

BERKSHIRE PENSION FUND PANEL

MONDAY, 17 SEPTEMBER 2018

PRESENT: Councillors John Lenton (Chairman) and David Hilton (Vice-Chairman)..

Advisory Members: Councillor Worrall, Councillor Brooker, Councillor Law and Mr Butcher.

Officers: Philip Boyton, David Cook, Kevin Taylor and Rob Stubbs. Local Pension Partnership (LPP) representatives Chris Rule, Richard J. Tomlinson, Pedro Pardo and Martin Pattinson.

APOLOGIES

Apologies for absence were received by Cllr Kelleway, Cllr Alexander and Cllr Jones.

DECLARATIONS OF INTEREST

Councillor Brooker declared a personal interest on the agenda items as he was a governor at schools that paid into the pension fund as this was not a Disclosable Pecuniary Interest he stayed and considered the items.

MINUTES

The Part I minutes of the meeting held on 16 July 2018 were approved as a true and correct record.

PENSION FUND PANEL WORK PLAN - 2018-19

The Deputy Pension Fund Manager introduced the report that sought the approval of the following updated policy statements:

- Communications Strategy
- Cash Management Strategy
- External Managers Due Diligence Policy
- Investment Philosophy
- SLA between RBWM and the Pension Fund

The Panel were asked to approve suggested amendments, make any further recommendations and to decide if any of the policies now come under the remit of LPP. The approved policies would be published on the pension fund's website.

The Panel were informed that the Communications Strategy had been updated last year but had been brought back to approve further updates to bring it in line with GDPR legislation. The Panel approved the updated strategy.

The Panel were asked if the Cash Management Strategy now sat with LPP. The Panel felt that the strategy should still be retained and could be a conduit to hold LPP to account. The management of cash remained the responsibility of the administering authority with LPP monitoring how much cash was being held and advise on investment opportunities. It was agreed that the Borough's cash management policy was sufficient to meet the administering authority's requirements. It was noted that there was a current build-up of cash, up to about 10% of the Fund's assets, this was due to pooling negotiations and the Pension Fund Manager being signed off.

With regards to the External Managers Due Diligence Policy it was recommended that this was no longer required and should be brought back in 6 months' time showing different governance arrangements now that pooling was in place. It was noted that the current investment managers were appointed by the IWG. For future appointments by LPP it was important to be shown that LPP undertook the appropriate due diligence. It was suggested that LPP bring to Panel an annual due diligence report.

It was recommended that the Investment Philosophy be combined with the Investment Strategy.

The Panel were informed that the SLA between RBWM and the Pension Fund had also been updated in line with GDPR legislation, the updates were approved.

Resolved unanimously: that the report be noted and that:

- 1. Approves the reports and suggested updates.**
- 2. Approves the publication of the amended policy statements on the Berkshire Pension Fund Website.**

PENSION FUND ANNUAL REPORT AND ACCOUNTS

The Deputy Pension Fund Manager introduced the report that presented the Fund's annual accounts that needed to be published by 1st December 2018. It was noted that further editing was required and an updated page 58 regarding financial performance was circulated.

In response to questions the Panel were informed that following the reconciliation review overpayment had been highlighted that benefited the Fund by about £600,000, that investment management expenses had increased since last year because it was performance related and that there would be a review of the amount budgeted for administrative costs and how RBWM were paid for services such as HR so the right amount was set.

Resolved unanimously that: the Panel notes the report and:

- 1. Authorised officers to correct any typographical and drafting errors and to insert the Auditors report upon receipt.**
- 2. Approves publication of the final version of the Fund's Annual Report and Accounts by the statutory deadline of 1 December 2018.**

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

The meeting, which began at 4.00 pm, finished at 5.20 pm

CHAIRMAN.....

DATE.....