

## Minutes of the Meeting of the Pensions Committee held on 27 September 2018

### Attendance

Ben Adams	Bob Spencer
Derek Davis, OBE	Mike Sutherland
Ann Edgeller (Vice-Chairman)	Stephen Sweeney
Colin Greatorex (Chairman)	

**Also in attendance:** Corrina Bradley, Ian Jenkinson and Tim Legge (Pensions Board Members).

**Apologies:** Philip Atkins, OBE, Phil, Jones (Co-optee), Peter Noskiw (Co-optee) and Martyn Tittley.

### PART ONE

#### 1. Declarations of Interest

There were no declarations of interest on this occasion.

#### 2. Minutes of the meeting held on 15 June 2018

The Director of Finance and Resources referred to minute number 5, "Staffordshire Pension Fund Investment Performance 2017/18" and indicated that in response to the question raised by Mr Adams as to whether comparisons were made across regional market returns (i.e. North America, Europe etc), following the meeting, the relevant information was circulated to all Members of the Committee and no further questions had been raised.

**RESOLVED** – That the minutes of the meeting of the Pensions Committee held on 15 June 2018 be confirmed and signed by the Chairman.

#### 3. Minutes of the Pensions Panel meeting held on 5 June 2018

**RESOLVED** – That the minutes of the meeting of the Pensions Panel held on 5 June 2018 be noted.

#### 4. Appointment of Union and Small Employer Representatives for the Pensions Committee

The Director of Finance and Resources reminded Members of the need to recruit two co-optee members on the Committee (Union representative and Small Employer representative) following the resignation of Sue Insull and Geoff Locke. The Director indicated that letters inviting nominations had been sent to the trade unions and all Employers within the Fund but no responses had been received.

The Chairman indicated that, if members wished, he would contact the Staffordshire Parish Councils' Association to enquire as to whether they would wish to nominate

somebody to serve as the Small Employer Representative on the Committee. The Director also added that arrangements could be made to send a follow-up letter to the Trade Unions.

**RESOLVED** – (a) That the Chairman be requested to contact the Staffordshire Parish Councils' Association to enquire as to whether they would wish to nominate somebody to serve as the Small Employer Representative on the Committee.

(b) That the Director of Finance and Resources be requested to send a follow-up letter to the Trade Unions seeking a nomination for the vacant position of Union Representative on the Committee.

## **5. Pension Fund Annual Report and Accounts 2017/18**

The Committee were informed that, under regulations, the Pension Fund had to publish an annual report which included the accounts. The external auditors were also obliged to issue a statement on the accounts.

The Director of Finance and Resources submitted the draft Annual Report and Accounts 2017/18 for the Staffordshire Pension Fund.

The Pension Fund accounts were also included within the County Council's Statement of Accounts and were reported to the County Council's Audit and Standards Committee on 30 July 2018.

The Director summarised the Fund's accounts and made particular reference to the inclusion in the document of the independent auditor's report which stated that the accounts were consistent with those included within Staffordshire County Council's Statement of Accounts for the year ended 31 March 2018. The audit report also stated that the accounts were properly prepared in accordance with accounting standards.

The Director added that, with regard to the accounts, the auditor had undertaken an assessment of the "control environment" and had indicated that as part of the audit they were required to test the accuracy and completeness of contributions received but had found that the Fund was "unable to provide evidence from Staffordshire County Council at the time of testing as they had not received the return from Liberata – the new payroll provider." The Director indicated that the Committee had previously been made aware of this issue and the steps being taken to rectify the matter.

**RESOLVED** – (a) That the Staffordshire Pension Fund Annual Report and Accounts 2017/18 (Appendix 2 to the report) be approved and that the external auditor's statement on page 79 be noted.

(b) That the separate report from the Fund's external auditors, Ernst Young, entitled: Staffordshire Pension Fund Audit Results Report Year ended 31 March 2018 (Appendix 3 to the report), be noted.

## **6. Review of Governance Policy Statement and Communications Policy**

The Committee were informed that Regulations required, and best practice dictated, that a Pension Fund should have a range of written policies and procedures in place. Having such, not only proved regulatory compliance, but more importantly demonstrated good governance and provided a range of information to stakeholders.

Whilst the Staffordshire Pension Fund was compliant in having the full range of policies in place, following an initial audit by officers, it appeared that many of them were out of date and in need of review. An ongoing work program had therefore been put in place to ensure that over the next 12-18 months, the Fund's policies were reviewed and updated. These would be brought to the Pensions Committee for approval in the first instance, prior to any wider consultation, if such was required.

The Committee considered the proposed revised Governance Policy Statement which was last updated in December 2014 to reflect the introduction of the Local Pensions Board in 2015. The proposed revised version had been reformatted slightly and had also been updated to reflect the governance arrangements for LGPS Central Limited. The Director added that as the statement reflected the actual Governance arrangements in place, no wider consultation was considered necessary. The Chairman also indicated that the Policy Statement provided a clear overview of the Fund's governance arrangements.

The Committee also considered the proposed revised Communications Policy Statement which was last reviewed in 2017, the latest revised version had been reformatted slightly and updated to reflect several minor procedural changes. As there had been no significant changes to the Policy, wider consultation was considered unnecessary.

**RESOLVED** – (a) That the revised and updated Governance Policy Statement (Appendix 2 to the report) be approved.

(b) That the revised and updated Communications Policy Statement (Appendix 3 to the report) be approved.

## **7. LGPS Central Limited Annual Report 2018**

The Committee considered the LGPS Central Limited Annual Report 2018. The Director of Finance and Resources indicated that the Chairman of the Committee had attended the LGPS Central Limited AGM during which the auditor's report for the year ended 31st March 2018 was considered.

**RESOLVED** – That the LGPS Central Limited Annual Report 2018 be received.

## **8. Exclusion of the Public**

**RESOLVED** - That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Local Government Act 1972 indicated below.

## **PART TWO**

**9. Exempt minutes of the meeting held on 15 June 2018**  
(Exemption paragraph 3)

**10. Exempt minutes of the Pensions Panel meeting held on 5 June 2018**  
(Exemption paragraph 3)

**11. LGPS Regulations - Admission of New Employers to the Fund**  
(Exemption paragraph 3)

**12. LGPS Central Update**  
(Exemption paragraph 3)

**13. Member Training in preparation for the 2019 Actuarial Valuation**  
(Exemption paragraph 3)

**Chairman**