

Attendance

Members of the Pensions Board

Employer Representatives

Paul Johnson – Virtual Attendee
Joe McCormick
Ian Martin
Mark Smith (Vice-Chair)

Member Representatives

Julian Allam (Chair)
Stan Ruddock
Adrian Turner
Terry Dingley – Virtual Attendee

Observer Member

Steve Smith

Employees

Rachel Howe	Head of Governance, Risk and Assurance
Amanda MacDonald	Audit Business Partner – City of Wolverhampton Council
Chris Manning	Head of Finance
Paul Nevin	Assistant Director - Investment Strategy
Hayley Reid	Regulatory Governance Manager
Simon Taylor	Assistant Director – Pensions
Amy Regler	Head of Operations

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Election of Local Pensions Board Chair**
At the start of the meeting the outgoing Chair, Paul Johnson, held a minute's silence to pay respect on the passing of City of Wolverhampton Council Leader, Councillor Ian Brookfield.

Paul Johnson, outgoing Local Pensions Board Chair welcomed Board members to the first meeting of the municipal year and requested nominations for the election of the Chair of the Pensions Board for the remainder of the municipal year. Stan Ruddock, Member Representative, nominated the current Vice Chair Julian Allam, the nomination was seconded by Adrian Turner. The new Chair thanked everyone for their support.

It was noted that the election of a Member Representative was in line with the Fund's Representation Policy of alternate representations sitting as Chair.

2 **Election of Local Pensions Board Vice Chair**

Mark Smith, Employer Representative, nominated himself for the position of Vice Chair for the municipal year. The nomination was seconded by Joe McCormick, Employer Representative.

3 **Apologies for Absence**

Apologies were received from Jacqueline Carman, Employer Representative.

4 **Declaration of Interests**

There were no declarations of interests.

5 **Minutes of Previous Meeting**

The minutes of the previous meeting were approved as a correct record.

6 **Matters Arising**

There were no matters arising.

7 **LPB Annual Governance Paper**

Hayley Reid, Regulatory Governance Manager, presented the annual governance paper, including the revised terms of reference which had been reviewed and updated ahead of the 2023/24 municipal year.

Resolved:

1. That the revised Terms of Reference for the Local Pensions Board be approved.
2. That the dates and time of Local Pension Board meetings for the 2023/24 municipal year be noted.
3. That the update on the annual cycle of nominations and changes to Board membership be noted.

8 **Risk and Assurance**

Rachel Howe, Head of Governance, Risk and Assurance, presented the report providing an update of the work of the Fund to deliver a well governed scheme.

It was noted that the Fund continued to wait for regulatory guidance on several key issues, including the Scheme Advisory Board's Good Governance Review, implementation of the McCloud remedy and Investment pooling, all of which have the potential to increase reporting and oversight requirements. The Head of Governance, Risk and Assurance highlighted the McCloud Remedy Consultation which had been published on 30 May 2023.

It was noted that the Fund had undertaken its 3-year reaccreditation of Investors In People, retaining the Gold Standard accreditation for the 9th year running.

In response to a question from Adrian Turner with regards to the application of the McCloud remedy, the Head of Governance, Risk and Assurance confirmed that the Fund were still awaiting guidance on the application of the remedy. With regards to a question regarding the financial impact of McCloud, the Head of Operations

confirmed that the McCloud Remedy had been considered as part of the actuarial valuation.

Resolved:

1. That the latest Strategic Risk Register and areas being closely monitored in the current environment be noted.
2. That the fund's Key Performance Indicator's (KPI's) and action taken to support service delivery be noted.
3. The compliance monitoring activity undertaken during the quarter be noted.
4. That the Fund's reaccreditation of Investors in People Gold Standard be noted.

9 **Internal Audit Report 2022/23**

Amanda McDonald, Audit Business Partner, provided an overview of the internal audit work carried out during the year. Confirming that based on the work undertaken, internal audit had provided reasonable assurance that the Fund had adequate and effective internal control and governance arrangements in place.

Resolved:

1. That the internal audit report for 2022-2023 be noted.

10 **Statement of Accounts**

Chris Manning, Head of Finance, presented the report providing an update on the preparation, approval, and audit of the statement of accounts for the year ending March 2023.

In response to a question from Adrian Turner with regards to the Fund's value, the Head of Finance confirmed that there were no concerns and that the change in value had been driven by changes in asset values.

In a response to a question from Paul Johnson with regards to an anticipated increase in investment costs, the Head of Finance confirmed that the increase related to transactional costs associated with changes in the Fund's investment strategy.

Resolved:

1. That the process for preparing the Fund's 2023 Statement of Accounts and Annual Report together with the process for approval and external audit be noted.

11 **Investment Governance**

Paul Nevin, Assistant Director Investment Strategy, presented the report and provided an update on routine investment matters.

Resolved:

1. That the update on investment governance matters, including those in relation to responsible investment and pooling be noted.
2. That the publication of the Fund's Annual Stewardship Report 2023 outlining the Fund's stewardship activities during 2022 aligned with the 2020 stewardship code be noted.

12 **Pensions Administration Report to 31 March 2023**

Amy Regler, Head of Operations, presented the report on the routine operational work undertaken by the Pensions Administration services during the period 1 January – 31 March 2023, noting that the Fund's Administering Authority Statement had been reviewed and approved by the Pensions Committee.

In response to a question regarding transfers out undertaken during the previous year, the Head of Operations confirmed that an appropriate level of due diligence is undertaken on all transfers in line with the Fund's compliance with the Pension Regulator's pension scam pledge.

Resolved:

1. That the development of the Fund's membership and participating employers be noted.
2. That the performance and workloads of the key pension administration functions be noted.
3. That the five applications from employers into the Fund approved by the Pensions Committee be noted.
4. That the review and approval of the Fund's Administering Authority statement by the Pensions committee be noted.
5. That the progress of the transition to the new pensions administration system be noted.

13 **Customer Engagement Update**

Simon Taylor, Assistant Director of Pensions, presented the report covering the Fund's customer engagement activity for the period 1 January – 31 March 2023.

It was noted that the Fund had achieved Customer Service Excellence re-accreditation following an assessment undertaken in May 2023. The Assistant Director of Pensions highlighted that the Fund had achieved a compliance plus rating in five of the areas being assessed.

Resolved:

1. The engagement activity and informed service development undertaken by the Fund be noted.
2. The outcomes of the Customer Services Excellence re-accreditation be noted.

14 **Exclusion of press and public**

Resolved: That in accordance with Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information falling within the paragraph 3 of Schedule 12A of the Act.

15 **CEM Benchmarking**

Amy Regler, Head of Operations, and Paul Nevin, Assistant Director Investment Strategy, presented the report providing Board members with an overview of the benchmarking exercise undertaken in relation to the 2021/22 scheme year.

Resolved:

1. The results and key outcomes of the independent benchmarking exercises undertaken for the 2021/22 scheme year for the Fund's Pension Administration Services and Investment Management be noted.