

# WIRRAL COUNCIL

## PENSIONS COMMITTEE

3 FEBRUARY 2020

<b>SUBJECT:</b>	<b>PENSION BOARD REVIEW 2018-19 AND WORK PLAN 2019-20</b>
<b>WARD/S AFFECTED:</b>	<b>NONE</b>
<b>REPORT OF:</b>	<b>INDEPENDENT CHAIR OF PENSION BOARD</b>
<b>KEY DECISION?</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

This report which has been prepared in accordance with the Terms of Reference of the Pension Board reviews the performance of the Board and its members during its fourth year (1 April 2018 to 31 March 2019). This report also includes a Work Plan for 2019-20. The report and Work Plan was approved by the Pension Board at its meeting on 12 November 2019.

### 2.0 BACKGROUND AND KEY ISSUES

Under Section 11.3 of its present Terms of Reference (approved by the Wirral Council at its meeting held on 10 December 2018) the Board is required to produce, on an annual basis, a report for consideration by the Scheme Manager which is the Wirral MBC Pensions Committee. This review has been prepared by the Independent Chair of the Board for consideration by the Board at its meeting on 12 November 2019. Following consideration by the Board an approved version of this review will be presented by the Independent Chair to the Pensions Committee.

#### **Purpose and Constitution of the Merseyside Local Pension Board**

Under its Terms of Reference, the purpose of the Merseyside Pension Board is to assist the Administering Authority (Wirral MBC) in its role as a Scheme Manager under the Public Service Pensions Act 2013 and the Local Government Pension Scheme (LGPS) Regulations. Under its original Terms of Reference (approved by the Wirral Council at its meeting held on 16 March 2015) the Board was required to meet sufficiently regularly to discharge its duties and responsibilities effectively but not less than twice in any year. The Board met three times during its first year (2015-16), three times during its second year (2016-17) and three times during its third year (2017-18). During its fourth year (2018-19) the Board also met three times – on 13 June 2018, 16 October 2018 and 27 March 2019.

## **Revised Terms of Reference of the Merseyside Pension Board**

At its meeting held on 13 June 2019 the Pensions Board discussed the possibility of holding four meetings of the Board annually. There were three principal reasons for this. Firstly, there had been a view amongst some members, for some time, that four meetings a year were needed for the Board to discharge its duties and responsibilities effectively. Secondly, the Pensions Regulator had indicated a view that Pension Boards should ideally meet not less than four times a year. Thirdly, the Director of Pensions had indicated that four Pension Board meetings a year would enable timings to be more easily aligned with meetings of the Pensions Committee. Consequently, the Board resolved that ***“Local Pension Board meetings increase to 4 meetings per year and that the arrangements to enable this be delegated to the Director of Pensions.”***

Therefore, the Director of Pensions took a report together with draft revised Pension Board Terms of Reference to the 16 July 2018 meeting of the Pensions Committee. The draft revised Terms of Reference included a change in the minimum number of meetings per year from 2 to 4 (section 2) and also changes to the Membership and Appointment Process (section 4) and Length of Tenure (section 5) to allow the Scheme Manager (Wirral MBC) greater discretion in the appointment and term of membership of the Board to achieve appropriate representation and balance. The Director of Pensions informally consulted the Independent Chair of the Pension Board regarding all these proposed changes.

The Pensions Committee (16 July 2018) recommended the proposed revisions to the Pension Board’s terms of reference to the full Council for adoption into the Council’s Constitution. This was approved by the full Council at its meeting held on 10 December 2018. During the fifth year of the Board (1 April 2019 to 31 March 2020) four meetings of the Board have therefore been arranged – 17 July 2019, 12 November 2019, 5 February 2020 and 31 March 2020. The Board will now meet at least four times in each year between 1 April and the (following) 31 March. This arrangement will enable the Board to more effectively discharge its duties and responsibilities given the increasingly complex environment of both regulatory requirements/guidance/governance and LGPS operations, together with the ongoing increasing expectations of the MHCLG, the Scheme Advisory Board and the Pensions Regulator.

