

## Minutes of the Pensions Board Meeting held on 31 March 2023

Present: Rob Birch (Chair)

<b>Attendance</b>	
Corrina Bradley	John Mayhew

**Also in attendance:**

**Apologies:**

**Part One**

### **170. Appointment of Chairman and Vice Chairman of the Pensions Board**

**Resolved** – That Robert Birch be appointed as the Chairman of the Pensions Board and that Corrina Bradley be appointed as the Vice Chairman of the Pensions Board.

### **171. Declarations of Interest**

There were no declarations of interest on this occasion.

### **172. Minutes of the meeting held on 16 December 2022**

**Resolved** – That the minutes of the meeting held on 16 December 2022 be confirmed and signed by the Chairman.

### **173. Matters arising from:**

- a) Pensions Committee - Minutes of the meeting held on 16 December 2022

There were no comments on the minutes from 16 December 2022.

- b) Pensions Committee - held on 31 March 2023

The Board received an update on the Pensions Committee held on the 31 March 2023. Observations from the meeting included the Climate Change Strategy and Climate Stewardship Plan which showed progress was being made, although it was acknowledged there were still a number of areas of learning on the subject. A question had been asked at the meeting regarding monitoring of pollution issues and other concerns.

A general discussion was held about Environmental, Social and Governance (ESG) issues and the understanding from the online training that the purpose of ESG was to not invest in any companies that were falling foul of ESG. However the take away from the meeting was the reverse and instead demonstrated how ESG is about taking an active part in the ownership of those companies and engaging with them to try and change their behaviours.

#### **174. Data Quality Scores and Data Improvement Plan**

The Board received a report from the Director of Finance on the Fund's Data Quality Scores and a resulting Data Improvement Plan.

It was reported that in 2015 the Pensions Regulator (TPR) assumed responsibility for all Public Sector Pension Schemes and set specific targets for two types of Scheme Member data, Common and Scheme Specific Data.

The Fund, in conjunction with its software provider Heywoods Ltd, have completed a review of the "Common and Scheme Specific Data" in line with TPR guidelines. The results are reported as:

- a Common Data Score of 96.8% (97.1% in 2021); and
- a Scheme Specific Data Score of 96.35% (96.3% in 2021).

The Board were advised that the marginal increase in the "Scheme Specific Data" score was a result of improvements in the quality of data received from Scheme Employers and data cleansing exercises for the Fund's 2022 valuation project. There has been a slight decrease in the "Common Data" score mainly because of an increased number of addresses held now being incorrect. The rectification of this will be considered as part of the Fund's wider project to comply with onboarding to the national Pensions Dashboard Program.

**Resolved** – That (a) the Staffordshire Pension Fund's Data Quality Scores for 2022 and the comparison of both to 2021 be noted. These are reported as:

- a Common Data Score of 96.8% (97.1% in 2021); and
- a Scheme Specific Data Score of 96.35% (96.3% in 2021).

(b) the existence of a detailed Data Improvement Plan be noted.

#### **175. Staffordshire Pension Fund Risk Register - Investments**

The Board were presented with the Staffordshire Pension Fund Risk Register. The Board were advised that at their meeting in June 2022, the

Pensions Committee requested that 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 with any areas of concern.

At a meeting on 10 February 2023, the officer working group, reviewed the risk area of Investment. Pre and post control ratings were re-assessed, considering any new controls or sources of assurance. New areas of potential risk were also considered.

Investment risks had been heightened generally this year due to the impact of the high inflation/high interest rate economic environment. A review of the Fund's Strategic Asset Allocation in tandem with the Actuarial Valuation of the Fund on 31 March 2022 also resulted in a range of changes to the Fund's investment structure and these present a range of risks, as assets are transferred from one asset class or investment manager to another. However, post control, Fund Officers believed there are only two areas of high risk and thirteen areas of medium risk although these are generally well managed.

**RESOLVED** – That (a) the summary of the high-level risks and emerging risks from the current Staffordshire Pension Fund Risk Register, as presented to the Pensions Committee at their meeting of 31 March 2023 be noted.

#### **176. Dates of Future Meetings**

The following dates for the meetings of the Pensions Board were provided.

- Friday 30 June 2023
- Friday 29 September 2023
- Friday 15 December 2023

**Resolved** – that the dates for the meetings of the Pensions Board be noted.

#### **177. Exclusion of the Public**

#### **178. Exempt Minutes from the meeting held on 16 December 2022**

#### **179. Exempt matters arising from**

- a) Pensions Committee - Minutes of the meeting held on 16 December 2022
- b) Pensions Committee - held on 31 March 2023

**180. Internal Audit Reports - Recommendations Progress Log**

**181. LGPS Central Pool - Local Pensions Board Chairs meeting of 27 March 2023**

**Chair**