

Minutes of a Meeting of the Pension Fund Board held in the Council Chamber,
Council Offices, Cannards Grave Road, Shepton Mallet BA4 5BT, on Friday, 17
January 2025 at 10.00 am

Present:

Anne Hills (Chair)

Cllr Simon Carswell
Alison Wyatt

Rod Bryant

Present online:

Antony White
Nigel Behan

1 Apologies for Absence - Agenda Item 1

There were none.

2 Minutes from the Previous Meeting (To follow) - Agenda Item 2

One amendment had to be made on the minutes under item no. 2 “Declarations of Interest”, to read: Councillor Simon Carswell – Member of the Local Government Pension Scheme.

The minutes of the meeting held on 4 October 2024 as amended were approved as a true record.

3 Declarations of Interest - Agenda Item 3

The following declarations were made:

Councillor Simon Carswell – Member of the Local Government Pension Scheme

Rod Bryant - Recipient of the Local Government Pension

Antony White - Member of the Local Government Pension Scheme

Alison Wyatt – Member of the Local Government Pension Scheme. Member of Avon Pension Scheme and a representative of that scheme

4 Public Question Time - Agenda Item 4

There were none.

5 Review of Pension Fund Committee's Papers - Agenda Item 5

Anton Sweet, Funds & Investments Manager, gave a verbal report on the papers provided to the Pension Fund Committee at their meeting on 13 December 2024 highlighting:

Review of Investment Performance

- The return for the quarter was 1.1%, slightly behind the benchmark of 1.3%. This was broadly consistent with the actuarial underlying requirement.
- Despite significant market volatility in the second half of last year and the start of this year, returns have been reasonable due to generally positive equity markets.
- The returns were slightly ahead of the 4.6% absolute return target, which was also the discount rate embedded in the actuarial evaluation for this cycle.
- Returns for the quarter ending 31st December were slightly better, and returns had been relatively positive in early 2025. There should be improved figures to report at the April meeting.
- The Primary Rate Estimate was estimated at 18.5% as of 30th September, which reflected market movements since 2022 and a reduction in inflation expectations.

The Employment Communications Lead for Peninsula Pensions, Shirley Cuthbert, gave a report on the administrative performance review papers provided to the Pension Fund Committee at their meeting on 13 December 2024 highlighting:

Review of Administration Performance

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- For the second quarter ending on 30th September, 87% of work was completed within target, with 92% of that being higher priority procedures like retirement cases.
- 16 compliments were received
- Ms Cuthbert went through the various appendices and explained how each provided detailed breakdowns of administration performance against statutory disclosure regulations and internal targets, long-term performance for the year ending 30th September and increase in work received over the previous 12 months compared to the same period the previous year.
- There were four new admitted bodies, preschools moving to Academy status and one cessation within the quarter.
- The team collaborated with software suppliers to deliver the MacLeod project on time, with a dedicated team reviewing 2,720 calculations.
- An additional member was being recruited for the MacLeod project team.
- Annual Benefit Statements were sent out before the required date, with most issued via the Member self-service Portal, which included a personalized video.
- On the pension dashboard an online tool for checking pension benefits had been added, as requested by the government, with further information available via a link in the report.

Business plan update

- Next, Anton Sweet went through the Business plan update which was provided to

the Pension Fund Committee highlighting:

- The external audit of the pension fund's accounts was complete, and Grant Thornton presented their audit findings to the Somerset Council's Audit Committee on 12th November.
- The final opinion on the pension fund's accounts was pending until the opinion on Somerset Council's accounts was issued.
- Somerset Council's accounts were published in draft form, slightly behind the 31st May deadline. Grant Thornton were expected to finalize their opinion by the end of February.
- Grant Thornton confirmed that the opinion on the Council's accounts would not impact the pension fund's opinion, and a clean opinion was expected by the end of February.

6 Review of Pension Fund Risk Register - Agenda Item 6

Anton Sweet, Funds & Investments Manager advised the board that:

- Risks PF admin 6 and 7 had been increased to match the current scores as it had been agreed that all reasonable mitigation was being taken.
- After Stephen Morton (Strategic Manager – Pensions) left the Council at the end of October the risks that were assigned to him were re-assigned to Anton. This effected risks PF Admin 1, 2, 3 and 4.
- The assigning of all risks would be reviewed again following the likely legislation by Government for each LGPS administration authority to appoint a "Senior LGPS Officer" and the exact implementation of that by Somerset Council.

7 Business Plan Update - Agenda Item 7

8 Any other business of urgency - Agenda Item 8

The Funds & Investments Manager, updated the Board on the forward work-plan and affirmed that after Somerset Council's (4th February) restructure consultation there may be additional items and if there was something else which needed to be added into the forward plan there was a 6 month window to add it to the agenda.

(The meeting ended at 11:25)

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CHAIR