Under the revised Terms of Reference, the Pension Board continues to consist of nine members and is constituted of four Employer representatives, four Scheme member representatives and an independent, non-voting Chair who has responsibility for the co-ordination and operation of the Board.

## Board Meetings

Three meetings of the Board were held during the period covered by this review. These were on 13 June 2018, 16 October 2018 and 27 March 2019. Overall attendance by members of the Pension Board at meetings during 2018-19 was 92%.

Issues considered at each Board meeting are shown in the Table below:

	13/6/18	16/10/18	27/3/19
Members Code of Conduct – Declarations of Interest	/	/	/
Minutes of the Previous Meeting	/	/	/
LGPS Update	/	/	/
Investment Pooling Update	/	/	/
Pensions Administration Report	/	/	/
IMWP/GRWP Minutes	/	/	/
Pension Board Review 2017-18 & Work Plan 2018-19	/		
Draft Communications Strategy	/		
Audit Plan	/		/
Internal Audit Annual Report 2017-18	/		
Draft Data Protection Policy & GDPR Update	/		
Engagement with the Pensions Regulator	/		
Gifts & Hospitality	/		
Monitoring of Investment Mandates	/		
Property (rent) Arrears	/		
Audit Findings Report		/	
Statement of Accounts		/	
Pension Fund Budget/Outturn		/	/
Treasury Management Annual Report/Strategy		/	/
Pension Board Revised Terms of Reference		/	
Draft Funding Strategy Statement		/	
Management of Carbon Risk		/	
Interim Actuarial Valuation		/	
Member Development Programme			/
Fair Deal Consultation			/
Liability Risk Management			/
Internal Investment Management Arrangements			/
Presentation by Chair of the Pensions Committee			/

As in previous years, the main focus of the Board during 2018-19 was on major Fund Governance issues together with the operation and performance of the Pensions Administration function. Fundamental and essential to this was the consideration at each Board meeting of the Minutes of the Investment Monitoring Working Party (IMWP) and the Governance and Risk Working Party (GRWP) as well as a detailed report on Pensions Administration matters.

The Board continued, as in previous years, to receive the Minutes of the Investment Monitoring Working Party (IMWP) which is the Fund's principal forum for the

consideration of Investment related issues. The Minutes of the IMWP received during 2018-19 provided evidence of the consideration of a broad range of investment issues, in a dedicated forum, by a diverse group consisting of Pension Committee Members, Fund Officers, the Investment Consultant, Independent Advisors and Asset Managers. Continuing the established practice of Pension Board Members attending some meetings of the IMWP a member of the Board attended the 15 November 2018 meeting as an Observer. In 2018-19 the Board also continued to receive the Minutes of the Governance and Risk Working Party (GRWP) which is the principal forum for the consideration of Risk Management/Internal Control and Pensions Administration. As in previous years minutes of the GRWP provided clear evidence of the consideration and discussion of a range of relevant issues across these vital areas of activity.

At the June 2018, October 2018 and March 2019 meetings the Board received a detailed report covering a broad range of Pensions Administration matters including membership, extensive reporting of workflow and performance statistics, data quality, contribution monitoring, pension payments, Internal Dispute Resolution Procedure, Employer issues, communications with Employers and Employees, staffing information/updates. These reports together with an oral presentation by the Head of Pensions Administration provided the Board with significant material upon which to ask questions and provide constructive challenge.

The Board meeting held on 13 June 2018 received a report entitled "*Engagement with the Pensions Regulator*" which stated that in relation to all Defined Benefit pension schemes, including the LGPS, the Pensions Regulator was intending to take a clearer, quicker and tougher approach. The report also informed the Board that the Metropolitan Pension Fund Group (which consists of the Merseyside Fund and the other 5 former Metropolitan County Funds) was seeking to establish a programme of proactive engagement with the Pensions Regulator. This approach was supported by the Pensions Board.

