs Platts confirmed that the report had not yet incorporated the changes highlighted in Ms Edwards' audit report.

Discussions were held around:

- The percentages of preferred benefits and transfers, page 24 of the report. Ms Edwards confirmed these figures referred to the backlog from Milton Keynes Council which was in the process of being cleared. There had been minimal financial impact for Fund members as those nearing retirement had been prioritised.
 - It was asked why the administration costs were higher than comparative figures. Ms Edwards confirmed the team had needed to grow in size in order to deal with backlogs of work. Ms Edwards believed the team was now the correct size to manage workloads going forward.
 - In relation to the key indicators, page 37 of the report, the Committee felt it would be useful to have previous figures presented for comparison. Ms Edwards would follow this up.
- ACTION: Ms Edwards**
- Members questioned the Member satisfaction response rates, there had only been 5 responses. Mrs Platts confirmed that the survey had to be completed online for a number of years and the response rate had always been very low. Previously it had been sent as a paper copy. Next year there would be a telephone based survey that targeted recent retirees. The team would also continue to use their training sessions to get feedback from employers.

RESOLVED: The Committee approved the report.

7. FORWARD PLAN

There were no comments or questions for this item.

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

The confidential minutes from the Pension Fund Committee meeting held on 24 May 2018 were agreed as a true record.

10. BRUNEL PENSION PARTNERSHIP UPDATE

11. DATE OF NEXT MEETING

Monday 24th September 2018, 2.30pm in Mezzanine Room 1, County Hall.

CHAIRMAN

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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