

Pension Board

Wednesday, 25 July 2018, County Hall, Worcester - 2.00 pm

		Minutes
Present:		Mr K Bray (Independent Chairman), Ms L-M Chapman, Ms K Wright and Mr N Shaw
Available papers		The Members had before them: A. The Agenda papers (previously circulated); B. The Agenda papers and Minutes of the Pensions Committee on 22 June 2018 (previously circulated); and C. The Minutes of the meeting held on 2 May 2018 (previously circulated).
105	Apologies (Agenda item 1)	An apology was received from Mr P Grove.
106	Declarations of Interest (Agenda item 2)	Mr K Bray declared general interests in his role as the Forum Officer of the Local Authority Pension Fund Forum (LAPFF) - the Worcestershire Fund is a long-standing Forum member and in relation to work he undertook with a firm of US lawyers who were involved with Shareholder Litigation and had the County Council as one of its clients.
107	Confirmation of Minutes - 2 May 2018 (Agenda item 3)	RESOLVED that the Minutes of the meeting on 2 May 2018 be confirmed as a correct record and signed by the Chairman. In relation to a query raised on Minute no. 101 – Administration Authority – Administration Update, Bridget Clark confirmed that all the interfaces have now been received from Worcestershire County Council's provider to enable the Administering Authority to proceed with the delivery of the Annual Benefits Statement. It was noted that the reference in Minute no. 101 – Administration Authority – Administration Update to "...representations had been made to the LGE." should read LGA. In relation to Minute no. 101, the Chief Financial Officer was asked how the Equity Protection Strategy was

progressing and whether he was content with it. He responded that due to the Fund's heavy investment in equities, he considered that it was the right decision at the right time for the right reasons to invest in an Equity Protection Strategy. With the Fund now being 100% funded and the next actuarial evaluation due, it was time to review the Fund's investment strategy and it was appropriate at some point to review the contributions made by employers.

108 Annual Report 2018 (Agenda item 4)

The Board considered its Annual Report.

In the ensuing debate, a request was made that that Employer representatives be referred to as councillors rather than as Mr or Mrs in future annual reports.

The Board received its Annual Report.

109 Pensions Committee - 22 June 2018 (Agenda item 5)

The Board received the Agenda papers and Minutes of the Pensions Committee meeting held on 22 June 2018. Members received a brief summary and commentary on the various items considered by the Pensions Committee.

Administering Authority – Administration Update

- Bridget Clark confirmed that the Annual Benefit Statements were on schedule to be sent out to members
- Bridget Clark indicated that a meeting had been held with the provider of the GMP Reconciliation project and good progress was being made. The provider had not found any issues that concerned them and were confident that the project would be delivered on time
- What approach had the Fund taken to the GMP Reconciliation process? Bridget Clark advised that the records had been grouped in a number of different ways and it was found that some records were easier to match than others. The key issue was to establish a de-minimus value and this was a matter that would be brought before the Pensions Committee for decision
- In response to a query, Bridget Clark indicated that no appeals had been submitted to the Pensions Ombudsman.

LGPS Central Update

- In response to a query, Michael Hudson commented that it was too early at this stage to be able to assess the performance of the Pool

- In response to a query regarding the governance arrangements of the Pool, Michael Hudson explained that the Shareholders Forum had responsibility for taking decisions on behalf of the member funds. The Business plan for the Pool would be considered by the Forum and each fund member had the power of veto. In addition, an officer group (PAF) had an oversight role
- Were meetings of the Shareholders Forum open to the public? Michael Hudson commented that every effort was made to keep arrangements open but he would confirm
- A discussion was taking place nationally as to whether there should be some form of employee representative on the Pool. In reality, this could be difficult to achieve.

Pension Fund Unaudited Annual Report and Accounts 2017-18

- Michael Hudson commented that it was good practice for the Pensions Committee to see the Statement of Accounts. No changes were proposed to the Pension Fund Accounts at this stage.

Worcestershire County Council Pension Fund Training for Pension Committee Members

- Michael Hudson commented that the aim of the training programme was to get all members to a level where they could make a best-informed decision on Pension Fund matters
- The training should not be too onerous to avoid deterring anyone from volunteering to serve on the Committee or Board.

The Committee Reports and Minutes were noted.

110 Pension Board Work Plan (Agenda item 6)

The Board considered its work programme.

In the ensuing debate, it was queried whether it was appropriate for the Board to review the Fund's Communications Strategy/Policy. Michael Hudson commented that the Fund's website and branding was being reviewed, particularly as the Fund did not have its own logo. Bridget Clark added that the present branding lead people to believe that it was Worcestershire County Council's Fund. Michael Hudson added that it was important to form an identity for the Fund to be able to attract future candidates. Bridget Clark indicated that the Communications Strategy could be reviewed by the Board in Quarter 4 of the Work Plan.

111 Any Other Business (Agenda item 7)

The Board noted its work plan.

Pensions Advice

What advice was provided to Fund members who were looking to transfer their pensions? Bridget Clark advised that the employees of the Fund were not able to provide advice to members as the Fund is not covered by the Financial Services Authority (FSA). The Administering Authority provides information about the options available and encourages members to seek independent financial advice before making decisions about their pension.

The meeting ended at 3.40pm.

Chairman