

Minutes

Pensions Board

30 July 2015

Meeting held at Committee Room 4 - Civic Centre,
High Street, Uxbridge UB8 1UW



	<p>Board Members Present:</p> <p>Employer Representatives: Councillors Alan Chapman, John Morse and David Simmonds.</p> <p>Employee Representatives: Roger Hackett, Venetia Rogers and Andrew Scott.</p> <p>Also Present: Dan Kanaris (AON Hewitt).</p> <p>LBH Officers Present: Ken Chisholm, Nancy LeRoux, Paul Whaymand and Khalid Ahmed.</p>	
1.	<p>APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN</p> <p>That Councillor David Simmonds be appointed Chairman and Councillor Alan Chapman be appointed Vice-Chairman of the Board for the 2015/16 Municipal Year.</p>	<p>Action By:</p>
2.	<p>STATUTORY REQUIREMENT ON CONFLICTS OF INTEREST</p> <p>The Board was informed that under the Public Service Pensions Act 2013 for the purposes of a member of a Local Pension Board, a "conflict of interest" was defined in section 5(5) of the 2013 Act as a financial or other interest which was likely to prejudice a person's exercise of functions as a member of a Local Pension Board.</p> <p>In relation to membership of the Pension Board this would occur if an individual had another interest which was likely to prejudice the way they carried out their role as a Pension Board Member. The 2013 Act also specified that a conflict did not include a financial or other interest arising merely by virtue of that person being a member of the LGPS and/or Fund (or any connected scheme).</p> <p>The information reported was noted.</p>	
3.	<p>DECLARATION OF INTEREST AND ANY CONFLICTS OF INTEREST</p> <p>Councillor David Simmonds declared a general Non-Pecuniary Interest as he was a member of the Teachers' Pensions Board. He remained in the meeting during discussion on all items.</p> <p>There were no conflicts of interests reported.</p>	

4.	<p>TO CONFIRM THAT ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THOSE MARKED PART II WILL BE CONSIDERED IN PRIVATE</p> <p>That Agenda Item 11 be considered in private for the reasons stated on the agenda and the rest of the items be considered in public.</p>	Action by
5.	<p>THE LONDON BOROUGH OF HILLINGDON PENSIONS BOARD TERMS OF REFERENCE</p> <p>Consideration was given to a report which provided Members with the Terms of Reference of the Pension Board.</p> <p>RESOLVED:</p> <p>1. That the Terms of Reference of the Pension Board be noted.</p>	
6.	<p>OVERVIEW OF PENSION BOARD</p> <p>Dan Kanaris from AON Hewitt attended the meeting and provided the Board with a presentation on Hillingdon's Pension Board Governance.</p> <p>Members were provided with the background to the establishment of the Board and provided with details on the legislative framework, the structure and Governance of the Local Government Pension Scheme, the Pensions Regulator, Conflicts of Interest, knowledge and understanding for Board Members and the reporting of breaches.</p> <p>Reference was made to the previous decision making structure for Pensions and Members were informed that the purpose of the new Board would be to look at the governance of the Pensions Committee decisions and look at the processes in terms of making those decisions.</p> <p>The Board was informed that Pension Boards must not have conflicts of interest and that it was advisable for a conflict of interest policy to be adopted.</p> <p>Members must be conversant with the regulations of the Pension's Scheme and all policy documents. The importance of Members having the knowledge and understanding of the law relating to pensions was stressed and it was agreed that the training requirements of Members would need consideration in the Board's work programme.</p> <p>Examples were given of how the Board could assist the Administering Authority which included:-</p> <ul style="list-style-type: none"> • Reviewing scheme member/ employer communications, • Checking compliance of scheme employers with their duties under Regulations and legislation, • Reviewing complaints and performance on the administration and governance of the scheme, • Reviewing employer and administering authority discretions, • Providing an input to the development of improving customer services and 	Action By:

	<ul style="list-style-type: none"> • Reviewing effectiveness of processes for the appointment of advisors and suppliers. <p>Particular reference was made to the requirement to report breaches of the law to the Regulator and the Board was provided with an outline of what should be reported. A policy would be drafted for the next Pensions Committee and this area would be covered in training provided to Members.</p> <p>Discussion took place on insurance indemnity protection for employee members of the Board and the Board asked that the Borough Solicitor's advice be sought on this.</p> <p>RESOLVED:</p> <p>1. That the information presented be noted and officers be asked to report back to the next meeting of the Board on the actions requested.</p>	<p>Nancy LeRoux</p> <p>Nancy LeRoux</p>
<p>7.</p>	<p>DRAFT WORK PROGRAMME</p> <p>The Board was provided with a draft work programme which provided suggestions on areas which Members should focus on.</p> <p>It was agreed that for the Board's next meeting an item be added to the work programme on what the arrangements are for Admitted Bodies in terms of how their views were taken into consideration.</p> <p>Subsequent to the meeting it was agreed that a Conflict of Policy be developed which would be submitted to the Board.</p> <p>Discussion took place on the Learning and Development Plan which would need to be put in place and officers were asked to give consideration to this and report back to the next meeting of the Board.</p> <p>Other areas which Members asked to be included in the Work Programme included how complaints were dealt with by the Administering Authority and the development of an Administration Strategy.</p> <p>Reference was made to the Pensions Administration Contract and Members asked that further detail be provided at future meetings on progress being made in relation to efficiency improvements by the contractor, Capita Employee Benefits (CEB).</p> <p>The Board was informed that briefings by specialists would take place at all meetings which would help in the learning and development for Members of the Board and improve the skills and knowledge base.</p> <p>RESOLVED:</p> <p>1. That the draft work programme, with the suggestions made be noted.</p>	<p>Nancy LeRoux / Ken Chisholm / Khalid Ahmed</p>

8.	<p>REVIEW OF PENSION COMMITTEE REPORTS</p> <p>The Board was provided with the agenda for the last Pensions Committee which took place on 17 June 2015 and noted the reports.</p>	
9.	<p>PENSION FUND RISK MANAGER AND CONTROL ISSUES</p> <p>This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).</p> <p>The confidential report provided Members with details of the main risks to the Pension Fund which would enable the Board to monitor and review going forward.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That the Risk Register in terms of the approach and the specific tasks identified and the measures taken to mitigate those current risks, be noted. 2. That the recent Internal Audit report which gave substantial assurance on Pension Fund cash management practices be noted. 	
<p>The meeting, which commenced at 7.00pm closed at 8.25pm</p>		

These are the minutes of the above meeting. For more information on any of the resolutions please contact Khalid Ahmed on 01895 250833. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.