

Minutes of a meeting of the Governance and Audit Committee held on Thursday, 25 March 2021 in

Commenced 10.00 am
Concluded 11.10 am

Present – Councillors

LABOUR	CONSERVATIVE	LIBERAL DEMOCRAT AND INDEPENDENT GROUP
Tait Thornton Watson	Pollard	Stubbs

Councillor Tait in the Chair

33. DISCLOSURES OF INTEREST

No disclosures of interest in matters under consideration were received.

34. MINUTES

Resolved –

That the minutes of the meeting held on 21 January 2021 be signed as a correct record.

35. INSPECTION OF REPORTS AND BACKGROUND PAPERS

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

36. WEST YORKSHIRE PENSION FUND AUDIT STRATEGY MEMORANDUM FOR THE YEAR ENDING 31 MARCH 2021

The External Auditor reported on the Audit Strategy Memorandum (**Document “AC”**) which set out the plan for the external audit of the Pension Fund for the year ended 31 March 2021.

The document:

- described the approach to the audit of the Pension Fund’s

financial statements;

- included the assessment of the significant risks of material misstatement in the financial statements; and
- outlined the proposed testing strategy to address the identified risks.

It was reported that the audit had identified significant risks of material misstatement relating to:

- management override of controls, which is common to all entities subject to audit; and
- the high degree of estimation uncertainty relating to the fair of level 3 investments.

The External Auditor reported that the findings in relation to these risks would be presented to the Governance and Audit Committee through the Audit Completion Report.

Members sought further clarification on a number areas which included level 3 investments and whether their would be an increased risk to the cash flow of the Scheme due to covid.

Resolved-

That the Governance and Audit Committee considered and approved the Audit Strategy Memorandum for the West Yorkshire Pension Fund for 2020/21.

Action: External Audit

37. TREASURY MANAGEMENT STRATEGY 2021-22

The Director of Finance submitted **Document “AD”** which reported on the Council’s 2021-22 Treasury Management Strategy which covered two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;

- creditworthiness policy; and
- the policy on use of external service providers.

Members sought clarification in certain areas such as what was classed as prudent in annual capital financing costs, what was being undertaken to ensure big projects did not fail, importance of invest to save schemes such as investing in street lighting which would lead to reduction in energy costs, benefits of short term and long term loans and best organisations to borrow from and borrowing in advance of need.

It was confirmed that the authority did not invest in speculative investments undertaken by other authorities and only undertook investment where there was an element of regeneration.

Resolved-

That the report (Document “AD”) be noted and referred to Council for adoption.

Action: Director of Finance

38. MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) LOCAL PENSION BOARD MEETINGS HELD ON 15 DECEMBER 2020

The role of the Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Council as Scheme Manager in ensuring the effective and efficient governance and administration of the LGPS.

City of Bradford Metropolitan District Council (the Council), as Scheme Manager, as defined under section 4 of the Public Service Pensions Act 2013, has delegated legal and strategic responsibility for West Yorkshire Pension Fund (WYPF) to the Governance and Audit Committee.

The minutes of the WYPF Pension Board meetings held on 15 December 2020 submitted to this Committee (**Document “AE”**).

Resolved –

That the minutes of the West Yorkshire Pension Fund Pension Board meetings held on 15 December 2020 were considered.

39. MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) JOINT ADVISORY GROUP HELD ON 28 JANUARY 2021

The Council's Financial Regulations requires the minutes of meetings of the WYPF be submitted to this Committee.

In accordance with this requirement, the Director of West Yorkshire Pension Fund submitted **Document "AF"** which reported on the minutes of the meeting of the WYPF Joint Advisory Group held on 28 January 2021.

In relation to a Members query it was reported that a review of the Investment Strategy was currently being conducted.

Resolved –

That the minutes of the West Yorkshire Pension Fund Joint Advisory Group held on 28 January 2021 were considered.

40. EXCLUSION OF THE PUBLIC

Resolved –

That the public be excluded from the meeting during the consideration of the items relating to minutes of the West Yorkshire Pension Fund Investment Advisory Panel meeting held on 28 January 2021 because the information to be considered is exempt information within paragraph 3 (Financial or Business Affairs) of Schedule 12A of the Local Government Act 1972. It is also considered that it is in the public interest to exclude public access to this item.

41. MINUTES OF WEST YORKSHIRE PENSION FUND (WYPF) INVESTMENT ADVISORY PANEL HELD ON 28 JANUARY 2021

The Council's Financial Regulations requires the minutes of meetings of the WYPF be submitted to this Committee.

In accordance with this requirement, the Director of West Yorkshire Pension Fund submitted **Not for Publication Document "AG"** which reported on the minutes of the meeting of the WYPF Investment Advisory Panel held on 28 January 2021.

Resolved –

That the minutes of the West Yorkshire Pension Fund Investment Advisory Panel held on 28 January 2021 were considered.

Chair

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

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