



South Tyneside Council

Local Pensions Board Minutes

6 July 2016

Present: Nicholas Wirz, Mick Brodie, John Pearson, Councillor Doreen Purvis, Martin Rooney, Chris Sharkey and Jim Woodlingfield.

Mike Harding (Head of Legal Services)
Ian Bainbridge (Head of Pensions)
Dave Smith (Principal Pensions Manager)
Peter Hunter (Corporate Assurance Manager)
Brian Springthorpe (Strategy and Democracy Support Officer)

1. Chairman's welcome

The Chairman welcomed everyone to the meeting. He asked that all future agendas contain an item for Officers to withdraw from the meeting to enable the Board to discuss any issues without them present.

2. Declarations of Interest

N Wirz, M Rooney, I Bainbridge, D Smith, M Harding, P Hunter and B Springthorpe declared non pecuniary interests in all issues, as contributing members of the Pension Fund.

J Pearson declared a non pecuniary interest in all issues, as a contributing member and recipient of a pension from the Pension Fund.

M Brodie declared a non pecuniary interest in all issues, as a deferred member of the Pension Fund.

J Woodlingfield declared a non pecuniary interest in all issues, as a contributing member of the Pensions Fund, having been elected a Governor of Newcastle College Group and having a family member who attended a Laidlaw Schools Trust academy.

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.

The Chairman asked that the Head of Legal Services investigate the insurance position of the Board and to circulate relevant details of any policy to Board Members.

3. Minutes of 23 March 2016

Resolved: That the minutes of the meeting held on 23 March 2016 be confirmed as a true record.

4. Matters Arising

Declarations of Interest – M Brodie confirmed that he was a deferred member of the Pension Fund.

Meeting dates – The dates for the remainder of the Municipal Year were confirmed as 19 October 2016, 21 December 2016 and 30 March 2017.

Board membership – It was confirmed that a replacement was being sought from the Trades Union to fill the outstanding vacancy. It was expected that a replacement would in place by the next meeting.

5. Internal Audit Annual Report 2015/16

Submitted: Report of the Corporate Director Business and Resources

The report provided a record of audit work which had been completed by Internal Audit throughout 2015/16 and provided an overall assurance on the Pension Fund's internal control environment.

Internal Audit worked with Deloitte in accordance with the CIPFA Code of Practice and covered the identified key areas for the Pension Fund over a three year programme. Overall, the Fund scored a Full Assurance over the three year period and details of the Action Plan 2016/17 were contained in the report.

The Board highlighted and discussed its concern with the data-flows from employers. The Pension Fund provided training and worked with specific employers to address any difficulties they had to try and ensure accurate and on time information was received. The Fund was working on a new, electronic system to raise queries rather than the existing paper system.

Agreed: (a) That the Internal Audit Annual Report 2015/16 be noted and (b) that the Local Pensions Board be kept informed of developments.

(Peter Hunter left the meeting)

6. Pensions Committee Agenda and Minutes of 14 June 2016

Submitted: Report of the Corporate Director Business and Resources

The Board had not received the full Pensions Committee Agenda for information; however, the Head of Pensions highlighted a number of areas for information.

These updates included progress reports on each section of the Pensions Committee agenda.

The Head of Pensions provided an update on the supplemental report on the Pooling of Assets including the latest cost estimates, projected fee savings and payback periods. Discussion took place on the governance arrangements of the pooled scheme. The Board was advised that the necessary regulations were not yet in place following the recent Government consultation.

The Board was advised of the latest investment performance.

The Pensions Committee had received a request from a fund employer to have its assets and liabilities subsumed by another employer to avoid the need for an exit payment. The Pensions Committee had refused the application.

Agreed: (a) That the update be noted and (b) that copies of the Pensions Committee agenda of 14 June 2016 be circulated to members of the Local Pensions Board.

7. Risk Register

Submitted: Report of the Corporate Director Business and Resources

The Board received 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 Plan for each identified risk.

8. Working Groups Feedback

Compliance with Legal Requirements – The Board was advised that the Group had considered the issue of information errors from employers, how these were rectified and the impact this had on the Fund overall. It was recognized that one, large employer had experienced difficulties and an Action Plan had been developed to address the problems it faced.

Agreed: (a) That the report be noted and (b) that a report be provided to a future Board meeting on the progress being made to address issues resulting from poor employer information.

9. Review of Working Groups

It was suggested that the dates of any Working Group meeting be circulated to all Board members in order that they could attend if available and participate in the work of the Group.

Agreed: That the Working Groups be reviewed at the next meeting following the appointment of a new representative to fill the outstanding vacancy.

10. 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.

11. Training Programme Update

The Head of Pensions advised that training for the Pensions Committee and Local Pensions Board continued, with the next training organised for September.

A member advised that he had attended a conference organised by CIPFA. It was apparent that Local Pensions Boards were operating to a wide range of practices. A Member asked that information on Employers Covenants be provided at a future training event.

Agreed: (a) That the report be noted, (b) to approve the joint Training Policy and (c) that training dates be circulated when confirmed.

12. Potential Input to the Board by an Independent Provider

A member indicated that it had not proved possible to secure the input previously considered at this time. The Board was advised to ensure that any input it received was provided by people with knowledge of the Local Government Pension Scheme.

Agreed: That the update be noted.

13. Future Agenda Items

A number of issues were highlighted as topics for future meetings, including:

- Enterprise Bill;
- Return to Work Regulations;
- New Deal – Fair Deal for Staff Transfers;
- Changes to AVCs

Agreed: That the items be noted.

14. Any Other Business

There were no items of any other business.

15. Date and time of next meeting

Agreed: That the next meeting of the Local Pensions Board would be held on 19 October 2016 at 10.00am.

The Chairman formally congratulated Ian Bainbridge on his appointment as Head of Pensions and thanked everyone for their attendance.