During 2018-19, as in 2017-18, the Pension Board had the opportunity to examine, comment upon and assist in the development of Pension Administration issues namely the draft Communications Policy and the draft Data Protection Policy. The draft Communications Policy took into consideration the Fund's move to more electronic communications and increasing use of technology by both Employers and individual members of the Fund. In considering this draft the Independent Chair commented that it was pleasing to see that the public enquiry counter at Castle Chambers Liverpool was to be retained for those members who prefer 'face to face' communication. Changes suggested by Board members to the Data Protection Policy were included in the final policy presented to and approved by the Pensions Committee on 16 July 2018.

At its meeting held on 16 October 2018 the Board received a report on and copy of the draft revised Funding Strategy Statement (prior to its presentation for approval by the Pensions Committee) which was required as a result of the LGPS (Amendment) Regulations 2018 which introduced the provision to refund a surplus to an exiting Employer. In preparing the revised draft Funding Strategy Statement the Independent Chair of the Pension Board was consulted by Fund Officers and the final draft included a number of amendments suggested by the Independent Chair. This is another clear

example of Fund Officers positively utilising the Pension Board to assist in the Governance of Merseyside Pension Fund.

The Pension Board meeting, held on 16 October 2018, received an Exempt report on the Interim Valuation of the Fund as at 31 March 2018 with the Funding position updated to 31 August 2019. The commissioning of this Interim Valuation by the Fund, the “*2018 Funding Review Discussion Document*” by Mercer the Fund Actuary addressed to the Fund and the Officer report to the Pension Board all clearly indicated a positive approach by the Fund to preparing for the formal three yearly Actuarial Valuation required under the LGPS Regulations (as at 31 March 2019). As the Officer report made clear, the Fund intended to act upon the Conclusions in the Funding Review Discussion Document issued by Mercer to prepare for the 2019 Actuarial Valuation both internally and in consultation with Employers within the Fund. This clearly demonstrated to the Board a positive and proactive approach to both engagement with Employers and the overall approach to the (then) forthcoming 2019 Actuarial Valuation.

The Board also received reports and documents relevant to the overall Governance of the Merseyside Pension Fund including the Fund Budget 2019-20; predicted Outturn for 2018-19 and final Out-Turn for 2017-18; the External Audit Plan (year ending 31 March 2018 and year ending 31 March 2019); the (External) Audit Findings report for year ending 31 March 2018; Internal Audit Report 2017-18; Statement of Accounts (and Fund Annual Report) for the year ended 31 March 2018. The presentation of all these reports and documents gave the Board clear opportunity to understand, review and ask questions regarding the overall planning and operation of the Fund’s activities and their evaluation by independent persons (External and Internal Audit).

It is extremely pleasing to note that the Merseyside Pension Fund, as in previous years, prepared its own Budget for 2019-20, under the overall direction of the Director of Pensions, taking account of changes to the LGPS and the need to resource the Fund adequately, and that this was formally approved at the Pensions Committee on 21 January 2019. This practice is most certainly not presently carried out by all LGPS Funds and it is worthy of note that the recent Hymans Robertson report to the Scheme Advisory Board of July 2019 entitled “**Good Governance in the LGPS**” proposed that each LGPS Fund should be required to set an “*appropriate budget.*”

It was also pleasing to note that the Audit Findings report from the External Auditor for the year ending 31 March 2018 (received by the Pension Board at its meeting held on 13 June 2018) included the following “*key messages*” – that “*.....the draft accounts were again prepared to a good standard.....our audit did not identify any significant issues in terms of the financial statements or the Annual Report.*” At the meeting of the Pension Board held on 13 June 2018 the Board received a report entitled “*Merseyside Pension Fund Internal Audit Annual Report 2017/18*” together with a presentation by the Chief Internal Auditor of the Wirral MBC. Having heard from the Chief Internal Auditor and considered his detailed report the Pension Board noted that during 2017-18 Internal Audit had undertaken a number of reviews of the operations of the Merseyside Pension Fund and based on this work had provided a view that significant assurance could be placed on the adequacy and effectiveness of the Merseyside Pension Fund internal control environment. The Pension Board commended the decision (conveyed in the report from the Chief Internal Auditor) mutually agreed between the Merseyside Pension Fund and Wirral MBC Internal Audit to increase the number of Audit days going forward

from 100 to 150 days per annum, an increase of 50%, to reflect challenges, complexity and to further demonstrate and facilitate good Governance at the Fund.

