

LONDON BOROUGH OF ENFIELD
LOCAL PENSION BOARD
23 SEPTEMBER 2015
CIVIC CENTRE ENFIELD

MINUTES

Members

Cllr Dinah Barry (Chair) - Employer Representative
Cllr Robert Hayward – Employer Representative
Cllr Andrew Stafford – Employer representative
Paul Bishop – Employee Representative
Pauline Ketless – Employee Representative
Robert Ayling – Employee Representative
Martin Keenan – Employee Representative
Eileen Carberry – Employee Representative

Officers

Paul Reddaway – Head of Treasury and Pensions

Also attending:

Elaine Barber - Minute Clerk

Italics denote absence

1. APOLOGIES

Apologies for absence were received from Councillor Stafford, Councillor Hayward, Councillor Simon, Pauline Ketless and Eileen Carberry.

2. DECLARATION OF INTERESTS

None.

3. MINUTES 31 JULY 2015 – PENSION BOARD

RECEIVED the Pension Board Minutes of the 31 July 2015, a copy of which is included in the Minute Book.

NOTED that the Minutes were agreed and signed by the Chair.

4. MINUTES 25 AUGUST 2015 – PENSION POLICY AND INVESTMENT COMMITTEE

RECEIVED the Minutes of the Pension, Policy and Investment Committee, dated 25 August 2015.

REPORTED that the Investment Committee met a minimum of once every quarter with an Independent Advisor, Carolan Dobson, who also undertook the role of “critical friend”. Paul Reddaway drew Members’ attention to the relevant points of the

Minutes.

NOTED:

(a) Procurement

All contracts would go out to tender and would be appointed by January / February 2016, with the Fund Valuation starting in April 2016.

Paul Bishop queried how much the contractors charged for their services. Paul Reddaway explained how the charges were calculated. Although price was a key factor, the quality of service provided was also very important.

RESOLVED that the actual figure for consultancy charges be sent to Paul Bishop.

ACTION: PAUL REDDAWAY

(b) Accounts

The net assets of the Fund, as at 31 March 2015, were £888m and had increased by 14.65% since March 2014. However, liabilities had increased so the funding level had decreased. A meeting with the Actuary

In response to a question from Councillor Barry, Paul Reddaway explained that the LBE Pension Fund was unlike many other Local Government Pension Funds having a lower than average exposure to equities but a higher exposure to hedge Funds. This allows a more stable rate of return within lower risk parameters.

5. EXTERNAL AUDIT REPORT 2014/15 ACCOUNTS

RECEIVED "Grant Thornton Audit Findings for London Borough of Enfield Pension Fund", a copy of which is included in the Minute Book and a verbal report from Susan Exton and Rebecca Cheung.

REPORTED that the report would be presented to the Audit Committee , where the statements of account would be approved.

NOTED that

- (a) this was the last year Grant Thornton would audit the Fund. Auditors were appointed independent of the Council and had a limited term of service. BDO would audit the account next year;
- (b) the Audit had gone well and had been completed on time, as staff had been very co-operative. An agreed number of minor amendments had been made to the accounts(for final valuations on private equity), most were presentational;
- (c) An adjusted misstatement, due to fund manager information being received after the draft financial statements were prepared, was noted on Page 16 of the report (this is normal practice);

- (d) As Members had no queries on the report, the report would be presented to the Audit Committee and the Audit would be completed by the end of the week. Members expressed their thanks to Ms Exton and Ms Cheung;
- (e) Paul Reddaway explained that as the Pension Board was not created before the final accounts were submitted for audit 30th June they were agreed by the Audit Committee. However, next year the accounts would be presented to the Pension Board.

6. REVIEW OF ACCOUNTS AND ANNUAL REPORT

(a) Review of Accounts

RECEIVED “Notes on the Pension Fund Accounts”, a copy of which is included in the Minute Book. and Annual Report 2014/15, copies of which are included in the Minute Book.

NOTED that Paul Reddaway explained the accounts to Members, drawing their attention to relevant points.

RESOLVED that Paul Reddaway provide Members with a sample of accounts from other pension funds together with a list of key questions.

ACTION: PAUL REDDAWAY

(b) Annual Report

RECEIVED “London Borough of Enfield Annual Report 2014/15”, a copy of which is included in the Minute Book.

REPORTED that the Annual Report detailed events of the previous year .

NOTED that

- (i) there may be a negative cash flow in 2016/17. The situation would be reviewed on a monthly basis;
- (ii) the contribution rate may need to increase by 3% in 2017/18. However, this would be reviewed with the Actuary.

RESOLVED that the full report be sent to Members when the Audit Certificate had been signed.

ACTION: PAUL REDDAWAY

7. TRAINING

REPORTED that the first training session on Hedge Funds had taken place in August. Paul Reddaway would arrange for regular training sessions, including :-

- Administration – Julie Barker

- Bonds – Paul Reddaway
- Bond Managers – Insight
- Equities – Trilogy
- Compliance with Pension Regulator- Paul Reddaway

8. PENSION BOARD WORK PLAN FOR NEXT MEETING

REPORTED that the Pension Regulator had issued a list of Compliances. Paul Reddaway would arrange for the Actuary to provide a list of compliances which would be brought to the next meeting.

RESOLVED that

- (a) a list of all part time / full time men and women, their pay grade and age who were not in the pension scheme be provided for the next meeting.

ACTION: JULIE BARKER

- (b) Paul Bishop and Councillor Barry would meet with Julie Barker at 2:00pm on 14 October to discuss pension advice for all staff leaving work.

ACTION: PAUL BISHOP / COUNCILLOR BARRY

9. ANY OTHER BUSINESS

NOTED that Paul Bishop expressed concern that there was a delay in receiving pension forecasts. This was a major issue for staff who needed to make important decisions on their future.

RESOLVED that Councillor Barry would raise the issue with James Rolfe, Head of Finance.

ACTION:

Councillor Barry contacted the Head of Finance who advised that Julie Barker confirmed “all deadlines set by HR sand E2017 have been met” and that “all the ER2017 estimates are now complete. Julie Barker had met with Paul Bishop and put in place processes to deal with work required by schools.

10. DATE OF NEXT MEETING

Tuesday 1 December 2015 @ 2.00pm – Enfield Civic Centre.

Agenda Items:

- Compliance
- Membership

The meeting closed at 3:00pm.

Signed
Chair of Pension Board

Date...