

Minutes of a meeting of the West Yorkshire Pension Fund Pension Board on Thursday 8 October 2015 at West Yorkshire Pension Fund, Aldermanbury House, Bradford

Commenced 1020
Concluded 1100

PRESENT

<u>Employer Representatives</u>	<u>Member Representatives</u>
Councillor M Slater (Chair)	Mr G Nesbitt - GMB
Mr J Morrison - Employer	Mr M Binks – Unison
	Mr C Sykes – Unison
	Mr M Morris – Unite

1. DISCLOSURES OF INTEREST

All those present who were members or beneficiaries of the West Yorkshire Pension Fund disclosed, in the interests of transparency, an interest in all business under consideration.

Action: *City Solicitor/Director, West Yorkshire Pension Fund*

2. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no appeals submitted by the public to review decisions to restrict documents.

3. WEST YORKSHIRE PENSION FUND PENSION BOARD TERMS OF REFERENCE

Members were reminded that the Public Service Pensions Act 2013 required the Department for Communities and Local Government to make regulations that compelled each Local Government Pension Scheme administering authority to establish a local pension board. The City of Bradford Metropolitan District Council had, therefore, established a board for the West Yorkshire Pension Fund.

The report of the Director, West Yorkshire Pension Fund, (**Document “A”**) presented the background to the establishment of the Pension Board and the Terms of Reference as approved by the Governance and Audit Committee on 20 March 2015.



It was questioned if the Terms of Reference were written to a standard formula for all pension boards and it was explained that, although a standard template had been issued by the Shadow Scheme Advisory Board, this had been received after the production of the current document had been compiled. It was felt that the document being considered was more user friendly than the standard format.

The membership of the Pension Board was discussed and it was explained that to maintain the knowledge and understanding of members the terms of office required for two of the four employer representative and two of the four member representatives to be appointed for an initial two year period.

Resolved –

- (1) That the report be noted and the Terms of Reference contained in Appendix A to Document “A” be adopted.**
- (2) That in accordance with the Terms of Reference contained in Appendix to Document “A” Councillor M Slater, M Binns, G Nesbitt and one vacant employer representative be appointed to the Board for a period of four years and J Morrison, M Morris, C Sykes and one vacant employer representative be appointed for an initial two year period.**

ACTION: Director, West Yorkshire Pension Fund

4. WEST YORKSHIRE PENSION FUND CONFLICT OF INTERESTS POLICY

The Director, West Yorkshire Pension Fund, presented a report, (**Document “B”**) which introduced West Yorkshire Pension Fund Conflict of Interest Policy.

It was explained that from April 2015 certain public sector schemes must be governed and administered under the Public Service Pensions Act and that managers and Pension Board members must comply with a number of legal requirements one of which was to ensure that no individual had a conflict of interest.

A copy of the Conflict of Interest Policy was appended to Document A”. It was confirmed that the policy had been sent to all Joint Advisory Group, Investment Advisory Panel, Pension Board members and senior management of WYPF who had then completed ‘Conflicts of Interest Declaration Forms’. Members were advised that the process would be repeated annually.

Resolved –

That the Conflict of Interest Policy, contained at Appendix A to Document “B” and the introduction of the Register of Interests be noted.

ACTION: Director, West Yorkshire Pension Fund

5. **PENSION BOARD KNOWLEDGE AND UNDERSTANDING FRAMEWORK**

It was reported that in accordance with the Pensions Act every individual who was a member of a Pension Board must be conversant with the rules of the Local Government Pension Scheme (LGPS).

The report of the Director, West Yorkshire Pension Fund, (**Document “C”**) provided a policy on how the Pension Board would achieve the required Knowledge and Understanding and how that would be maintained.

Appended to Document “C” was a list of areas of knowledge required and it was suggested that Members use that analysis to identify areas of training they required. It was stressed that the responsibility to ensure that they had sufficient knowledge rested with the Members themselves. They were requested to consider gaps in their knowledge and to contact officers to request any appropriate training they required.

