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## Local Pensions Board Minutes

6 July 2017

Present: Nicholas Wirz (*in the Chair*), Mick Brodie, John Pearson, Tom Hunter, Councillor Doreen Purvis, Martin Rooney, Chris Sharkey and Jim Woodlingfield.

Mike Harding (Head of Legal Services)  
Ian Bainbridge (Head of Pensions)  
Heather Chambers (Principal Pensions Manager)  
Tom Morrison (Principal Investment Manager)  
Siân Forster-Purvis (Strategy and Democracy Support Officer)

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### 1. Chairman's welcome

The Chairman welcomed everyone to the meeting.

### 2. Declarations of Interest

**N Wirz, J Woodlingfield, M Rooney, I Bainbridge, M Harding, T Morrison, H Chambers and S Forster-Purvis** declared non-pecuniary interests in all issues, as contributing members of the Pension Fund.

**T Hunter, J Pearson and C Sharkey** declared a non-pecuniary interest in all issues, as a contributing member and recipient of a pension from the Pension Fund.

They remained in the meeting for the discussion and determination of all matters.

At this point the Chairman asked that Officers leave the meeting to enable the Board to discuss any issues without them present.

Officers re-entered the meeting.

### **3. Minutes of 30 March 2017**

Resolved: That the minutes of the meeting held on 30 March 2017 be confirmed as a true record.

### **4. Matters Arising from the minutes of 30 March 2017**

#### Item 4 – Minutes 21 December 2016

The Head of Pensions noted that the Pensions Committee was surprised at the wording added to the minutes in respect of the item on Scheme Member Representation at Pool Level. The additional wording stated that “..... the view was expressed that failure to appoint such a representative could potentially jeopardise successful co-operation between UNISON and the Tyne and Wear Pension Fund” The Head of Pensions noted that the Committee were supportive of Scheme Member Representation at pool level and could not see why the Fund should have co-operation withdrawn by UNISON because this view may not be supported by other funds in the pool.

The Chair informed the Board that this statement reflected UNISON's national policy and was a comment in relation to all pension funds and not just Tyne and Wear. The support of the Committee was recognised. He asked that officers assured the Committee that work locally would continue as normal.

#### Item 5 – Meeting Dates 2017/18

Clarification was requested as to whether Board members could attend Pensions Committee in an observer capacity. The Head of Pensions noted that this had been discussed with the Chair of the Committee and Board Members would be welcome at the Committee, and asked for an assurance that confidential information would not put in the public domain.

The Chair of the Board requested that there was assurance from the Board that ‘exempt’ information presented to the Committee remained confidential.

The Head of Legal Services reminded the Board that given the unusual status of the Local Board, meaning it was not a traditional Local Authority Committee, the meeting is confidential for its entirety and the information sent and presented to the Board had to remain private and confidential.

The Board agreed to provide an assurance that confidential information would not be made public.

#### Item 17 – Local Pensions Board Priority Issues

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The Board were updated that the Actuary had provided some feedback on the data quality for the valuation. They gave some very complimentary feedback and were satisfied and compared us favourably to others.

## **5. Meeting dates for 2017/18**

Submitted: Report of the Corporate Director Business and Resources

The Principal Investment Manager detailed a report setting out the meeting dates for the Pensions Committee, the Investment Panel and the Local Pension Board for the 2017/18 municipal year. The dates had been confirmed at annual Council in May 2017.

Agreed: That the report be noted.

*At this point the Chairman agreed to change the order of the agenda*

## **6. Risk Management**

Submitted: Report of the Corporate Director Business and Resources

The Principal Investment Manager detailed a report which detailed the current Fund Risk Register. The Risk Register contained a number of 'risks' together with the action being undertaken to address the concerns identified.

The Board considered the specifics of the 'risks' and noted that an Action Plan had been developed to address each identified risk.

Agreed: (a) That the report be noted and (b) that the Board was satisfied with the Action Plans for the risks identified.

## **7. Training Programme for the Local Pensions Board**

Submitted: Report of the Corporate Director Business and Resources

The Principal Investment Manager advised that training for the Pensions Committee and Local Pensions Board continued.

A copy of the joint Training Policy for the Local Board and the Committee was presented for annual approval.

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Additional training had been included to take on board the Border to Coast Pension Partnership induction training which was due to take place on 11 and 12 September 2017 in York. Whilst this was primarily intended for new members of the Board and Committee, the Fund had extended the invitation to all Board and Committee members.

The annual training even had been scheduled for 18-20 September also in York and a number of topics to be covered were discussed. Suggested topics from the Board for inclusion in the September training, or other future training events included:

- How the Local Pensions Board will fulfill their duties and obligations in the new pooling system; and
- General Data Protection Regulations.

Agreed: (a) That the report be noted, (b) to approve the joint Training Policy and (c) that consideration be given to including the suggested topics in the training event taking place 18-20 September 2017, or at a future event if this is not possible.

