

Pensions Committee

Minutes of the Pensions Committee held on Friday 10 September 2021 at 10.00am.

Committee Members Present:

Cllr J Thorne - Chair

Cllr S Coles

Cllr G Noel

Mr. P Butler

Mrs. S Payne

Also attending: Cllr A Kendell (via Teams)

The Chair reflected on the death of former County Councillor Tim Carroll who had served with distinction for a number of years on the Committee, and he noted that further tributes would be made at the November Full Council meeting.

1 Apologies for Absence - agenda item 2

Cllr J Parham, Cllr R Henley, Mr G Bryant and Mrs C Burton.

2 Declarations of Interest - agenda item 3

Mr. P Butler and Mrs. S Payne declared a personal interest by virtue of being a member of the LGPS. The Chair asked for declarations of interest to be recognized as having been already declared, so that they need not be repeated at each meeting.

3 Minutes of the Previous Meeting - agenda item 1

The Committee agreed and the Chair signed the Minutes of the meeting held on 26 March 2021 as a correct record.

4 Public Question Time - agenda item 4

The Chair welcomed 2 members of the public who were present and invited them each in turn to address the Committee.

The Committee heard from Sigurd Reimers who raised the question of whether the Pensions Committee would be carrying out a major review during 2021, and what the timescale would likely be.

The Committee then heard from Cllr Anne Hills, Leader of Frome Council, who raised a number of points including the pension investment strategy and the comparative performance information of the portfolios provided by the Brunel Pension Partnership; the compliance of the SCC investment strategy within the Local Authority overall strategy of carbon neutrality by the target date of 2030 and how the pension investments were moving towards carbon neutrality by 2030.

At the Chairs invitation, the Funds and Investment Manager, thanked Cllr Anne Hills and Mr Reimers for their questions and after providing a brief verbal overview of his response to each he noted that a full written response to all questions would be provided and shared with the Committee.

5 **Somerset Unitary** - agenda item 5

The Funds and Investments Manager addressed the Committee explaining that he would provide Members with a regular update at meeting on the local government reorganization. He undertook to provide reports where decisions might be necessary, and he noted that the Constitution and Standards Committee was also working through changes to ensure an appropriate democratic oversight was maintained.

The Funds and Investments Manager proposed and the Committee agreed for asked for this item to remain on the agenda for each future meeting until April 2023.

6 **LGPS Pooling of Investments** - agenda item 6

The Funds and Investments Manager provided the Committee with an overview of his report, noting that overall pooled investments remained the same, although the transition of fixed income assets into Brunel has been completed.

There were no questions or comments received and the Committee accepted the report.

7 **Independent Investment Advisor's Report** - agenda item 7

The Funds and Investment Manager referred to the update circulated to the Committee by the Independent Advisor. There were questions about the American stock market, and the newly announced NHS and social care levy and the Funds and Investments Manager responded.

The Committee noted the report.

8 Review of Investment Performance - agenda item 8

The Funds and Investments Manager provided the Committee with an overview of his report, noting that returns in the quarter to June remained healthy. Mrs Payne asked if the UK Equities were under performing due to the stock selection and the Funds and Investments Manager thought that was a reasonable explanation.

The Committee noted the report.

9 Review of Administration Performance - agenda item 9

The Committee considered a report from the Head of Peninsula Pensions, explained that the administrative team had been keeping on top of the workload, with around 10% of the work force being office based and it was noted that 90% of work being completed on time.

There was a question about maintaining performance as the return to business as usual and the Committee noted that the admin team were committed to maintaining performance after Covid and it was noted an increase in deaths were being investigated.

The Committee noted the report.

10 Business Plan Update - agenda item 10

The Funds and Investments Manager noted that there had been no changes since the last meeting. Members were pleased to note that there had been a significant number of applications for the Pensions Board vacancy.

There were no questions or comments received from the Committee members and the report was noted.

11 Finance and Membership Statistics Update - agenda item 11

The Committee considered a quarterly report by the Funds and Investments Manager, and he highlighted the long-term trends which were well established. There were no questions or comments received from the Committee and the report was noted.

12 Review of Pension Fund Risk Register – agenda item 12

The Committee considered a report by the Funds and Investments Manager that reviewed the Pension Fund's risk register and he noted there had been no changes since the last report. There were no questions or comments received from the Committee and the report was noted.

13 Funding Strategy Statement – agenda item 13

The Committee considered a report by the Funds and Investments Manager and he noted that the Statement had first been considered about a year ago, but had been amended to reflect new government regulations. The consultation period with employers had now concluded and no issues had been raised.

The Committee agreed unanimously to accept the Funding Strategy Statement.

14 Investment Strategy Statement – agenda item 14

The Committee considered a report by the Funds and Investments Manager provided an overview of this report and he explained that he would bring a draft version to the December meeting before being presented for adoption at the March meeting.

There was a question about the pre-election period and the restrictions are in place before local elections and the Committee Manager undertook to check the date of the March meeting so the business of the Committee would not be affected. The Funds and Investments Manager agreed to arrange an informal session for October, to brief Committee Members on the various options.

The report was accepted.

15 Annual Report including the Accounts and Investment Performance - agenda item 15

The Funds and Investments Manager provided the Committee with an overview of the Fund's the Annual report which this year was a 234-page document. He explained that the report would need to be published in early December, and there were 2 possible changes, and he was discussing with the external auditors. It was suggested and agreed if there were any material changes to the report a further meeting would be called to agree such changes.

There was a brief discussion about the savings forecast and achieved through the Brunel Partnership and it was noted that due to the transitional cost and the time it can take before savings were realized and that the running costings of Brunel were higher than forecast due to the additional tasks they were being asked to carry out the savings figure had not been met.

The Committee agreed unanimously to accept the report.

16 Any Other Business - agenda item 16

The Chair, after ascertaining there were no further items, thanked all those present for attending and closed the meeting.

(The meeting ended at 11:47am)

CHAIR
Cllr J Thorne