

**MINUTES OF A MEETING OF THE
PENSIONS COMMITTEE
Committee Room 3A - Town Hall
13 November 2018 (7.00 - 7.48 pm)**

Present:

COUNCILLORS

Conservative Group	John Crowder (Chairman), Melvin Wallace (Vice-Chair) and Matt Sutton
Residents' Group	Stephanie Nunn
North Havering Residents' Group	Martin Goode
Upminster & Cranham Residents Group	Ron Ower
Trade Union Observers	Andy Hampshire

All decisions were taken with no votes against.

The Chairman reminded Members of the action to be taken in an emergency.

73 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

There were no apologies for absence.

74 DISCLOSURE OF INTERESTS

There were no declarations of interest.

75 MINUTES OF THE MEETING

The minutes of the special meeting held on the 12 March 2018 and the ordinary meeting held on the 18 September 2018 were agreed as a correct record and signed by the Chairman.

76 LOCAL PENSION BOARD MINUTES

The Committee received the notes of the inquorate meeting of the Local Pension Board meeting held on the 2 October 2018.

77 SERVICE REVIEW OF THE PENSION FUND CUSTODIAN

The Committee received a report which reviewed the performance of the Custodian, State Street, for the period October 2017 to September 2018.

Officers were satisfied with the safe keeping and custody functions provided by State Street custodians. Officers were further satisfied with the overall investment accounting and reporting functions but officers would work with State Street to ensure that improvements to the level of service with regard to the accounting and reporting functions were improved.

RESOLVED:

That the views of officers on the performance of the Custodian, be noted.

78 INVESTMENT ADVISOR SERVICE REVIEW

The Committee received a report which reviewed the performance of the Investment Advisor, Hymans, covering the period October 2017 to September 2018. Due to the expiry of the existing contract, the report provided members with an update as to the procurement arrangements for a new investment Advisor contract.

RESOLVED: That

- i) The views of officers on the performance of the Investment Advisor, be noted.**
- ii) Officers resume the procurement process for the Investment Advisor for the Pension Fund through the LGPS National Framework for Investment Management Consultancy Services.**

79 REVIEW OF THE PENSION FUND ACTUARY SERVICES 10 OCTOBER 2017 - 30 SEPTEMBER 2018

The Committee received a report which reviewed the performance of the Actuary from the 1 October 2017 to 30 September 2018.

The Havering Pension Fund joined the Croydon Framework in 2015 to obtain Actuarial and Benefits Consulting Services. Hymans Robertson was the appointed Actuary under this framework agreement and that contract expired on the 31 March 2018. The Fund appointed Hymans Robertson under Lot 1 (Actuarial Services). The contract commenced on the 16 July 2018 and would terminate on the 15 July 2023 with an option to extend up to a further two years to 15 July 2025 if required.

RESOLVED:

That the views of officers on the performance of the Actuary during the period 1 October 2017 to the 30 September 2018, be noted.

80 **REVIEW OF GOVERNANCE COMPLIANCE STATEMENT**

The Committee received a report which set out the pension fund's draft Governance Compliance Statement for November 2018 and highlighted where changes might be required.

It was highlighted that Principle B Representation Item (a) (iii) was non-compliant. Members had previously considered whether or not to employ the services of an independent professional observer to participate in the governance arrangements and decided against it on the basis that the current monitoring arrangements were sufficient for the size of the fund.

RESOLVED:

That the Governance Compliance Statement, as amended at Appendix A, be agreed.

81 **WHISTLEBLOWING REQUIREMENTS OF THE PENSIONS ACT**

On the 6 April 2005, the whistle blowing requirements of the Pensions Act 2004 came into force. The basic requirement of this law was that nearly all persons who were involved with a pension scheme had a duty to report as soon as reasonably practicable to the Pensions Regulator where they had reasonable cause to believe that there had been a breach of law relevant to the administration of the scheme which was likely to be of material significance to the Regulator.

There had been no possible breaches reported to the named officer for reporting issues to within Havering which was the Chief Operating Officer/ Statutory 151 Officer. Consequently no reports had been made to the Regulator.

RESOLVED:

That the results of the annual review and that no breaches had been reported, be noted.

82 **PENSION FUND RISK REGISTER**

The Committee received a report which introduced the Pension Fund Risk Register 2018, which detailed the potential risks that the Fund was exposed to, that the Pensions Committee should be aware of, and the controls in place to manage these risks.

It was recognised that it might not be possible to eliminate all risks but accepting and actively managing risk was crucial to fulfilling the governance of the fund. All risks would be regularly reviewed to ensure that they remained appropriate and that the controls were in place to manage risks where feasible.

The risk scorings were assessed by the Council as having good controls in place and the Council was comfortable with the risks and the scores, therefore given a green rating.

RESOLVED: That the report be noted.

83 **COMMUNICATIONS STRATEGY STATEMENT FOR THE PERIOD 2018-21**

The Committee received a report which advised of the current Communication Strategy of the London Borough of Havering Pension Fund, in relation to the Local Government Pension Scheme.

RESOLVED:

That the Pension Fund Communications Strategy be approved for the three year period to November 2021, as attached at Appendix A.

84 **FUNDING REVIEW STRATEGY - UPDATE**

The Funding Strategy Statement set out the objectives of the London Borough of Havering's strategy, in its capacity as Administrating Authority, for the funding of the London Borough of Havering Pension Fund.

The Statement had been updated to reflect changes made under the LGPS (Amendment) (Regulations) 2018 that took effect from the 14 May 2018.

RESOLVED:

That the Funding Strategy Statement be updated to reflect regulation changes as shown in Appendix A to the report.

85 **FORWARD PLAN**

The Committee reviewed the forward plan and noted that a Public Service Pensions Act Section 13 report would be presented to the meeting on the 11 December 2018.

Chairman