In 2018-19 as in both 2017-18 and 2016-17 the development and implementation of Asset (Investment) Pooling continued to be a high profile development in the Local Government Pension Scheme (LGPS). This will have a significant effect on both the Investment and overall Governance arrangements of the LGPS. In 2018-19 an in-depth report on Pooling was presented to the Board at all three of its meetings. The information provided to the Board included Minutes of the Northern Pool Joint Committee and correspondence between the Pool and the Ministry for Housing, Communities and Local Government (MHCLG). These detailed documents confirmed the view reached by the Board in 2016-17 and 2017-18 that the Northern Pool (now known as Northern LGPS) consisting of the Merseyside, Greater Manchester and West Yorkshire LGPS Funds is developing a model for Asset Pooling which should fully meet the particular circumstances of the three participating Funds. It was particularly noteworthy that independent reports benchmarking the performance of the Northern Pool and verifying cost savings were submitted to the MHCLG by the Pool in May 2018.

At its meeting held on 27 March 2019 the Board received a report from the Director of Pensions together with a copy of draft Statutory Guidance on Asset Pooling issued in January 2019 by the MHCLG. Having heard the Director of Pensions, considered his report and the draft Statutory Guidance and following discussion the Pension Board expressed its very clear concern regarding the proposal in the draft Statutory Guidance that *“A pool company must be a company regulated by the Financial Conduct Authority (FCA) with appropriate FCA permissions for regulated activities.”* The Pension Board resolved the following in regard of this issue:

*“(i) The Local Pension Board of Merseyside LGPS Fund supports the principle of asset pooling.*

*(ii) The Local Pension Board, however, believes it is both unnecessarily prescriptive and a clear and unjustifiable waste of money for the MHCLG to insist the Northern LGPS establish an FCA regulated company at a cost of several million pounds per annum. This would, we believe, constitute a misuse by MHCLG of money contributed to the LGPS by both the individual members and employers within the LGPS.*

*(iii) The Local Pension Board urges the MHCLG to undertake meaningful discussions with the Merseyside, Greater Manchester and West Yorkshire LGPS funds, ahead of finalising the Statutory Guidance on asset pooling, to reach an acceptable solution to the issue of appointing, monitoring and dismissal of investment managers, prior to the issuing of the final Statutory Guidance on asset pooling.”*

During 2018-19 the Board received reports on important aspects of Investment Governance and operations – a revised approach to the Monitoring of Investment Mandates; an Update on Internal Investment Management Arrangements; Liability Risk Management which related to arrangements regarding the investment approach to be adopted (by mutual agreement and in accordance with agreed Fund policy) with one particular Employer; and the Management of Carbon Risk. These reports together with the Officer presentations and questions/observations by Board members provided

evidence and assurance of a positive and proactive approach to Investment Governance and the management of Investment related risk.

The update report on Internal Investment Management Arrangements (27 March 2019) resulted in a significant discussion by the Board which was clearly favourable to the approach proposed to further develop in-house Investment capability as described in the report of the Director of Pensions. In particular the Board discussed the recruitment and retention issues facing the Fund in delivering its objectives. It was recognised that this was an increasing challenge for public bodies and encouraged the Director of Pensions to explore alternatives such as market-related supplements which were being adopted by other organisations where the normal application of a particular organisations' approach to job evaluation and remuneration were not able to facilitate the recruitment and retention of suitably qualified and experienced staff to meet operational requirements.

