

# Minutes

Name of meeting	<b>ISLE OF WIGHT PENSION FUND COMMITTEE</b>
Date and Time	<b>WEDNESDAY 10 JULY 2024 COMMENCING AT 10.00 AM</b>
Venue	<b>CONFERENCE ROOM 5, COUNTY HALL, NEWPORT, ISLE OF WIGHT</b>
Present	Cllrs C Jarman (Chairman), V Churchman (Vice-Chairman), K Lucioni and N Stuart
Co-opted (Non-Voting)	Steve Milford (Scheme Member Representative)
Also Present	Matthew Collier, Jo Cooke, Louisa Richards, Megan Tuckwell and Chris Ward
	Barbara Milton (Local Pension Board)
Also Present (Virtual)	Kerry Hubbleday
	Kevin MacDonald (ACCESS), David Walker (Hymans Robertson), Martin Doyle and Tonya Jayston (Local Pension Board)
Apologies	Cllrs P Brading and I Ward

---

22. **Apologies and Changes in Membership (If Any)**

Apologies had been received from Cllr Paul Brading and Cllr Ian Ward.

23. **Minutes**

RESOLVED:

THAT the minutes of the meeting held on 22 May 2024 be approved.

24. **Declarations of Interest**

No declarations were received at this stage.

25. **Public Question Time - 15 Minutes Maximum**

No public questions were received.

26. **Operational Update and Feedback from Recent Roundtable Discussions**

The Director of Finance and Section 151 Officer was in attendance to provide an update on recent operational activities (Appendix 1).

The committee received an update on recent pension administration and governance activities, including performance, staffing vacancies and recruitment, new job roles, the use of external support, and risk management. Concerns were raised and discussion took place regarding the workload of staff members.

Questions were raised regarding the costs associated with the administration and governance support provided by Hymans Robertson. It was advised that the arrangements were flexible, and the charges were partially offset by vacancy savings. It was confirmed that a full written response had been circulated to members of the committee which provided an overview of the situation, background commentary, and a financial forecast for 2024/25.

The committee received an update on the recent engagement with the government on national policy changes regarding pooling and fund mergers, including feedback from the series of roundtables. It was confirmed that the council's draft response on productivity plans would be circulated shortly.

Comments were made regarding the potential impact arising from the political changes following the general election. Cllr Chris Jarman declared an interest as he had a family connection to the newly appointed Chancellor to the Exchequer.

RESOLVED:

THAT the update be received and noted.

## 27. **Report from the Local Pension Board**

Consideration was given to the draft minutes of the meeting of the Local Pension Board held on 19 June 2024. The chairman of the Board highlighted the main key takeaway points from the last Board meeting. In particular, the Board were pleased to see the areas of resourcing, cyber and ESG were being addressed. The key performance indicators relating to retirement processing had also been discussed.

RESOLVED:

THAT the update be received and noted.

## 28. **Localism and Responsible Investment**

The committee received a presentation from the fund's investment consultants, Hymans Robertson, on localism and responsible investment considerations. This included an overview of the objectives and requirements of the pension scheme, recent areas of focus from the government, key considerations balanced against strategic targets, the fund's position on pooling and responsible investment, and the proposed next steps. Discussion took place regarding the local investment opportunities, and it was noted that the recent government focus was on investing to support growth in the UK.

RESOLVED:

THAT the update be received and noted.

**29. Investment Strategy (2022) Implementation**

The committee received a verbal update from the fund's investment consultants, Hymans Robertson, on the progress with implementing the agreed transitions as per the investment strategy. It was confirmed that the reallocation of assets from the Ballie Gifford diversified growth fund had been transitioned to the Royal London bond fund during June, with a small residual amount remaining to be completed soon.

RESOLVED:

THAT the update be received and noted.

**30. Investment Performance and Funding Level**

The committee received a verbal update from the fund's investment consultants, Hymans Robertson, on the investment performance and funding levels (including market returns and asset class movements for both the equities and fixed income portfolios). Discussion took place regarding the stability of the market following the general election.

