



# Minutes

Name of meeting	<b>ISLE OF WIGHT PENSION FUND COMMITTEE</b>
Date and time	<b>FRIDAY, 18 NOVEMBER 2016 COMMENCING AT 10.30 AM</b>
Venue	<b>COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT</b>
Present	Cllrs Ivor Warlow (Chairman), Reg Barry, David Eccles, Stuart Hutchinson
Employer Representatives	Christine Shaw, Island Roads
Independent Advisor	David Morton - Mercers
Actuary	Peter Summers - Hymans Robertson Craig Alexander – Hymans Robertson
Fund Managers	Simon Hazlitt - Majedie James de Uphaugh - Majedie
Officers	Marie Bartlett, Democratic Services Officer Matthew Collier, Pension/Payroll Lead Officer Jo Cooke, Pension Fund and Treasury Management Accountant Jo Thistlewood, Technical Finance Manager
Apologies	Cllrs Bob Blezzard, Gordon Kendall Steve Milford, Unison Representative

20. [Minutes](#)

RESOLVED :

THAT the Minutes of the meeting held on [7 September 2016](#) be confirmed.

21. **Declarations of Interest**

There were no declarations received at this stage.

22. [Exclusion of Public and Press](#)

RESOLVED :

THAT there was no requirement to exclude the Public and Press.

23. [Actuarial Valuation Update](#)

Members were advised that the 2016 assumptions had been collated based on membership data and variations in actual performance against assumptions from 2013. There had been a lower than expected take up of the new 50:50 scheme introduced by government for those who couldn't afford to pay full contributions to a pension scheme, although there had been an increase in membership due to auto enrolment. A robust assumption setting process is important as there is more external scrutiny of Pension Funds than before, including the Pensions Regulator and the National the Scheme Advisory Board.

The whole fund valuation results were good with an increased funding level from 78% in 2013 to 92% in 2016. The deficit of the fund had dropped dramatically from £111 million to £44 million.

Discussions had been arranged with the actuary and officers to discuss the council's results and the approach to communicating with employers and finalising the funding strategy statement.

RESOLVED :

THAT the update be noted.

24. **Reports of the Technical Finance Manager**

(a) [Governance health check](#)

Actions had been recorded from the training and it was believed that the Isle of Wight Pension Fund was being governed satisfactorily, but there were some improvements that could be made. The Pension Board monitored the decisions made by the Pension Fund Committee and had not encountered any issues.

RESOLVED :

THAT the Governance health check be noted.

(b) [ACCESS pooling project update](#)

The Technical Finance Manager had circulated a briefing note the previous week which highlighted the progress so far. The final ACCESS pooling proposal had been submitted to the Department for Communities and Local Government (DCLG) in July 2016, but a response from central government had not yet been received. A meeting with the Minister for Local Government had been arranged for late November 2016, which would be attended by elected members from the ACCESS group, supported by an officer and an adviser.

Officer and elected member meetings continue to be held regularly and feedback would be provided to the committee by way of briefing notes and future agenda items.

RESOLVED :

THAT the update be noted.

(c) [Accounting – External auditor results report](#)

The Chairman of Audit Committee advised that the pension fund accounts had been given an unqualified audit opinion, with the risk of management override of controls identified as low with no significant deficiencies in internal controls. Members were advised that the lack of data from academies and other schools had not had an impact on accounting. Ways to improve data collection was being implemented to ensure the accuracy of membership details.

RESOLVED :

- (i) THAT the report be noted.
- (ii) THAT additional resource to assist in the monitoring of the IW Pension Fund be discussed and implemented at the appropriate level.

(d) [Local Government and Fire Pension Scheme issues logs](#)

The Local Government and Fire Fighters Pension scheme issues logs had been created, with known problem areas identified. Valuation issues had identified the need for better data quality. It is anticipated that the issues log would enable a work plan to be developed and resources to be prioritised.

Fire Fighters Pension issue log had issues regarding governance arrangements; this was a fairly new board and members had only recently attended a training event which highlighted the role of the board.

Both Pension Boards would consider the issues log and report any findings back to the Isle of Wight Pension Fund Committee.

RESOLVED :

THAT the issue logs be noted.

(e) [Investment performance overview](#)

The committee were provided with a report showing the valuation of the fund at 30 September 2016. The investment consultant reported that all fund managers were outperforming the benchmarks they were measured against.

RESOLVED :

THAT the investment performance overview be noted.

25. **Fund Manager Presentation**

Representatives of Majedie Investment Management provided an update on the performance of their portfolio over the last quarter. The portfolio was valued at £123 million at the end of October 2016.

The Committee were advised that mining and food retailers had seen strong inflation and were considered good investments. Companies such as Unilever had experienced negative performance; this was due to the amount of choice available to consumers.

**RESOLVED :**

THAT the presentation be noted.

CHAIRMAN