

Minutes of a meeting of the Essex Pension Fund Board held at 2.00 pm at County Hall, Chelmsford on 9 July 2014

Present:

Member

Essex County Council

Cllr R L Bass (Chairman)
 Cllr S Barker
 Cllr K Clempner
 Cllr N J Hume
 Cllr N Le Gresley
 Cllr J Whitehouse

District/Borough Councils in Essex

Cllr J Archer Maldon District Council

Unitary Councils

Essex Fire Authority

Scheme Members

Mr K Blackburn

Smaller

Employing Bodies

J Moore

The following officers were also present in support:

Annemarie	Allen	Senior Pensions Consultant (Barnett Waddingham)*
Jody	Evans	Head of Essex Pension Fund
Kevin	McDonald	Director for Essex Pension Fund
Barry	Mack	Independent Governance and Administration Adviser (Hymans Robertson LLP)*
Sara	Maxey	Employer Relationship Manager
Ian	Myers	Secretary to the Board
Sarah	Harris	Senior Audit Manager
David	Tucker	Employer Liaison Manager

*present for items 1 to 18

1. Appointment of Chairman

The appointment of Cllr Bass, Chairman, and Cllr Hume, Vice-Chairman, of the Essex Pension Fund Board and Investment Steering Committee were noted.

2. Board Membership and Terms of Reference

The Chairman informed Members of the following changes to membership:

Southend Borough Council – Cllr Ron Woodley
Essex Fire Authority - Cllr Colin Seagers
Essex Leaders and Chief Executives Group – nomination awaited.

The Chairman has written to Cllr Pam Challis thanking her for her service on the Board

The revised membership and terms of reference of the Board were noted.

3. Apologies for Absence

Apologies for absence were received from Cllrs Woodley, Rice and Seagers. Apologies were also received from Margaret Lee.

4. Declarations of Interest

The Chairman requested Members declare any interests as appropriate.

5. Minutes

Resolved:

That the minutes of the Essex Pension Fund Board held on 9 December 2013 be approved as a correct record and signed by the Chairman.

6. Local Government Pension Scheme Reform

A Local Government Pension Scheme (LGPS) Reform

The Board considered a report (EPB/09/14) by the Head of Essex Pension Fund which outlined transitional arrangements for Councillor Pensions.

Resolved:

That the report be noted.

B DCLG Consultation: 'Opportunities for collaboration, cost saving and efficiencies'

The Board considered a report (EPB/10/14) by the Director for Essex Pension Fund which gave an update on the consultation issued by DCLG and a draft response to the consultation.

Members considered in detail the report noting it had previously been reported to the Investment Steering Committee. It was reported that a response to the consultation was due by Friday 11 July 2014.

Following discussion it was proposed that the Director for Essex Pension Fund draft a response based on paragraph 5 of his report and also copy that response to Kent and Greater Manchester for information.

Resolved:

That the report be noted and the draft response, included as Annex A to the report, be agreed.

C Local Government Pension Scheme (LGPS) Reform Draft Regulations on Scheme Governance

The Board considered a report (EPB/11/14) by the Director for Essex Pension Fund and the Independent Governance & Administration Adviser.

Members received a presentation from the Independent Governance & Administration Adviser which outlined the details of the consultation process on LGPS Governance Regulations.

Members discussed in detail the proposed arrangements expressing their concerns over the creation of the local Board.

It was agreed a working group be established, consisting of Cllr Susan Barker, Cllr Jon Whitehouse, Jenny Moore, Barry Mack and two Officers to explore all options. Work to commence after the next Pension Board meeting. An update report on the progress of the LGPS Governance Regulations will be brought to the 17 September Board meeting. Ultimately it is expected a recommendation will be made to full Council on 9 December 2014.

Resolved:

- (i) That the report be noted and a response to the consultation submitted
- (ii) That the arrangements outlined for the workinggroup to explore implementation of the Local Pension Board be agreed

7. Update and Pension Fund Activity

A(i) 2014/15 Business Plan

A(ii) Three Year Business Plan

B Risk Management

C Scorecard (measurement against objectives)

The Board considered a joint report (EPB/12/14) by the Director for Essex Pension Fund and Head of Essex Pension Fund, which provided an update on the 2014/15 Business Plan, three year Business Plan, Risk Management and Scorecard.

