

Minutes of the Pensions Board Meeting held on 17 December 2021

Present: Rob Birch (Chairman)

Corrina Bradley

John Mayhew

Apologies: Rachel Bailye

PART ONE

111. Declarations of Interest

There were no Declarations of Interest on this occasion.

112. Minutes of the meeting held on 24 September 2021

RESOLVED – That the minutes of the meeting held on 24 September 2021 be confirmed and signed by the Chairman.

113. Pensions Board - Appointment of Board Members

The Board were informed that, with regard to the appointment of a person to represent local authorities on the Board, a nomination was still awaited from the Staffordshire Leaders and Chief Executives Group.

The Director for Corporate Services also agreed to write to those Members of the Board who had not attended recent meetings to enquire as to whether they wished to remain on the Board.

RESOLVED – (a) That the oral report of the Director for Corporate Services be received.

(b) That it be noted that the Director for Corporate Services was to write to those Members of the Board who had not attended recent meetings to enquire as to whether they wished to remain on the Board.

114. Matters arising from the Pensions Committee Meetings of 24 September and 17 December 2021

There were no matters arising from the meeting of the Pensions Committee held on 24 September 2021.

With regard to the meeting of the Pensions Committee held on 17 December 2021, the Chairman referred to the following matters which had been discussed by the Committee:

- The presentation by CEM Benchmarking on the results of their 2020/21 survey where Staffordshire was compared on a number of cost and performance metrics to a global peer group of 16 pension funds, and the Committee's subsequent discussion on achieving value for money with regard to Asset Manager Fees.
- EY's Audit Results Report (ISA260) for the Fund which provided for an 'unqualified opinion' on the accounts and stated that there were no matters which should be brought to the attention of the Pensions Committee.
- The ongoing work program to ensure that, over the last two years, the Fund had reviewed and updated all its policies. The Administering Authority Discretions Policy was the last of these policies to be reviewed. Going forward, it was proposed that officers would draw up a review cycle to ensure that all policies were reviewed at least every 2-3 years or annually, where regulation dictated or best practice suggested.

RESOLVED – That the matters arising from the Pensions Committee meetings held on 24 September and 17 December 2021 be noted.

115. Staffordshire Pension Fund Risk Register - Funding

The Board were informed that, at their meeting in June 2021, the Pensions Committee noted the high-level risks identified within the Staffordshire Pension Fund Risk Register. The Committee also asked the Local Pension Board to continue to undertake a regular detailed review of the risks identified and the process for maintaining the Risk Register, and report back to the Committee on any areas of concern.

To assist with their review, the Pensions Board had requested that one of the four main risk areas (Governance, Funding, Administration, and Investment), be presented to the Board at each meeting, for their consideration. This was to align with the risk area considered by the Officer working group that quarter. Local Pensions Board members had joined the Assistant Director for Treasury & Pensions and Senior Pensions and Investment Officers, forming the Officer working group, on a quarterly basis. Working through the detail of the individual risks, they collectively determined individual risk scores by considering the potential impact any one risk might have, together with the likelihood of that risk occurring. Members of the Pensions Board were invited to continue to attend these working groups if they so wished.

At a meeting on 12 November 2021, the officer working group, observed by the Chair of the Board, reviewed the risk area of Funding. Pre and post control ratings were re-assessed, considering any new controls or sources of assurance. New areas of potential risk were also considered. Post control, Fund Officers believed there to be three high-level risks in this area and

seven areas of medium risk. In response to a question from the Chairman, the Director for Corporate Services indicated that the three high-risk areas were all related to the assumptions and considerations in the upcoming 2022 Actuarial Valuation.

The Chairman encouraged other Board Members to attend future meetings of the Officer working group on a rota basis.

RESOLVED – That the risks relating to Funding, from the current Staffordshire Pension Fund Risk Register (Appendix 2 to the report), be noted.

116. Dates of Future Meetings

RESOLVED – That the following dates for meetings of the Pensions Board be noted:

- Friday, 25 March 2022

117. 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

The Board then proceeded to consider reports on the following issues:

118. Exempt Minutes of the meeting held on 24 September 2021
(Exemption paragraph 3)

119. Exempt matters arising from the Pensions Committee Meetings of 24 September and 17 December 2021
(Exemption paragraph 3)

120. Internal Audit Reports - Recommendations Progress Log
(Exemption paragraph 3)

121. Pensions Board Chairs Meeting of 25 October 2021
(Exemption paragraph 3)

Chairman