

Pension Board

Minutes

12 July 2023

Present:

Chair: Mr R Harbord

Board Members:	Gerald Balabanoff (VC)	Scheme Members' Representative - Pensioners
	Patrick O'Dwyer	Scheme Members' Representative - Active Members
	Dr Simon Radford	Employer Representative – Scheduled and Admitted Bodies

In attendance: (Officers)	Bola Tobun	Treasury and Pensions Manager
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Apologies received: Councillor Pritesh Patel

45. Declarations of Interest

RESOLVED: To note that no interests were declared.

46. Appointment of Vice-Chair

RESOLVED: That Gerald Balabanoff be appointed as Vice-Chair of the Board for the 2023/2024 Municipal Year.

47. Minutes

RESOLVED: That the minutes of the meeting held on 2 March 2023, be taken as read and signed as a correct record.

48. Public Questions

RESOLVED: To note that no public questions had been received.

49. Petitions

RESOLVED: To note that no petitions had been received.

50. Deputations

RESOLVED: To note that no deputations had been received.

Recommended Items

51. Pension Board Draft Annual Report 2022-23

Members were presented with the regular draft annual report, as required by the Board's Terms of Reference, which set out the actions taken by the Pension Board in the year to 31 March 2023 and were invited to make comments before a final version of the report be submitted to Full Council in September 2023.

The Board welcomed the report and did not raise any questions or comments.

Resolved to RECOMMEND: That the annual report be noted and referred to Council for approval.

Resolved Items

52. Pensions Administration Update to 31 March 2023

The Board received a report, outlining the Pension Administration Team's performance for the quarter ending 31 March 2023 and updating Members on a number of other items.

Referencing paragraph 10 of the officer report, the Board expressed their dissatisfaction with the significant delay to resolving the complaint cases referred to the Pension Ombudsman and agreed that the Treasury and Pensions Manager enquires with the Ombudsman's office on the reason for the delay. In addition, the Board requested that an update on the final outcome of the first ill-health retirement case which had been resolved by the Ombudsman be presented to the next meeting.

With regards to the government's investment pooling consultation (paragraph 13 of the officer report), the Board was informed that this had now been published and would be shared with Members for review and comments before the consultation closing deadline on 2 October 2023.

Finally, referencing the statistics in Appendix 1 to the officer report, the Board noted the improvement in performance since the last meeting and commended the pension administration team.

RESOLVED: That the report be noted.

53. Review of Pension Fund Committee Items

The Board received a report which summarised the matters due to be considered by the Pension Fund Committee (PFC) at its forthcoming meeting on 31 July 2023 and was invited to comment.

During the discussion, the following key points were highlighted:

- 1) The PFC had started work on the Investment Strategy, which was expected to be agreed at its next meeting on 31 July 2023.
- 2) Funding level had improved compared to last year and currently stood at 112%. However, it was noted that the figure related only to service accrued to date, with the Fund also having to meet significant liabilities in respect of future services. In response to a question, the Board also heard that whilst the value of the Fund appeared to be lower compared to 31 March 2022 (Appendix 1 to the officer report), the liabilities had not changed which in turn placed the assets value in a better position.
- 3) The Council's statement of accounts was awaiting completion by the auditors, which was expected by the end of July 2023.

RESOLVED: That the report be noted.

54. Review of Pension Fund Risk Register

The Board received a report on the updated Pension Fund Risk Register and was invited to review and comment. The register followed the Council's standard practice and approach to scoring of each risk based on likelihood and impact (Appendix 1 to the officer report) with the key risks highlighted in Appendix 2.

The Board welcomed the report, noting that some of the key risks were outside of the Council's control and, despite having a robust investment strategy and good management practices, mitigations were somewhat limited.

Referencing Appendix 2 to the officer report, the Board also requested that the wording of risk G20 be amended to include "cyber risk" and the categorisation be revised accordingly to reflect the increased risk.

RESOLVED: That the report be noted.

55. Review of Pension Fund Governance Compliance Statement

The Board received a report on the Pension Fund's Governance Compliance Statement and was invited to comment. The Statement, which was last reviewed by the Pension Fund Committee on 19 September 2022, was set out in Appendix 1 to the officer report and would be considered by the PFC at its next meeting on 31 July 2023, subject to any suggested modifications by the Board.

The Board considered the report and accompanying Statement, requesting the following amendments:

- page 56, paragraph 1 (main report) – year in last sentence to be corrected to “2023”.
- page 65 (Appendix 1) – the Pension Board was an independent body set up under the Public Service Pension Act 2013, with no Council delegated functions, and as such should be taken off the list and mentioned separately.

RESOLVED: That the report be noted.

56. Pension Board Work Programme 2023-24

Members received a report on the Pension Board Work Programme, which reviewed the Board's work programme to date and invited the Board's comment on the suggested work programme for the remainder of the 2023/24 Municipal Year.

The Board welcomed the report and requested that an update on the outcome of the McCloud judgement be incorporated in the work programme and presented to a future Board meeting.

RESOLVED: That the work programme be noted.

(Note: The meeting, having commenced at 6.30 pm, closed at 7.14 pm).

(Signed) Richard Harbord
Chair