



South Tyneside Council

Local Pension Board

Date: 28 March 2025

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 17 December 2024. Attached is a copy of the Local Pension Board Chair's report that was presented to Pensions Committee on 6 March 2025.
3. The Board is asked to note the report.

Contact Officer:

Paul McCann, Head of Pensions

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**Tyne and Wear Pension Fund
Report of the Chair of the Local Pension Board
Meeting of 17 December 2024**

1. Purpose of the Report

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 Tuesday 17 December 2024.

2. Recommendations

There are no recommendations to Pensions Committee following the meeting of the Board.

3. Outcomes from the Local Pension Board (LPB) Meeting

The quarterly meeting of the Local Pension Board (LPB) took place on Tuesday 17 December 2024 at South Tyneside Council offices. I am pleased to report that the meeting was quorate. Apologies were received from Cllr Ernest Gibson (Chair). The LPB was pleased to be introduced to Heather Wake, Governance and Funding Manager and Russell Wilkes, Administration Team Manager (Backlog Taskforce), who both attended the LPB for the first time.

I wish to bring the following matters to the attention of the Pensions Committee:

Agenda Item 6 Risk Management and Internal Audit

Quarterly monitoring of the Risk Register and the internal audit programme have been delegated by Pensions Committee to the LPB. Since the last Board meeting there have been two changes to the Risk Register. These are:

Risk A9 "That in the longer term the amount of cash coming into the Fund reduces to a level that is not sufficient to cover outgoings." This has been changed from "Near Certain / Marginal (High)" to "Probable / Marginal (High)";

Risk G5 "As a result of hybrid working, the Fund may be unable to meet the more significant actions in the Service Plan. This includes, but is not limited to, the implementation of the Investment Strategy, McCloud and responding to Governance initiatives." This risk has been deleted.

The LPB agreed with all of the changes.

The LPB also considered in detail two further items on the Risk Register:

“S14 - High Risk (Likelihood – Probable / Impact – Marginal) – “Failure to develop and introduce improved working practices as part of move to Modern Workplace programme, leads to a reduction in productivity”

The LPB discussed this risk and agreed that it is currently appropriate. The LPB also noted that there is a realistic prospect of the level of this risk reducing over time with the changes being implemented by the Fund. The LPB has asked to review this risk again in 18 months.

F1 – Moderate Risk (Likelihood – Possible / Impact Marginal) – The funding level worsens or falls below 100%, due to outturn differing from valuation assumptions.”

The LPB is happy that this risk remains appropriately categorised.

Audit

The LPB reviewed the current status of the 2023/24 audit programme and the 2024/2025 audit programme. The LPB is pleased to note that the internal audits are capable of identifying areas requiring action. Significantly from the LPB’s perspective, the Fund has identified what actions are suitable to address the highlighted issues.

Item 11 Pensions Administration: Monitoring of Performance

This agenda item provided a helpful opportunity for the LPB to have a dialogue with Russell Wilkes, Administration Team Manager concerning the Processing Taskforce Team. In particular, the LPB was keen to learn what work would be allocated to the Taskforce and what the impact may be on the other processing teams. The LPB is satisfied that work is being appropriately allocated to the Taskforce and that the way the work of the Taskforce is measured will be useful.

Joint Working with the Teesside Pension Fund

At the previous LPB meeting, the LPB considered whether it would be appropriate to add joint working with the Teesside Pension Fund as a discreet topic to the current work programme. The LPB concluded that this area of business will necessarily form part of the contents of many of the reports the LPB receives as part of its existing work programme and will not need to be a separate item. Officers are aware of the LPB’s desire to closely monitor this project and have agreed to include sufficient detail in existing reports where appropriate.

4. Closing Remarks from the Chair

I would like to thank all the LPB members and the Fund officers for their helpful contributions.

I wish you all a peaceful Christmas and a fruitful New Year.

**Nicholas Wirz – Vice-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