RESOLVED:

THAT the update be received and noted.

**31. Draft Financial Results 2023-24**

The Pension Fund and Treasury Management Accountant presented the draft financial results for 2023-24. The committee received the funds accounts and balance sheet, which demonstrated an increase in net assets and included a breakdown of movements compared to the previous year. It was advised that there had been an amendment to the draft report, the initial investment into the JP Morgan Infrastructure Fund (sent on 28 March 2024) had not been actioned until 1 April 2024 and had therefore been reclassified from an investment asset into cash. Questions were raised regarding the increase in expenses compared to the previous year and it was advised that this related to the increased value of the investments and associated management fees.

RESOLVED:

THAT the draft financial results 2023-24 be received and noted.

**32. Risk Management Policy Update**

The Pension Governance Compliance Officer presented the updated risk management policy for the fund, which incorporated the latest requirements set out in the Pensions Regulator's General Code of Practice and clarified the methodologies used in relation to risk analysis, evaluation, and control. It was confirmed that the revised policy had been presented on recommendation from the Local Pension Board, and no further questions were raised.

RESOLVED:

- i) THAT the updated risk management policy be approved.
- ii) THAT the requirements of The Pensions Regulator's General Code (effective 28 March 2024) in relation to risk management be noted.

**33. Risk Register**

The Pension Governance Compliance Officer advised that the risk register was under review, and invited the committee to suggest any items which may need to be included.

RESOLVED:

THAT the update be received and noted.

**34. Legislation and Regulation Update**

The committee received the report which provided an overview of the Pensions Regulator's General Code, set out the workplan to assess the 14 areas set out in the code, and outlined the proposed timings for future updates and reporting to the committee. Discussion took place regarding other legislative updates including the pension dashboard, and the progress with delivering the McCloud remedy.

RESOLVED:

THAT the requirements of The Pensions Regulator's General Code (effective March 2024), and the proposed timings for future updates and reporting to the committee on the Isle of Wight Council Pension Fund's compliance with the requirements, be noted.

**35. Knowledge and Understanding Update**

The Pension Governance Compliance Officer provided a verbal update on knowledge and understanding. The recent training events that had been attended by committee, board members and officers were noted. It was advised that work was ongoing to develop an online training platform and to ensure all training sessions, meetings, and development opportunities were recorded.

RESOLVED:

THAT the update be received and noted.

**36. Members' Question Time**

No questions were received.

**37. Exclusion of Public and Press**

RESOLVED:

THAT the public and press be excluded.

### 38. **ACCESS Update**

Consideration was given to the confidential report which provided an update on the ACCESS pool re-procurement activities for the operator services that provide administration and oversight of the pool's actively managed listed assets. The committee noted the timetable for the conclusion of the current tender, and the ACCESS Pool Programme Director advised that the preferred supplier would be selected in the coming weeks. It was advised that all participating councils would be required to formally review and ratify the outcomes of the re-procurement activities following the ACCESS Joint Committee meeting on 10 September 2024, before the notification of award on 11 November 2024. As the next committee meeting was scheduled to take place on 27 November 2024, it was recommended that the committee delegates authority to the Director of Finance and Section 151 Officer to ratify the outcomes of the ACCESS Joint Committee in relation to the re-procurement tender. It was confirmed that a report would be prepared for the ACCESS Joint Committee in August, and this would be shared with committee members when available.

#### RESOLVED:

- i) THAT the updates, and in particular the re-procurement timetable and latest activities relating to the re-procurement of the ACCESS pool operator that provides administration and oversight of the listed assets within the ACCESS pool be noted.
- ii) THAT the committee delegates authority to the Director of Finance and Section 151 Officer to ratify the outcomes of the re-procurement tender for the ACCESS pool Authorised Contractual Scheme operator services.

CHAIRMAN