

CITY AND COUNTY OF SWANSEA

MINUTES OF THE LOCAL PENSION BOARD

**HELD AT COMMITTEE ROOM 6, GUILDHALL, SWANSEA ON
WEDNESDAY, 14 DECEMBER 2016 AT 10.00 AM**

PRESENT: Councillor A Lockyer (Chair) Presided

Employer Representatives:

J Andrew - Director of Finance NPT Homes
Councillor J E C Harris – City & County of Swansea

Local Pension Board Member Representatives:

A Chaves
I Guy

Officer(s)

Jeffrey Dong	Chief Treasury & Technical Officer
Lynne Miller	Pensions Manager
Stephanie Williams	Principal Lawyer
Karen Cobb	Senior Accountant
Kate Jones	Democratic Services Officer
Jeremy Parkhouse	Democratic Services Officer

Apologies for Absence

A Thomas

16 DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared:

J Andrew – Personal – Agenda as a whole - Member of LGPS.

I Guy – Personal – Agenda as a whole - Member of LGPS.

Board members queried declaring previously declared interests.

17 MINUTES.

RESOLVED that the Minutes of the Special Local Pension Board meeting held on 4 July 2016 and Local Pension Board meeting held on 21 July 2016 be signed and approved as correct records.

18 ANNUAL REPORT 2015/16.

The Chief Treasury and Technical Officer presented the Annual Report for the City & County of Swansea Pension Fund 2015/16 for 'information'.

The City & County of Swansea Pension Fund Annual Report 2015/16 was located at Appendix 1.

It was highlighted that the report also contained the activity of the Local Pension Board.

The Board discussed the following: -

- The requirement for the Board to have full access to Pension Fund Committee papers in order to effectively assist the Committee;
- The requirement for Board members to be allowed to attend Pension Fund Committee meetings, including remaining while exempt items were being considered;
- The possibility of the Board formally meeting with the Pension Fund Committee in order to discuss the role of the Board going forward and to allow the Board to operate to the best of its ability;
- The Board receiving further information / presentations regarding performance investment.

19 **BREACHES POLICY.**

The Chief Treasury and Technical Officer reported on the procedures to be followed in reporting breaches to the Pensions Regulator.

It was outlined that breaches could occur in relation to a wide variety of the tasks normally associated with the administrative function of a pension scheme such as keeping records, internal controls, calculating benefits and making investment or investment-related decisions. The report set out the procedures to be adopted by the City and County of Swansea Pension Fund in respect of the Local Government Pension Scheme (LGPS) managed and administered by the City and County of Swansea, in relation to reporting breaches of the law to the Pensions Regulator (tPR).

Details were provided of the legal requirements, reporting Breaches procedure, clarification of when a breach was suspected and the process for submitting a report to the Regulator.

It was added that a quarterly report would be presented to the Pension Board and Pension Fund Committee setting out:

- all breaches, including those reported to The Pensions Regulator and those unreported, with the associated dates;
- in relation to each breach, details of what action was taken and the result of any action (where not confidential);
- any future actions for the prevention of the breach in question being repeated.

The Board discussed the following: -

- How breaches would be reported to all listed parties;

- The availability of the policy to scheme members;
- The requirements of the Board in the event of a breach;
- Future reporting periods to the Board;
- Amendments required relating to sequencing at paragraphs 3.3 and 3.4 and to report breaches at least twice a year to the Board.

RESOLVED that: -

- 1) The Breaches Policy be approved subject to the above amendments;
- 2) The amended Policy be circulated to the Board.

20 **SCHEME ADMINISTRATION AND INTERNAL DISPUTE RESOLUTION PROCESS.**

The Pension Fund Manager presented a 'for information' report on the processes and procedures of the administration of the Scheme and resolving issues.

The report outlined details of the Pension Administration in the City and County of Swansea Pension Fund, how contributions were maintained, how the fund provided information to members and how issues were resolved. Appendix 1 provided the transactional functions undertaken to maintain member records.

The Board asked questions of the Officer who responded accordingly. Discussions centred around the impact on the Fund of the changes to pensions giving individuals more freedom to manage their pensions and the impact upon resources due to the number of people applying for ER/VR figures.

21 **PENSION ADMINISTRATION RESTRUCTURE.**

The Principal Pensions Manager presented a 'for information' report regarding funding for the restructure of the Pension Section.

The report outlined the previous review undertaken in 2009, gap analysis, benchmarking figures which provided details of the other Welsh Pension Funds and the proposed structure of the Pensions Section.

The Board commented on cost benefit analysis in relation to balancing regulations against members' benefits.

22 **DATES OF FUTURE MEETINGS. (FOR DISCUSSION)**

The Board discussed the pattern of future meetings and requested that meetings be held quarterly and follow Pension Fund Committee meetings.

RESOLVED that: -

- 1) The next meeting of the Board be held during the week commencing 20 March 2017;
- 2) Future Board meetings be held quarterly and follow Pension Fund Committee meetings.

23 **MINUTES OF THE PENSION FUND COMMITTEE - 7 DECEMBER 2016. (FOR INFORMATION)**

The Minutes of the Pension Fund Committee meeting held on 7 December 2016 were provided 'for information'.

The Board requested that the Professional Advice report at Minute No.32 be forwarded.

RESOLVED that the Professional Advice report at Minute No.32 be forwarded to the Board.

24 **EXCLUSION OF THE PUBLIC.**

The Board was requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involved the likely disclosure of exempt information as set out in the exclusion paragraph of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 relevant to the item(s) of business set out in the report.

The Board considered the Public Interest Test in deciding whether to exclude the public from the meeting for the items of business where the Public Interest Test was relevant as set out in the report.

RESOLVED that the public be excluded for the following items of business.

(CLOSED SESSION)

25 **ALL WALES POOL UPDATE.**

The Chief Treasury & Technical Officer presented a 'for information' report which updated the Committee on the progress of the All Wales Investment Pool.

The Committee commented regarding the potential timescale for the Pool to take effect, the estimated costs provided by Central Government and the content of the letter sent on behalf of the Minister for Local Government.

The meeting ended at 12.06 pm

CHAIR