



South Tyneside Council

Local Pension Board

Date: 30th March 2023

Local Pension Board – Quarterly Report to Pensions Committee (for information and read only)

Report of the Head of Pensions

Purpose of Report

1. The Chair of the Local Pension Board provides a quarterly report to Pensions Committee. This is presented to the Committee alongside the minutes of the Local Pension Board meeting.
2. The last meeting of the Local Pension Board took place on 21st December 2022. Attached is a copy of the Local Pension Board Chair's report that was presented to Pensions Committee on 30th January 2023.
3. The Local Pension Board is asked to note the report.

**Tyne and Wear Pension Fund
Report of the Chair of the Local Pension Board**

Meeting of 21st December 2022

Purpose of the Report

1. The purpose of this report is for the Pensions Committee to learn of the Board's observations on topics referred from the Committee and to consider any recommendations from and assurances gained by the Tyne and Wear Local Pension Board, and any other relevant information, emanating from the meeting of the Board on 21st December 2022.

Recommendations

2. Whilst the report of the Chair of the Board includes three recommendations, they are issues to be addressed by officers, that were agreed at the Local Pension Board meeting, and not formal recommendations which required action by the Committee.

Outcomes from the Local Pension Board (LPB) Meeting

3. Opening Comments from the Chair

The LPB met on Wednesday 21 December 2022 at the offices of South Tyneside Council for its quarterly meeting. Apologies were received from Cllr. Purvis, Tracey Bell (scheme employer representatives), John Pearson and Tom Hunter (scheme member representatives). I am grateful to Mick Brodie (Vice Chair) who attended virtually despite being unwell, which enabled the meeting to be quorate.

Following the meeting I wish to bring the following matters to the Pensions Committee's attention.

4. Agenda Item 4 – Training For Local Pension Board

One of the items discussed was the future subscription to the Hymans Robertson Learning Academy. Officers suggested this package is subscribed to every two to three years. The Board agrees with this. The Board notes that this package is particularly useful for those who are new to both the Board and the Pensions Committee. The Board recommends that the periodic subscription to this package is timed to coincide as far as possible with the appointment cycle of new Board and Pensions Committee members.

5. Agenda Item 7 – Equality, Diversity and Inclusion.

The Board is pleased that the scheme manager is looking carefully at this issue. The Board observed that it is important for the review to be clear about what it hopes to achieve and, in addition, gathers

manageable and relevant information. The Board notes that keeping the process manageable will mean that some groups are underrepresented in the process (e.g. workers who do not have routine access to a computer as part of their jobs). It was suggested that officers provide scheme employers with some on-line links to assist with the promotion of the surveys with their own employees. The LPB understands that the scheme manager has limited influence over whom the political parties select as candidates for election and over whom the unions and scheme employers nominate for Board membership. Nevertheless, there are aspects of how the Pensions Committee and the Board operate, which are within the scheme manager's control and which may operate to some degree as barriers to equality, diversity and inclusion.

We recommend that the scheme manager considers ways to obtain information from current Board and Committee members to establish the extent to which they may have encountered barriers, which the scheme manager has some ability to influence.

6. Agenda Item 8 – Risk Management and Internal Audit

The review of the risk register has been delegated to the Board by the Pensions Committee. The Board agrees with all the proposed changes to the register (G5 and S9). The Board reviewed in depth risks L1 and A15. After a lengthy discussion we agreed that these risks remain appropriately categorised. In relation to S9, the Board is pleased to note the high (by recent standards) number of applicants for the four vacancies in the pensions office. The Board noted both here and at agenda item 9 (Climate Change and Net Zero Roadmap), that the focus on climate change, which we support, may be diverting resources and attention away from stewardship.

The Board recommends that officers review the allocation of resources to ensure that an appropriate level of focus is given to other important ESG issues.

I would like to take this opportunity to thank Board members for their excellent contributions and to thank the fund officers for their expertise and support.

**Nicholas Wirz – Chair of the Local Pension Board
Tyne and Wear Pension Fund**

Local Pension Board – Quarterly Report

The following is a list of the background papers (excluding exempt papers) relied upon in the preparation of the above report:

| Background Paper | File Ref: | File Location |
|--|------------------|---|
| Local Pension Board Reports and Agenda | N/a | Pensions Office, Town Hall, South Shields |