



Buckinghamshire Council Pension Fund Committee

Minutes

MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE HELD ON WEDNESDAY 13 MARCH 2024 IN JUBILEE ROOM - THE GATEWAY, COMMENCING AT 2.00 PM AND CONCLUDING AT 4.20 PM

MEMBERS PRESENT

R Bagge, T Butcher, I Macpherson and M Walsh

OTHERS IN ATTENDANCE

E Cook, C Crozier, C Dobson, J Edwards, R Ellis, J Gilliland, C Gray, J Kemp, C Lewis-Smith, K O'Connor, M Passey, M Preston, D Spencer and P Williams

Agenda Item

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Alex Collingwood, Cllr Ed Gemmell, Cllr Jennifer Wilson-Marklew and Tony English (Mercer).

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES OF THE LAST MEETING

RESOLVED:

That the Minutes of the Meeting of the Pension Fund Committee held on 15 November 2023 were agreed as a correct record.

4 BUCKINGHAMSHIRE PENSION FUND BOARD DRAFT MINUTES

With regards to the Department for Levelling Up, Housing and Communities (DLUHC) Local Government Pension Scheme (LGPS) Pooling Consultation, the Committee requested that a report be brought to the next Pension Fund Committee meeting on DLUHC's response to the consultation. It was noted that if each administering authority was to be required to set a training policy for committee members, consideration would need to be given to this to ensure that a policy was in place. **ACTION: Julie Edwards**

RESOLVED:

That the Minutes of the Buckinghamshire Pension Fund Board meeting held on 13 December 2023 be noted.

5 EXTERNAL AUDIT PLAN

The Committee received the Buckinghamshire Pension Fund Audit Plan for the year ending 31 March 2024, which had been produced by Grant Thornton. This document provided an overview of the planned scope and timing of the statutory audit of Buckinghamshire Pension Fund, which mainly included any significant risks identified, accounting estimates, materiality, IT strategy, and audit fees.

RESOLVED:

That the External Audit Plan be noted.

6 GOVERNANCE COMPLIANCE STATEMENT

In accordance with Regulation 55(1) of the LGPS Regulations 2013, the Governance Compliance Statement detailed whether the administering authority delegates its functions and if so, the terms, structure and operational procedures of the delegation, along with the frequency of meetings and voting rights. It also detailed the terms, structure and operational procedures of the local pension board. It provided a summary of the Fund's compliance with recommended good practice. The statement was used in conjunction with other statutory documents, such as the pension fund annual report and audit report, as evidence that the Fund had robust governance in place.

The Governance Compliance Statement was last approved on 21 March 2023. The updated statement was attached as Appendix 1 to the report. After reviewing the Statement there were no material changes required. However, some minor amendments had been made and these were shown as tracked changes in the appendix.

The Pensions Regulator's General Code of Practice was laid in Parliament on 10 January 2024 and was expected to come into force on 27 March 2024. It was not anticipated that the Governance Compliance Statement would need to change. The Council was still awaiting the implementation of recommendations set out in the LGPS Scheme Advisory Board's Phase III Good Governance report, which would increase the level of detail required in this statement. The Department of Levelling Up, Housing and Communities were reviewing the recommendations and would issue any associated legislation/guidance in due course.

RESOLVED:

That the Governance Compliance Statement be approved.

7 TREASURY MANAGEMENT SERVICE LEVEL AGREEMENT

The Committee received a report which provided an update on the provision of treasury management services by Buckinghamshire Council to the Buckinghamshire Pension Fund in 2023/24. The Committee was asked to discuss and note the arrangements for investing the Pension Fund's surplus cash balances in 2024/25.

During 2024 (2023), the Pension Fund earned £700k (£181.1k) interest on its working cash balances, the average balance of £14.8m (£13.2m). The cash balances ranged from £4.15m to £25.15m during 2023 (£112k to £31.5m during 2022). A separate bank account operated for the Buckinghamshire Pension Fund. The Council's treasury team invested all the Buckinghamshire Pension Fund's working cash in money market funds. The Committee was asked to review and note the Treasury Management Service Level Agreement for 2024/25 attached as Appendix 1 to the report.

Local Government Pension Regulations (Management & Investment) 2009 gave the Pension Fund the power to arrange a temporary loan from a bank for up to 90 days in order to pay

benefits due under the Pension Fund Scheme or to meet investment commitments. However, there were no counterparties in the market that would temporarily lend cash to the Buckinghamshire Pension Fund. In previous years, Members of the Buckinghamshire Pension Fund Committee had indicated that they would prefer to borrow from the market rather than the Council. However, with no external market willing to temporarily lend to the Fund, the Buckinghamshire Pension Fund Committee Members agreed that they would prefer the Buckinghamshire Pension Fund to borrow temporarily from Buckinghamshire Council rather than maintain a higher cash buffer to meet any unexpected cash requirements. There were no instances during 2023 where the Fund temporarily borrowed cash from the Council.

In response to a question regarding whether there would be a charge if the Buckinghamshire Pension Fund was to borrow from the Council, the Pensions and Investments Manager explained that there would be a charge set at the prevailing interest rate.

RESOLVED:

That the Buckinghamshire Pension Fund Treasury Management Service Level Agreement be noted.

8 FORWARD PLAN

RESOLVED:

That the Forward Plan be noted.

9 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded for the following items as they were exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because they contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

10 CONFIDENTIAL MINUTES OF THE LAST MEETING

RESOLVED:

That the confidential minutes of the Buckinghamshire Pension Fund Committee held on 15 November 2023 be approved as a correct record.

11 BUCKINGHAMSHIRE PENSION FUND BOARD CONFIDENTIAL DRAFT MINUTES

RESOLVED:

To note the confidential draft minutes of the last Pension Fund Board meeting held on 13 December 2023.

12 BRUNEL PENSION PARTNERSHIP UPDATE

The Committee received an update from Brunel Pension Partnership.

RESOLVED:

That the Brunel Pension Partnership update be noted.

13 PENSION FUND RISK REGISTER

The Risk Register identified the key risks to the Pension Fund and was reviewed periodically by the Pension Fund Committee and the Pension Fund Board. The last Committee review took place on 27 September 2023.

RESOLVED:

That the Risk Register for the Pension Fund be noted and that the actions as set out in the confidential minutes be agreed.

14 PENSION FUND PERFORMANCE

The Committee received the report from the Pensions and Investments Manager.

RESOLVED:

That the investment performance of the Buckinghamshire Pension Fund for the fourth quarter of 2023 ending 31st December 2023 be noted.

15 PRIVATE MARKETS UPDATE

The Committee received an update from Mercer.

RESOLVED:

That the report be noted and the decisions of the Committee as set out in the confidential minutes be agreed.

16 MULTI-ASSET CREDIT UPDATE

The Committee received an update from Mercer.

RESOLVED:

That the update be noted and the decision of the Committee as set out in the confidential minutes be agreed.

17 EMERGING MARKET EQUITIES UPDATE

The Committee received an update from Mercer.

RESOLVED:

That the update be noted and the actions contained within the confidential minutes be carried out.

18 BRUNEL CLIMATE CHANGE IMPLEMENTATION

The Committee received a report which was presented by the Pensions and Investments Manager.

RESOLVED:

That the report be noted and the comments of the Committee as set out in the confidential minutes be passed on to Brunel Pension Partnership.

19 DATE OF THE NEXT MEETING

11 July 2024 at 2pm (provisional)