### **Councillor Paul Doughty**

At the Board meeting held on 27 March 2019 the Board received an extremely interesting and informative presentation by Councillor Paul Doughty Chair of the Wirral Pensions Committee. Councillor Doughty spoke about his role as Chair of the Pensions Committee, Chair of the Northern LGPS Pool and Chair of LAPFF (Local Authority Pension Fund Forum). In particular Councillor Doughty provided an oversight into his role as Chair of LAPFF and his engagement, on behalf of the Pension Fund, with companies including Sports Direct, Ryanair, Nestlé, BHP Billiton, Shell, Diageo and Santander. Councillor Doughty emphasised the importance and positivity of active engagement with companies in which LGPS Funds are major shareholders and how this had also raised the profile of the Merseyside Pension Fund.

Councillor Paul Doughty stood down as Chair of the Pensions Committee and as a Councillor at the Municipal Elections in May 2019. During 2015-2019 I enjoyed a very positive working relationship with Paul and wish to place on record my appreciation of his very positive approach to both me and the Pension Board as a whole and to wish him well for the future.

### **Members of the Pension Board**

In 2018-19, as in previous years members of the Board actively and positively contributed to debates arising from Agenda items. Pension Board members raised questions with Officers and made comments and observations upon reports and issues arising based on their broad range of experience of the LGPS and far beyond. A number of resolutions were proposed and supported by Board members. The contributions of Board Members, again, demonstrated the clear value of diversity of background, experience and gender amongst Board members in terms of discussions encompassing a range of perspectives and observations. I would wish to place on record my personal thanks to each member individually – Kerry Beirne, Geoff Broadhead, Mike Hornby, Roger Irvine, Pat Moloney, Donna Ridland, Lynn Robinson and Paul Wiggins.

Kerry Beirne, who had represented Admitted Body Employers since the Board was created in 2015, left the Board after the October 2018 meeting as her Employer had

ceased to be an Employer within the Fund. Mike Hornby, who had represented Statutory Body Employers since the Pension Board was created (and who had previously served as a Wirral MBC Councillor and member of the Pensions Committee), stepped down from the Board after the March 2019 meeting. Both Kerry and Mike brought valuable knowledge and insight to the Pension Board and I would wish to place on record my appreciation and recognition of their positive contributions to the work of the Board.

During 2018-19 the Board did not feel it necessary to make any formal recommendations to the Scheme Manager, the Pensions Committee of Wirral MBC. The Board was however very clear in its discussions of its support for the approach of the Pensions Committee to Asset Pooling and the approach adopted through the utilisation of the Northern LGPS Pool.

### **Training and Development**

Mindful of the requirements of the Public Service Pensions Act 2013 and the Pensions Act 2004 (as amended) training and development was approached in a methodical and serious manner by both the Administering Authority and individual Board members during 2018-19. The March 2018 and March 2019 Board meetings each received a report on Member Development which identified a range of Training and Development opportunities that individual Pension Board members might attend during 2018-19.

During 2018-19 Board Members were afforded and took up opportunities to attend a range of external training and conference events. These included the LGPS Fundamentals Training course organised by the Local Government Association/Local Government Pensions Committee; the Pensions and Lifetime Savings Association Local Authority Conference, Annual Conference and Investment Conference; the Local Government Chronicle Investment Summit; and Pension Board specific update seminars organised by CIPFA. The Independent Chair also attended and participated in a number of conferences and events in his role as Independent Advisor to three London Borough LGPS Pension Funds.

Eight Members of the Pension Board attended the Annual Employers Conference held on 29 November 2018 which, as in previous years, covered a wide range of issues across Governance, Administration, Investment and Actuarial matters as well as national developments. The conference received presentations from Fund Officers on the Fund's Investment approach and performance; approach to Responsible Investment; strategic and operational enhancements to the Pensions Administration service; an update from the Actuary on a broad range of Actuarial related issues including the importance of good data quality, the role of Employers in achieving this, and overall preparation for the 2019 Actuarial Valuation. In the final session Bob Holloway of the (national) Scheme Advisory Board (SAB) gave a wide ranging presentation on the role and actual work of SAB to respond to and develop the LGPS both in response to existing issues and in anticipation of future events.