## **8. Local Pensions Board – Annual Report 2016/17**

Submitted: Report of the Chair of the Local Pensions Board

The Chair presented the Boards Annual report. It was noted that discussions were to take place regarding the inclusion of specific annexes. The Chair of the Board noted that he would request some external legal advice on this matter.

Agreed: That the report can be presented to Pensions Committee and made available on the website

## **9. Scheme Advisory Board Survey**

Submitted: Report of the Corporate Director Business and Resources

The Scheme Advisory Board had recently invited the Chairs of the Local Pension Boards and Pensions Committees to participate in a survey to assess the effectiveness and operational efficiency of the new governance arrangements with particular emphasis on the role and function of the local pension board. This survey was also open to any other interested party.

The Board felt that each Board member should complete the survey, the Principal Pensions Manager agreed to circulate a pre-populated survey covering the factual information to Board Members.

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It was a Scheme Advisory Board suggestion that there was a generic email address for the Local Pensions Board. The Chairman asked officers to look in to the feasibility of this.

Agreed: That (a) the report be noted; (b) the Principal Pensions Manager circulate a pre-populated document to Board Members, and (c) that the Head of Legal Services discuss with the Council's ICT Team about the feasibility of a generic Local Pensions Board email address.

## 10. Future Agenda Items

The following items were highlighted as future agenda items:

- The Boards Terms of Reference;
- Cost Transparency;
- A further joint training event with Pool partners. This could include an invite to the Scheme Advisory Board to discuss its role and the role of the Regulator; and
- Fund Cashflow

Agreed: That the items be noted and included on a future agenda of the Local Pensions Board.

## 11. Chairman's urgent items

There were no Chairman's urgent items.

## 12. Pooling of Assets Update

Submitted: Report of the Corporate Director Business and Resources

The Principal Investments Manager detailed a report updating the Board on the latest position on the Pooling of the Fund's assets.

The Board was given the latest report presented to the Pensions Committee, it covered the progress made on the three main workstreams and highlighted in particular:

- Governance
- People
- Operating model

It was noted that the implementation dates had moved from April to June 2018.

Agreed: That the report be noted.

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### **13. Pooling of Assets – Scheme Advisory Board Guidance**

Submitted: Report of the Corporate Director Business and Resources

The Head of Pensions detailed a report updating the Board on guidance issued by the Scheme Advisory Board in respect of the governance arrangements for pooling. This included a comment on Scheme Member representation on oversight governance structures.

The Head of Pensions had written to his peers at the other funds in the Border to Coast Pension Partnership (BCPP) to establish their formal position on Scheme Member representation on the Joint Committee of BCPP. He advised that responses had been received from all but two funds. The position was mixed. An update on the views of the funds who had responded was presented to the Board. The Chair of the Board asked to be kept updated with the responses from the other funds when they were received.

Agreed: That the report be noted.

### **14. Working with other Funds**

Submitted: Report of the Corporate Director Business and Resources

The Principal Pensions Manager updated the Board on the Shared Services/Joint Working Initiative that the Fund had been progressing with Northumberland Pension Fund.

Agreed: That the report and its contents be noted.

### **15. Pensions Processing – Employer Monitoring**

Submitted: Report of the Corporate Director Business and Resources

The Principal Pensions Manager updated the Board on matters concerning the administration of pensions.

The Board were happy with the update and that things were on a positive path to being rectified.

Agreed: That the report be noted.

### **16. Electronic Processing and Communications Update**

Submitted: Report of the Corporate Director Business and Resources

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The Principal Pensions Manager updated the Board on matters concerning electronic pensions processing and communications.

The Board welcomed the update and requested that regular updates remain on their agenda.

Agreed: That the report be noted.

#### **17. Scheme Employer Update**

Submitted: Report of the Corporate Director Business and Resources

The Principal Pensions Manager updated the Board on matters concerning individual employers within the Fund.

The Board welcomed the update.

Agreed: That the report be noted.

#### **18. Pensions Committee Agenda and Minutes of 13 June 2017**

The Board had received the full Pensions Committee Agenda for information.

The Head of Pensions noted the following reports in particular

- The Annual Audit report, which gave the Fund the highest level of assurance available.
- The monitoring of the Funding level
- The review of the Investment Strategy

Agreed: That the agenda, reports and minutes be noted.

#### **19. Update from the Scheme Administrator**

The Board was advised that there were no items for information other than those covered elsewhere on the agenda.

Agreed: That the update be noted.

#### **20. Working Groups Feedback**

There were no updates to feedback.

#### **21. Any Other Business**

There were no items of any other business.

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**22. Date and time of next meeting**

Agreed: That the next meeting of the Local Pensions Board would be held on 18 October 2017 at 10.00am.

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