

**Minutes of the Governance and Risk Working Party, 10.00, Wednesday 4 April 2024.**

**Microsoft Teams meeting.**

***Present:***

<b>Name</b>	<b>Initials</b>	<b>Organisation</b>
Councillor Christopher Carubia (acting Chair)	CC	WBC
Councillor Pat Cleary	PC	WBC
Councillor George Davies	GD	WBC
Councillor Ann Ainsworth	AA	WBC
Councillor Brenda Hall	BH	WBC
Peter Wallach	PW	Director of Pensions
Yvonne Murphy	YM	Head of Pensions Administration
Donna Smith	DS	Head of Finance & Risk
Guy Hayton	GH	Senior Manager of Operations & Information Governance

**Apologies were received from:**

<b>Name</b>	<b>Initials</b>	<b>Organisation</b>
Councillor Julie McManus (Chair)	JM	WBC
Councillor Cherry Povall	CP	WBC
Councillor Brian Kenny	BK	WBC
Roger Bannister	RB	Unison Member Representative
Councillor Ruth Molyneux	RM	WBC

***In attendance: Emma Jones.***

## **1. Approval of Minutes & Introduction**

Minutes of GRWP, Wednesday 4 October 2023, were reported to Pensions Committee and have been approved.

PW introduced the meeting and advised that Councillor Chris Carubia would be chairing today's meeting, in the absence of the Chair, Councillor Julie McManus.

## **2. Declarations of Interest**

Councillor Brenda Hall reported that she is a member of the Pension Fund, and her husband is a deferred member.

Councillor George Davies reported that his wife is a member of the Pension Fund.

### **Action points**

Noted.

## **3. Business Plan**

PW reported that Merseyside Pension Fund (MPF) have produced a Business Plan which is currently in draft form. PW advised this will be distilled further once all areas have been duly considered.

PW reported it is in four sections: -

- Principal areas of business activity.
- Projects and objectives set for the next twelve to twenty-four months.
- Horizon Scanning.
- Tenders/Frameworks and procurement activities

PW briefed members on each section and advised there are links to the budget and risk register. It follows the format set by Wirral Borough Council but focuses on objectives relating to the Pension Fund.

PW advised there is more work to be carried out before it is finalised.

### **Questions**

No questions were raised.

### **Action Points**

The Business Plan was duly noted and there were no action points arising.

## **4. Questions to Management**

DS reported that the purpose of this report is to request members review and endorse the management responses to questions posed by the Fund's external auditors, Grant Thornton.

Previously this report was presented to Pensions Committee in line with the auditors' expectations, but Grant Thornton have advised this is no longer required. DS advised that, upon consideration, it has been decided that a best practice approach will be taken, and the report will still be presented to members at the Governance and Risk Working Party (GRWP) rather than Pensions Committee.

Grant Thornton have asked management to respond to a series of question as part of their audit of the Fund's Statement of Accounts for 2023/24 which have been duly answered and included as an appendix in this report.

It has been split into six areas and DS briefed members on all of the areas.

### **Questions**

CC queried why the report is no longer an item on the PC agenda and DS advised Grant Thornton no longer to expect it to be reported at Pensions Committee, but the decision has been taken by management that as it is an important process it will be taken to the GRWP to give members a chance to be kept informed and updated.

DS further advised there will be a separate request from the auditors to management and Committee members as part of the risk assessment and financial reporting process.

DS advised it could continue to be reported as an item agenda for Pensions Committee if required by members, but it was agreed that this is not necessary, and it will be reported at the GRWP in future..

### **Action Points**

No action points arising.

## **5. Training Policy**

PW reported on the Training Policy which is contained within the GRWP agenda.

PW advised the training policy was brought to Pensions Committee last year to seek approval from Members for its updating. PW has drafted an updated training policy, which has been included as an appendix to the GRWP agenda. Anticipated guidance from DLUHC is unlikely to require any changes.

PW briefed members on the Training Policy and asked members to consider and note the report.

### **Questions**

AA asked whether a report could be produced for members on how their training is progressing and it was discussed whether this could be carried out on an annual basis or more frequently. Officers proposed that a quarterly report could be instigated.

AA asked whether the LOLA training could be highlighted more to members. It was agreed it is a very good online training programme which covers key areas. CC reported that he found the McCloud guidance very useful and very informative.

CC asked if the Training Policy could be numbered for referencing purposes.

### **Action Points**

A quarterly training review of individual members' progress to be explored.

LOLA training to be circulated and brought to members attention.

Re-number the Training Policy for referencing purposes.

## **5. Administration KPI report**

YM reported that the KPI report provides Members with monitoring information on the key performance indicators in respect of work undertaken by the pensions administration team during the period. It provides Members with oversight of the monitoring information provide to Pension Board.

YM asked Members to consider and note the report and the exempt appendix.

### **Questions**

There were no questions raised.

### **Action Points**

No action points arising.

## **6. Contracts report**

DS reported that the Contract report is to inform Members of all the Fund's contracts awarded, including contracts which have been subject to Waiving the Rules (Rule 12) and breaches to Contract Procedure Rules (CPRs) that have been approved/logged from January 2023 to date as detailed within the Corporate Procurement Unit's Register.

DS reported that no breaches were made by the Pension Fund but when they arise it is normally due to direct property and the need for urgent fit out or repairs.

DS asked the Working Party to note the report.

### **Questions**

**None**

### **Action Points**

**None**

## **7. Risk Register**

PW reported that the purpose of this report is to provide Members with a copy of the Fund's Risk Register which is an appendix of the GRWP agenda.

PW reported that Climate Risk has been added to the Risk Register as this is deemed best practice by the Pensions Regulator. It is covered in other Fund publications such as the Funding & Investment Strategy Statements. PW advised that other scores have been revised and others removed such as the ERP risk now that the system is operational.

PW asked members to consider the changes to the Risk Register and note the report.

### **Questions**

PC asked could the report on the interim target of a 50% reduction in the Fund's carbon footprint timeline be brought forward. PW replied that a report is anticipated for the next Pensions Committee which will update and seek Members' approval for the revised targets.

The formatting of the Risk Register was brought to the attention of officers, and it was agreed that this will be reformatted for future reports.

### **Action Points**

The Risk Register to be reformatted so that all items can be seen clearly.

**Date of Next Meeting – Wednesday 2 October 2024.**