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**MINUTES OF THE MEETING OF THE
LOCAL PENSION BOARD
Committee Room 1-Town Hall - Town Hall
6 January 2016 (4.00 - 5.30 pm)**

Present:

Justin Barrett (Employer Representative) (Chairman) and David Holmes (Employer Representative)

Mark Holder (Scheme Member Representative) and Marsha Jane Thompson (Scheme Member Representative)

15 CHAIR'S ANNOUNCEMENTS

The Chair announced details of arrangements in the case of fire or other event that would require the evacuation of the meeting room.

16 APOLOGIES FOR ABSENCE

Apologies were received from Mo Jones.

17 DISCLOSURE OF PECUNIARY INTEREST

There were no disclosures of pecuniary interests.

18 MINUTES OF THE MEETING

The minutes of the meeting held on 7 October 2015 were agreed as a correct record and signed by the Chair.

The Committee Officer advised that there were no minutes of the inquorate meeting held on 12 August 2015. A copy of the notes would be circulated to members of the Board.

Further to minute 12 DF explained that if the Board wished to consult with members the budget could be amended. The pension administration team contacted all scheme members annually and it would be possible to combine any message from the Board with whatever is sent at that time.

Officers would check on the timescales and advise the Board accordingly. If necessary an extra meeting could be arranged to agree the form of any communication to all scheme members.

19 LOCAL PENSION BOARD - WORK PLAN

As agreed at the last meeting Board members had met to agree a work plan for the Board as the key aims of the Local Pension Board. The following priorities had been identified:

- Priority 1 – Fair Deal and TUPE Transfer;
- Priority 2 – Review of Governance Compliance Statement, training and development strategy and how this is implemented;
- Priority 3 – Tendering Processes for Fund Managers;
- Priority 4 – Pooled Investments;
- Priority 5 – Risk Strategy Review;
- Priority 6 – Pensions Administration Strategy and Benchmarking;
- Priority 7 – Early Redundancy Gap – Impact on Pensions; and
- Priority 8 – Rationalisation of member Organisations and Impact on deficit payments.

The Board **agreed** the proposed work plan and asked that as far as possible 2 priorities be considered at each meeting.

20 FAIR DEAL AND TUPE TRANSFER

In the absence of Mo Jones it had not been possible to provide the TUPE manual. The Board agreed that the manual, if available should be circulated to the Board in advance of the next meeting.

Prior to the meeting training had been delivered by Hymans Robertson on TUPE transfer. The Board understood that they needed to be satisfied that the appropriate processes were in place and fit for purpose. Hymans Robertson had indicated that the following documents should be in place:

- Admission Policy
- Bulk Transfer (inc. Cessation) Policy
- Admission Agreement
- Employer's Guide
- Contractor's guide
- Bond Agreement template.

The Board have asked for a copy of these documents. DF advised that the Funding Strategy Statement covered the issue of Bulk Transfer (inc. Cessation) Policy.

Some concern was expressed that some of the older admission agreements might no longer be fit for purpose. In order to assess the level of risk the Board asked officers to prepare a list of all admitted bodies and the number of employees covered by each agreement.

The Board also **agreed** that the Head of Legal and Governance should be asked to provide an assurance that the current template Admission Agreements and Bond Agreements are fit for purpose.

21 **REVIEW OF GOVERNANCE COMPLIANCE STATEMENT, TRAINING AND DEVELOPMENT STRATEGY AND HOW IT IS IMPLEMENTED.**

DF advised the Board that she had not submitted a separate report on the Governance Compliance Statement as this had been covered at the 24 November 2015 meeting of the Pensions Committee and the report had already been circulated to the Board. The Board had raised no issues with the Statement.

A report had been submitted on Training and Development. The regulations were unusual in respect of training requirements. Members of the Pensions Committee required an understanding of:

- Their responsibilities as an administering authority of a local government pension fund;
- The fundamental requirements relating to pension fund investments;
- The operation and administration of the pension fund;
- Controlling and monitoring the funding level; and
- Taking effective decisions on the management of the London Borough of Havering Pension Fund.

Members of the Local Pension Board were required by law to be conversant with—

- The Regulations and any other regulations governing the LGPS
- Any document recording policy about the administration of the Fund

and have knowledge and understanding of:

- The law relating to pensions; and
- Such other matters as may be prescribed.

Officers were recommending the Board to adopt the CIPFA Knowledge and Skills Framework for Public Sector Pensions to assess the level of their knowledge and identify training needs.

The Board agreed to complete the self assessment and return it to DF to help identify training needs. A report would be brought back to the next meeting in April.

The Chair asked that an item be included on each agenda to enable members of the Board to report on what training they had undertaken since the last meeting and what they had learned.

22 MATTERS CONSIDERED BY THE PENSIONS COMMITTEE AT ITS MEETING HELD ON 24 NOVEMBER 2015

The Board **noted** the items considered by the Pensions Committee at its meeting held on 24 November 2015.

23 ITEMS CONSIDERED BY THE PENSIONS COMMITTEE AT ITS MEETING HELD ON 15 DECEMBER 2015

Mark Holder reported on the deliberations of the meeting of the Pensions Committee held on 15 December 2016. He had brought the Board's attention to the Internal Cash Management Policy and DF had explained the rationale behind the decision to change the upper limit.

The Board's attention was also drawn to the presentations from two of the Fund Managers. Baillie Gifford already managed two of the Pensions Fund mandates and these would transfer to the Common Investment Vehicle. DF explained that it was the Government's intention that all the Pension Fund Investments should be invested in Pooled arrangements to save on the cost of fund manager fees.

Mark Holder also referred to the request from UBS for the Pension Fund to increase its investment in the Triton Property Fund. DF advised the Board that members had responded to the Group Director Resources and Community and UBS had been informed that the pension Fund wished to increase its investment.

24 ANY OTHER BUSINESS

DF advised the Board of proposals being considered by the Scheme Advisory Board to separate the scheme manager function from the Lead Authority. Further details would be provided if the proposal developed.

HM Treasury had issued a consultation on proposed Public Sector exit payment recovery regulations. The consultation would close on 25 January 2016.

Chairman