On 23 January 2019 four members of the Pension Board attended the (first) Northern LGPS Pool Stewardship day held at Aintree Racecourse. This full day event was extremely useful to Board Members in terms of developing knowledge and understanding of important Governance and Investment related issues with a particular



focus on the development of Asset Pooling, Responsible Investment, effective Stewardship and the internal management of Investments. Presentations and discussions included a comprehensive analysis and evaluation, with particular reference to the Northern LGPS Pool, of the then recently issued (by MHCLG) draft Statutory Guidance on Asset Pooling; the launch of the Northern LGPS Pool Responsible Investment Policy with a clear explanation of the policy which (based on my own knowledge) is much more broadly focussed than many LGPS Responsible Investment policies and encompasses a clear focus on all of environmental, social (including employment standards) and governance issues; a presentation on the role and work of the Local Authority Pension Fund Forum (LAPFF); a presentation on GLIL (the Infrastructure platform operated by the Northern LGPS Pool and the Local Pensions Partnership Pool); and presentations on internal Investment management covering active and factor investing approaches to Listed Equity Investment.

### **Reporting Breaches of the Law to the Pensions Regulator**

The Pension Board does not itself have decision making powers. In respect of the Reporting of Breaches of the Law to the Pensions Regulator (TPR) the Administering Authority has determined (Pensions Committee of 16 November 2015) that the Board should be consulted by Officers when considering whether or not to report a specific breach (or likely breach) TPR. This is an important role granted to the Board in terms of ensuring the good Governance of the Fund and appropriate interpretation of TPR guidance and the Merseyside Fund's policy on reporting Breaches of the Law.

During the period covered by this report there was one occasion when the Board was asked to give its view as to whether or not a Breach of the Law should be reported to the Pensions Regulator (TPR) or alternatively recorded in the Breaches Log. At the Board meeting held on 16 October 2018, Officers raised a Breach of the Law in relation to the to the issuing of Annual Benefit Statements which they recommended should be reported to TPR. After hearing from the Officers and giving consideration to the matter the Board concluded that the breach was such that it should be reported to TPR and instructed the Officers to do so as soon as practical. This was actioned the next day.

Following the report to the TPR the Head of Pensions Administration kept me up to date with communications between the Fund and the TPR including consulting with me on draft letters to the regulator. As a result of the Action Plan submitted by the Officers to the TPR and the work of Fund Officers with Employers to improve the issuing of Annual Benefit Statements the TPR confirmed in January 2019 that it would be taking no further regulatory action in relation to this breach.

During 2018-19 there were no other matters identified by the Board itself as potential or actual Breaches of the Law.

### **Pension Board Review 2017-18 and presentation to the Pensions Committee**

The Pension Board Review 2017-18 and Work Plan 2018-19 was considered and approved by the Board on 13 June 2018. This was then considered by the Pensions Committee at its meeting held on 16 July 2018. The Independent Chair attended this meeting, presented the review and answered questions from Members of the Pensions

Committee after which the Committee approved the Review of 2017-18 and the Work Plan 2018-19.

### **Pension Board Costs of Operation 1 April 2018 to 31 March 2019**

<b>Conferences</b>	<b>£ 3,712</b>
<b>Travel</b>	<b>£ 1,589</b>
<b>Allowances</b>	<b>£13,309</b>
<b>Other</b>	<b>£ 1,019</b>
<b>Total</b>	<b>£19,629</b>

### **Proposed Pension Board Work Plan 2019-20**

The proposed Work Plan for 2019-20 is detailed below and has been prepared jointly by the Director of Pensions and Independent Chair. This maintains an overall emphasis on Fund Governance. Pensions Administration will remain a particular area of focus given that this is an area of direct relevance to both Employers and individual Employees. Investment Pooling will also be an area of focus given this represents a fundamental change to and development of the Governance of the LGPS and further draft Statutory Guidance on this issue is expected from Central Government. Following discussions between the Director of Pensions and Independent Chair it is specifically intended that the Fund Risk Register will be considered at each Board meeting going forward. The Work Plan will be updated as necessary during 2019-20.