In response to questions it was confirmed that if Members felt that training, conferences and seminars being discussed later in the meeting did not meet their requirements officers would work to secure additional training and support.

Resolved –

- (1) That the Board consider the draft Knowledge and Understanding Framework contained at Appendix “A” to Document “C” and subject to any amendments, adopt the Framework**
- (2) That Members of the board note and agree to undertake the Pension Regulators Toolkit Training, as well as any further training identified upon completion of the Pension Knowledge and Understanding training analysis contained at Appendix 2 of the Knowledge and Understanding Framework.**

ACTION: Director, West Yorkshire Pension Fund

6. **REPORTING BREACHES PROCEDURE**

Members were advised that in accordance with the Pensions Act certain individuals were required to report breaches of law to the Pension Regulator.

The Director, West Yorkshire Pension Fund, presented a report, (**Document “D”**) which introduced the West Yorkshire Pension Fund Reporting Breaches Procedure. Examples of the kind of breaches which could occur in relation to a wide variety of tasks normally associated with the administrative function of a scheme were reported.

Resolved –

That the report be noted and the West Yorkshire Pension Fund reporting Breaches Procedure, contained at Appendix A to Document “D”, be adopted.

ACTION: Director, West Yorkshire Pension Fund

7. WORK PROGRAMME 2015/16

The report of the Director, West Yorkshire Pension Fund, (**Document “E”**) provided an initial work programme for 2015/16 for the approval of Members.

Appended to the report was an extract from the Shadow Scheme Advisory Board providing an example of a remit of a Local Pension Board and had been included as suggestions for issues which Members may wish to consider adding to the initial plan appended for approval.

Members were also advised of a referral from the Governance and Audit Committee which sought assurances that arrangements for managing unquoted investments were adequate. The Director, West Yorkshire Pension Fund, explained that the issue had been flagged up previously as unquoted investments were valued in a different manner. Assurances were provided that the auditors were satisfied with the valuation and it was agreed that the issue be added to the work programme to be discussed at the meeting on 19 November 2015.

It was agreed that an additional report on the work programme would be presented at the next meeting to allow Members time to consider any training they may require and the direction in which they wished the board to progress. It was requested that business items for inclusion on the work programme be provided to the West Yorkshire Pension Fund Technical and Development Manager.

Resolved –

- (1) That having considered the extract from the guidance issued by the Shadow Scheme advisory board “Examples of a Pension Board remit” contained at Appendix A to Document “E”, the areas shown in Appendix B to Document “E” be approved as an initial work programme for 2015/16 with further areas to be added as agreed by Members at future meetings.**
- (3) That the request from the Governance and Audit Committee 26th June 2015 with regard to the Audit strategy memorandum 2014/15 that the Pension Board be requested to seek assurances that arrangements for managing unquoted investments are adequate and report back to Governance and Audit Committee be noted and the issue added to the work programme for discussion at the meeting on 19 November 2015.**

ACTION: Director, West Yorkshire Pension Fund

8. TRAINING, CONFERENCES, SEMINARS AND FUTURE PENSION BOARD MEETINGS

Members were advised that the training of Pension Board Members to understand their responsibilities and the issues they would be dealing with was a very high priority.

The report of the Director, West Yorkshire Pension Fund, (Document “F”) provided details of training courses, conferences and seminars which it was felt may assist Board Members. Full details about each event were made available at the meeting for anyone interested.

Training provided on the valuation process which was completed every three years was emphasised and Members were advised that the Pensions Regulator would expect that training on that topic was completed. It was also suggested that it would be helpful for Members to attend the WYPF annual meeting to understand the fund in more depth and make Members more accessible to users of the fund.

Resolved –

- (1) That Members would give consideration to attending the training courses set out in Document “F”.**
- (2) That the dates of future meetings and other events reported in Document “F” be noted.**

ACTION: All Members / Director, West Yorkshire Pension Fund

Chair

Note: These minutes are subject to approval as a correct record at the next meeting of the Committee.

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THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER