

# 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**

Carolyn Dobson, Independent Adviser  
Julie Edwards, Pensions and Investments Manager  
Mark Preston, Head of Finance, Resources & Pensions  
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 26<sup>th</sup> November 2018, were agreed. The Committee noted the minutes from the last Pension Fund Board meeting dated 10<sup>th</sup> 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 Forsythe 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.

**RESOLVED: The Committee AGREED the appointment of an adjudicator**

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 Committee APPROVED the Pension Administration Strategy.**

## **6 TREASURY MANAGEMENT SERVICE LEVEL AGREEMENT**

Ms Edwards introduced the next item as a follow-up item from the Committee's meeting on 1<sup>st</sup> March 2018, where the arrangements for investing the Fund's surplus cash 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 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 Committee APPROVED the Treasury Management Service Level Agreement**

**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 30<sup>th</sup> May 2019. The Chairman thanked all attendees and closed the meeting.

**CHAIRMAN**

