

PENSIONS COMMITTEE

Monday, 20 September 2021
Times Not Specified

Present: Councillor P Cleary (Chair)

Councillors C Povall H Collinson
AER Jones T Cox
J Bird JE Green
C Carubia L Rowlands

Apologies Councillors B Kenny
Joe Walsh

15 WELCOME AND INTRODUCTION

16 APOLOGIES

Apologies had been received from Mrs J Aston, and Councillors P Lappin, I Byrne J Walsh and B Kenny

17 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/ or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

The following declarations were made:

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|----------------------------|--|
| Councillor Les Rowlands | Pecuniary interest by virtue of his wife being a Member of Merseyside Pension Fund |
| Councillor C Povall | Pecuniary interest by virtue of her daughter being a Member of Merseyside Pension Fund |
| Councillor Jo Bird | Pecuniary interest by virtue of her partner being a Member of Merseyside Pension Fund |
| Councillor Helen Collinson | Pecuniary interest by virtue of her being a deferred Member of Merseyside Pension Fund |

18 MINUTES

Resolved – That the accuracy of the minutes of the meeting held on 22 June 2021 be agreed.

19 **PUBLIC QUESTIONS**

No public or member questions were received in advance of the meeting.

20 **GRANT THORNTON – THE AUDIT FINDINGS REPORT FOR MERSEYSIDE PENSION FUND**

Mr Stuart Basnett, Audit Manager, Grant Thornton UK attended the meeting and presented the Audit Findings Report for Merseyside Pension Fund. Mr Basnett reported on the key issues contained in the report and responded to Members questions and it was:

Moved by the Chair and formally seconded by Councillor C Povall and:

Resolved – That the report by the external auditor be noted.

21 **MERSEYSIDE PENSION FUND ANNUAL REPORT & ACCOUNTS 2020/21 AND LETTER OF REPRESENTATION**

A report by the Director of Resources that was presented by Mr Peter Wallach, Head of Merseyside Pension Fund summarised Merseyside Pension Funds Annual Report and Accounts 2020/21 and letter of representation.

Members were advised that accounts had been prepared and subjected to internal audit on 1 July 2021 and the external auditors have indicated that there will be an unqualified opinion. Members were informed that the audit work had identified an adjustment to the financial statements' financial position, due to more up to date information being available during the course of the audit.

It was reported that the Audit Option would be issued following final completion of the audit, consideration of the Audit Findings Report and approval of the amended Statement of Accounts at both the Pensions Committee and the Audit and Risk Management Committee and that subject to this, the accounts would form the basis of the Annual Report for the year ended 31 March 2021.

It was moved by the Chair and formally seconded by Councillor C Povall and:

Resolved That:

- 1) **The Pensions Committee approve the audited Statement of Accounts for 2020/21 and consider the amendments to the accounts, the Audit Findings Report and the Letter of Representation;**
- 2) **The Pensions Committee refer the recommendations above to the Audit and Risk Management Committee; and**
- 3) **the Pensions Committee approve the Annual Report of the Merseyside Pension Fund for 2020/21 for publication.**

22 **LOCAL PENSION BOARD REVIEW 2020-21 AND WORKPLAN 2021-22**

A Report by Mr John Raisin, the Independent Chair of the Pension Board provided an overview of the Board's activities during 2020-21 and informed of the work plan for 2021-22

Mr Raisin responded to questions and it was moved by the Chair and formally seconded by Councillor C Povall and:

Resolved - that the report be noted

23 LOCAL GOVERNMENT PENSION SCHEME UPDATE

A Report by the Director of Pensions provided an introduction of a national Pensions Dashboard, emanating from a Government led project requiring the pension industry to design and own the dashboard whilst harnessing the best of industry innovation.

Members were advised how The Pensions Dashboard programme is set to revolutionise the way savers interact with the retirement savings, enabling them to see a comprehensive picture of all their different pension entitlements including the State Pension, online and in a single place.

Members heard how The Pension Scheme Act 2021 had received Royal Assent on 11 February and provided the legal framework to support pension dashboards, including powers to compel schemes to provide member information.

Questions by Members were responded to and it was moved by the Chair and formally seconded by Councillor C Povall and

Resolved – That the Pensions Committee note the requirement to improve the reliability of date in accordance with the Pensions Dashboards Programme date standards guide in order to supply the correct information to the dashboards and ensure compliance with the statutory staging timeline to onboard schemes.

24 NORTHERN LGPS UPDATE AND RESPONSIBLE INVESTMENT POLICY

A report by the Director of Pensions provided Members with an update on pooling arrangements in respect of Merseyside Pension Fund (MPF) and the Northern LGPS (NLGPS). Members were advised that the minutes of the previous Northern LGPS Joint Committee meeting were appended for noting

Members were informed that the LGPS Investment Regulations 2016 require MPF, after taking proper advice, to formulate an investment strategy which must be in accordance with guidance issued from time to time by the Secretary of State.

Members were then advised that if this policy is approved, MPF's Investment Strategy Statement (ISS) would be revised to reflect the new NLGPS policy and revisions to the MHCLG guidance following the Supreme Court judgement in 2019 and MPF specific requirements.

The Director of Pensions responded to questions by Members

It was moved by the Chair and formally seconded by Councillor C Povall and

Resolved – That

- 1) The Pensions Committee note the minutes of the Northern LGPS Joint Committee meeting; and**
- 2) the Pensions Committee approve the Northern LGPS Responsible Investment Policy.**

25 MINUTES OF WORKING PARTY MEETINGS

A report by the Director of Pensions provided Members with the minutes of Working Parties held since the previous meeting of the Pensions Committee.

It was moved by the Chair and formally seconded by Councillor C Povall and

Resolved – That the Pensions Committee approve the minutes of the working party meetings.

26 PENSIONS BOARD MINUTES

A report by the Director of Pensions provided members with the draft minutes of the previous meeting of the Local Pensions Board.

It was moved by the Chair and formally seconded by Councillor C Povall and

Resolved – That the Pensions Committee note the minutes of the Local Pensions Board.

27 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

28 PENSIONS ADMINISTRATION SYSTEM

A Report by the Director of Pensions informed Members of the contract arrangements for an integrated Pensions Administration & Pensioner Payroll System, essential for the delivery of the statutory functions of the Local Government Pension Scheme (LGPS).

Members heard how the current contract is due to expire on 31 December 2021. A new contract is required from 1 January 2022 to ensure the provision of this system and members were recommended to directly award a five year contract to Aquila Heywoods for the provision of a Pensions Administration System for the period 1 January 2022 to 31 December 2026.

This report contained exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

It was moved by the Chair and formally seconded by Councillor C Povall and:

Resolved – That the Pensions Committee directly award a five year contract to Aquila Heywoods for the provision of a Pension Administration System for the period 1 January 2022 to 31 December 2026

