

PRESENT

Members of the Pension Board:

Cllr. Charles Williams (Chair)
Lyn Myers (Vice-Chair)
Andrew Almond
Kenneth Davison
Cllr Malcolm Spalding

Officers:

David Coates – Head of Pensions
Mat Dawson - Senior Finance Manager - Pensions
Julia Stevens – Pension Fund Manager
Phil Triggs - Tri-Borough Director of Treasury and Pensions
Tom McColgan, Jerome Treherne - Governance Services

A G E N D A

A1. APOLOGIES FOR ABSENCE

None.

A2. DECLARATIONS OF INTEREST

The meeting marked the Grenfell Tower tragedy by holding a 72 second period of silence.

The Chair, Lyn Myers and Kenneth Davidson declared that they were in receipt of pensions from the Council's pension scheme. Andrew Almond noted that he was a member of the Council's pension scheme but not old enough to be in receipt of a pension. Cllr Spalding declared that he managed his own small self-invested personal pension, but he had no pecuniary interest in any matter on the agenda.

A3. MINUTES OF THE PENSION BOARD MEETING ON 24 NOVEMBER 2020

The minutes were agreed as a correct record.

A4. MINUTES OF THE INVESTMENT COMMITTEE MEETING ON 18 NOVEMBER 2020

There were no comments on the Minutes which were for information. At Cllr Spalding's suggestion it was agreed that future board meetings should receive a summarised breakdown of the equities portfolio by sector on managed funds

and the fund as a whole. This would be useful for the Board's risk management remit.

Action by: Julia Stevens/Phil Triggs

A5. RISK MANAGEMENT AND AUDIT SERVICES

Julia Stevens summarised the report. She noted that the report, following the request made at November's meeting included a new type of risk, that of transferring member sensitive data.

The Board agreed with the Chair's suggestion that future reports should focus on the more significant risks and therefore the total number of risks reported on would be reduced. This change should make it easier for the Board to monitor more serious risks. Phil Triggs referred to the LBHF fund review which recommended that the CIPFA framework of categorising risks be used to delineate types of risk. He suggested the RBKC fund could adopt this framework as well and such a change would be consistent with the Tri-borough approach. The chair welcomed the use of the framework and he expected the main categories of risk to fall under the headings of: administrative, governance or fund management.

Action by: Phil Triggs

Julia Stevens advised that risk 5 (staff competence) had not been summarised separately due to the transfer from Surrey County Council (Surrey CC) from 1 April.

The Board discussed the new risk of scams for individuals who, without receiving independent financial advice could choose to transfer out of local government pension schemes and join other schemes. David Coates highlighted that the role for the pension scheme was to follow correct procedures for these transfers. He emphasised that the pension scheme should not itself provide financial advice but had a role in reminding these individuals that they needed to receive independent financial advice and in raising awareness of such scams. Surrey CC had included reference to such scams in its member newsletters and that RBKC pensions would be including a leaflet warning of scams in the March notification to members of the transfer of pensions services from Surrey CC.

The Board noted that the governance risk 28 reference of 'Pension Fund Committee' should be reworded as Investment Committee.

Action by: Julia Stevens

The Board in response to governance risk 37 discussed if the training and development of the Investment Committee and Pension Board members should be more closely monitored. Phil Triggs commented that as a body with registered professional status, the fund's officers were required to keep accurate training records. He agreed that from the next meeting he would report on the previous year's training and include details of more recent training. The chair noted that from this annual monitoring report, he could inform the Investment Committee Chair if any training gaps were evident.

Action by: Phil Triggs

The report was received and noted.

A6. PENSION ADMINISTRATION UPDATE

David Coates summarised key points from the report. The Pension Administration Budget had been circulated to Board members and David Coates gave a full explanation on staffing costs comparing those anticipated from taking the pension scheme back in house to those expected had it remained with Surrey CC. David Coates advised that the predicted six to eight full time employees administering the pension scheme in the medium term would be the expected number of a LGPS of similar size. He confirmed that RBKC would work to the same performance targets for processing times as Surrey CC was currently.

The Chair was to inform the Investment Committee Chairman that the Board had discussed these budget issues.

Action by: The Chair

The report was received and noted.

A7. PENSION ADMINISTRATION STRATEGY

David Coates summarised key points from the report. The report was received and noted.

A8. PENSION COMMUNICATIONS POLICY

Davis Coates summarised the report. He reassured the Board that new employees would continue to be contacted and the benefits of the scheme explained to them. The report was received and noted.

A9. PROPERTY INVESTMENT ORAL UPDATE

The report was noted.

A10. ANY OTHER PUBLIC BUSINESS

There was none.

EXCLUSION OF PRESS AND PUBLIC FROM THE MEETING

RESOLVED: to exclude the press and public from the meeting for Items B1-B3 on the grounds that it was likely to involve the disclosure of exempt information as defined in Part I of Schedule 12A to the Act, as amended, relating to any individual and the financial or business affairs of any particular person (including the authority holding that information).

B1. PART B MINUTES OF THE PENSION BOARD MEETING HELD ON 24 NOVEMBER 2020

The Minutes were approved.

B2. INVESTMENT COMMITTEE - PROPERTY INVESTMENT UPDATE – ORAL REPORT

The Board was updated on three property purchases as well as a due diligence assessment underway on a fourth potential purchase. The Board was also informed on the frequency of property valuation exercises.

No other matters were discussed.

The meeting ended at 3.45pm.

Chair