<b>Agenda item</b>	<b>17/7/19</b>	<b>12/11/19</b>	<b>5/2/20</b>	<b>31/3/20</b>
LGPS update	√	√	√	√
Administration KPI report	√	√	√	√
Pooling update	√	√	√	√
IMWP/GRWP Minutes	√	√	√	√
Risk Register	√	√	√	√
Audit Findings Report 2018-19	√			
Statement of Accounts/Letter of Representation and draft Annual Report & Accounts	√			
Pension Fund Budget/Outturn	√		√	
Wirral Council Motion 18 March 2019 – Climate Related Financial Risk	√			
Review of Scheme Pays Policy	√			
Treasury Management Annual Report 2018-19	√			
Training and Development	√	√	√	√
Internal Audit Annual Report 2018-19 and Audit Plan 2019-20	√			

Governance Statement		√		
The Pension Regulator – Engagement Report		√		
Pension Board Annual Review 2018-19 and Work Plan 2019-20		√		
Pension Board (2019) Revised Terms of Reference		√		
Compliance Manual		√	√	
Actuarial Valuation Update			√	√
Draft Funding Strategy Statement			√	
Good Governance in the LGPS Review			√	
CEM Benchmarking Report			√	
External Audit Plan				√
Treasury Management Report				√

### **Support for the Board by the Administering Authority during 2018-19**

The effectiveness of the Board is dependent not only on the approach and contribution of its Members but also that of the Administering Authority. Throughout 2018-19, as in all previous years, the Board received extremely positive support, advice and guidance from the Officers of Merseyside Pension Fund. Meetings of the Board were supported and attended not only by the Director of Pensions but also the senior members of his team responsible for Pensions Administration and the Finance/Risk Management of the Fund. On behalf of the Board I would wish to thank the Officers for their positive approach and their reports, guidance and advice.

As in previous years, between meetings, the Director of Pensions provided me with advice whenever requested as did his senior staff responsible for Pensions Administration and Finance/Risk Management. The Director's Personal Assistant also positively provided support throughout the year.

The discussions with me, between meetings, on a range of issues initiated by both the Director of Pensions and the Head of Pensions Administration are a clear and further demonstration that the Merseyside Pension Fund positively utilises and values the Pension Board and genuinely sees it as a body that can (and hopefully does) genuinely assist the Pensions Committee and Officers in the Governance and operation of Merseyside Pension Fund.

I also wish to place on record my appreciation of the Fund Officers having formally consulted with me, between Board meetings on proposed responses to both the Fair Deal Consultation (which was considered by the Pension Board on 27 March 2019) and the Local Government Pension Scheme: Technical Amendments to Benefits Consultation of October and November 2018.

**John Raisin**  
**Independent Chair**  
**Merseyside LGPS Local Pension Board**

### **3.0 RELEVANT RISKS**

3.1 There are none arising from this report.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 No other options have been considered.

### **5.0 CONSULTATION**

5.1 The Director of Pensions and Head of Pensions Administration have both been consulted in the preparation of this report.

### **6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS**

6.1 There are no previously approved actions outstanding.

### **7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

7.1 There are none arising from this report.

### **8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

8.1 There are none arising directly from this report.

### **9.0 LEGAL IMPLICATIONS**

9.1 There are none arising from this report.

### **10.0 EQUALITIES IMPLICATIONS**

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

### **11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS**

11.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

### **12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

12.1 There are none arising from this report.

### **13.0 RECOMMENDATION/S**

13.1 That Committee notes the report.

### **14.0 REASON/S FOR RECOMMENDATION/S**

14.1 Section 11.3 of the Terms of Reference of the Local Pension Board of the Merseyside Fund (as revised on 10 December 2018) states that *"The Board shall*

*on an annual basis produce a report on both the nature and effect of its activities for consideration by the Scheme Manager.”*

**REPORT AUTHOR: JOHN RAISIN  
Independent Chair  
Merseyside Local Pension Board  
18 October 2019**

**APPENDICES**

**BACKGROUND PAPERS/REFERENCE MATERIAL**

**BRIEFING NOTES HISTORY**

<b>Briefing Note</b>	<b>Date</b>

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>The report is presented annually to Pensions Committee</b>	