

MINUTES OF THE MEETING OF THE LOCAL PENSION BOARD HELD ON THURSDAY, 20TH DECEMBER, 2018

MEMBERS: Councillor Orhan (Chair), Councillor Milne, Paul Bishop (Vice-Chair), Androulla Nicou (LPB Member) and Pauline Kettless (LPB Member)

Officers: Paul Reddaway (Head of Finance Pension Investments), Matt Bowmer (Interim Director of Finance), Krzysztof Szymczak (Finance Officer), Karen Bennett (Finance Officer) and Tariq Soomauroo (Governance & Scrutiny)

Also Attending: Councillor Taylor (Chair PP&IC) & Daniel Kanaris (Aon Representative)

23. WELCOME & INTRODUCTION

Councillor Ayfer Orhan (Chair) welcomed and introduced the members of the Local Pension Board.

24. APOLOGIES

Apologies for absence received from Councillor Vicki Pite, Tim O'Connor and Julie Barker.

25. DECLARATION OF INTERESTS

There were no declarations of interest in respect of any item listed on the agenda.

26. STANDING ITEMS

- a. Pension Board minutes 4th October 2018 – Agreed as a correct record
- b. Register of breaches of the law – None
- c. Conflicts of interest register (Declaration of interests) – None
- d. Risk Register (Attached) – No changes to risk register, this is reviewed every Committee meeting.

27. GOVERNANCE REVIEW

Paul Reddaway (Head of Finance Pensions Investments) introduced the report reminding the Committee that the Local Pension Board members had asked for an independent review regarding the effectiveness of the fund, ensuring Enfield's Pension Fund was operating correctly.

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Daniel Kanaris (Aon Representative) presented the report.

Noted:

Pension boards from the 1st April 2015 adopted a new governance structure in the LGPS, it was highlighted that the boards must adhere to the below points.

- Must have employer and member representatives in equal Numbers
- Members must have knowledge and understanding of the law relating to pensions
- Each Council must produce an agreed Board's Terms of Reference
- LB Enfield – TPR compliance Review 2018 much improved compared to 2015/16 (traffic light system)
- Improvement plan to be produced for areas not green (Amber & Red) with timescales
- Enfield's governance framework is in a good position in comparison with other boroughs, with Enfield setting a high benchmark
- Overall conclusion of Enfield's review is that the Governance of the fund is of a good standard in many areas and meets legal requirements on the whole.

Daniel Kanaris finalised the report highlighting Aon's Recommendations as per the review.

- Aon strongly recommends formalising a few fund strategies / policies that are not currently in place, such as areas of administration, conflicts of interest, breaches of legislation, governance, communications and training
- Improving the funds documentation to be more clearer and more transparent.

Agreed:

- The Chair agreed that the improvement plan to be produced for underperforming areas from the review will be a standing item for all future meetings
- A clear Action plan including timelines to be presented at the next Local Pension Board Meeting (28th March 2019).

28. PENSIONS ADMINISTRATION BUSINESS UPDATE

Paul Reddaway (Head of Finance Pension Investments) presented the report relating to the Pensions administration business update the absence of Tim O'Connor (Pension Manager) and Julie Barker (Head of Exchequer Services).

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- Paul Reddaway reported that the purpose of this update was to highlight the project work surrounding the reconciliation of GMPs as part of the pensions administration team
- The Pensions team have conducted and submitted Enfield's reconciliation response to HMRC, this was achieved ahead of schedule (30th November 2018)
- HMRC will respond again with final confirmation and any bill outstanding
- A full report to be issued once the Pension administration team receives the response from HMRC which is due to be issued by March/April 2019, Local Pension Board to be kept informed.

29. REVIEW OF PENSION COMMITTEE MINUTES

Councillor Doug Taylor (Chair of PP&I Committee) updated the Board relating to the approved minutes of the last PP&I Committee.

Noted:

- The investment Committee are going through the process of deciding what is a responsible investment on ESG policy
- A strategy will need to be produced to detail the approach the fund aims to follow in integrating environmental, social and governance issues in its investment
- The framework needs to be developed in the context of relevant regulations and statutory guidance
- The Pension, Policy and Investment Committee have a special meeting scheduled specifically around ESG early February

The Board noted the update and thanked Councillor Taylor for his presentation.

Agreed:

- To receive an update with timescales on ESG strategy at the next meeting.

30. AOB

The Chair additionally agreed the following:

- Receive an update regarding who is non-compliant within the fund
- For future meetings to discuss Risk Registers as a board standing item
- Find a way of increasing Membership within the fund.

31. DATE OF NEXT MEETING

Thursday 28th March 2019