Members were appraised of the objectives, the risks and progress against made against the objectives, noting in particular areas of concern.

Resolved:

That the report be noted.

8. External Audit Programme of Work and Fees

The Board considered a report (EPB/13/14) by Peter O'Neill, Ernst & Young LLP

Resolved:

That the report be noted.

9. Internal Audit Annual Report of Pension Fund Work

The Board considered a report (EPB/14/14) by the Head of Internal Audit

Resolved:

- (i) That the outcomes of the 2013/14 plan be noted
- (ii) That the outcomes of the main 2012/13 NFI and supplementary exercises be noted.
- (iii) That the planned audits of the pension fund for 2014/15 be noted

10. Draft Pension Fund Accounts

The Board considered a report (EPB/15/14) by the Executive Director for Corporate Services & Customer Operations.

It was highlighted that a footnote needed to be added to the related party note to the accounts to reflect the part year membership of Councillors Finch, Lager and Walsh as members of the Essex Pension Fund Board and Investment Steering Committee. Their membership ended in May 2013.

Also it was agreed that an additional sentence should be included to reflect that from the 1 April 2014 any Councillors would no longer be able to join the LGPS and existing Councillors would no longer be able to remain in the LGPS after the expiry of their current term of office.

Resolved:

That the report be noted.

11. Administering Authority Discretions

The Board considered a report (EPB/16/14) by the Director of the Essex Pension Fund concerning the need to review the Fund's Statement of Policy.

Resolved:

- (i) That the report outlining the ongoing work being undertaken by Officers be noted
- (ii) That the Board note that a revised Statement of Policy be brought to its meeting on 17 September for approval.

12. Investment Steering Committee (ISC) Quarterly Report

The Board considered a report (EPB/17/14) by the Director of the Essex Pension Fund concerning ISC activity since the last Board meeting.

The Chairman made reference to Essex being successful at the annual Professional Pensions awards having been judged Public Sector Scheme of the Year. Members agreed this was a significant achievement and requested their appreciation be conveyed to appropriate staff. It was requested the logo be incorporated into all future employer notifications.

Resolved:

That the report be noted.

13. Employer Forum

The Board considered a report (EPB/18/14) by the Director and Head of the Essex Pension Fund detailing feedback from the employer forum held on 9 May 2014. Members noted the positive feedback received and were informed a similar event will be arranged for Academies in the future.

Resolved:

That the report be noted.

14. Essex Pension Fund Board Annual Report

The Board considered a report (EPB/19/14) by the Secretary to the Board detailing the Annual Report

Resolved:

That the report be noted.

15. Annual Review of Member Attendance

The Board considered a report (EPB/20/14) by the Secretary to the Board detailing Member attendance at the Board and Investment Steering Committee.

Resolved:

That the report be noted subject to minor adjustments affecting the attendance of Cllrs Hume and LeGresley

16. Forward Look

The Board considered a report (EPB/21/14) by the Secretary to the Board which presented a Forward Look detailing the Board's future business.

Resolved:

That the report be noted and approved

17. Date of Next Meeting

The next Board meeting will be held at 2.00pm on Wednesday 17 September 2014 in Committee Room 2, preceded by a Member training session (details to be confirmed)

18. Urgent Business

There was no urgent business.

19. Exclusion of the Press and Public**Resolved:**

That, having reached the view that, in each case, the public interest in maintaining the exemption (and discussing the matter in private) outweighed the public interest in disclosing the information, the public (including the press) be excluded from the meeting during consideration of the following item of business on the grounds that they involved the likely disclosure of exempt information as specified in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

20. Procurement Update

(Exempt under paragraph 3 – information relating to the financial business affairs of a particular person)

The Board considered a report (EPB/22/14) concerning the re-tender of the position of Independent Governance & Administration Adviser.

Resolved:

- (i) That the report be noted
- (ii) That the recommendations concerning the re-tender arrangements be agreed

There being no further business, the meeting closed at 3.50pm.

Chairman