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PENSIONS COMMITTEE

Tuesday, 21 February 2023

Present:

Councillor P Cleary (Chair)

Councillors C Povall A Gardner
G Davies Jason Walsh
H Collinson C Carubia
B Kenny A Wright

Councillors T Cardwell, Liverpool Council
Lappin, Sefton Council

17 WELCOME AND INTRODUCTION

The Chair welcomed everyone and read out the webcasting notice.

18 APOLOGIES

Apologies for absence had been received from:

- Councillor Tom Anderson
- Councillor Karl Greaney
- Councillor Joe Walsh

19 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Tom Cardwell	Personal interest as his mother is a member of pension fund
Councillor Helen Collinson	Pecuniary interest by virtue of her being a Deferred Member of Merseyside Pension Fund and her daughter was an active member of the Fund.
Councillor George Davies	Personal interest as his wife was a member of Merseyside Pension Fund.
Councillor Andrew Gardener	Pecuniary interest by virtue of being a member of Merseyside Pension Fund.
Councillor Brian Kenny	Personal interest as his fiancée was a member of Merseyside Pension Fund.
Paulette Lappin	Personal interest as a member of the fund
Councillor Cherry Povall	Personal interest as her daughter was a member of the Merseyside Pension Fund.

20 MINUTES

Resolved – That the minutes of the Pensions Committee meeting held on 14 December 2022 be agreed as a correct record.

21 PUBLIC QUESTIONS

No questions, statements or petitions had been received.

22 LOCAL GOVERNMENT PENSION SCHEME (LGPS) UPDATE

The Head of Pensions Administration for Merseyside Pension Fund presented the report of the Director of Pensions which informed Members that following a review of the classification of the Further Education (FE) sector - FE colleges, sixth form colleges and designated institutions - and their subsidiaries in England, the Office for National Statistics (ONS) had reclassified colleges and their subsidiaries as public sector bodies. Confirmation was awaited as to whether a government guarantee will be provided for their liabilities to the Pensions Fund. Once certain, the funding strategy would be reviewed.

Resolved – That the outcome of the Office for National Statistics review of the Further Education sector and the implications for the Local Government Pension Scheme be noted.

23 TREASURY MANAGEMENT POLICY FOR 2023/24 AND ANNUAL REPORT FOR 2021/22

The Head of Finance & Risk for Merseyside Pension Fund introduced the report of the Director of Pensions which requested approval of the treasury management policy statement and the treasury management practices for Merseyside Pension Fund (MPF) for the year 2023/24. It was noted that there were no changes from the previous year.

Resolved – That the treasury management policy statement and the treasury management practices for Merseyside Pension Fund for the financial year 2023/24 be approved.

24 MERSEYSIDE PENSION FUND BUDGET FINANCIAL YEAR 2023/24

The Head of Finance and Risk for Merseyside Pension Fund presented the report of the Director of Pensions which requested that Members approve the budget for Merseyside Pension Fund (MPF) for the financial year 2023/24. It was noted that the budget was lower than the previous year on account of lower investment management fees being forecast.

Resolved – That

- (1) the budget for 2023/24 be approved (subject to review of charges from the administering authority for support services).**
- (2) a further report on the outturn for 2022/23 with finalised estimates, in particular for departmental & central support charges and any known changes in supplies and services for 2023/24, be presented to Members of Pensions Committee at a future meeting.**

25 MERSEYSIDE PENSION FUND AUTHORISED SIGNATORIES

The Head of Finance and Risk for Merseyside Pension Fund presented the report of the Director of Pensions which set out proposed changes to authorised signatories at Merseyside Pension Fund (MPF) following the appointment of the Director of Finance and a review of the current signatories against business needs. The report described the different requirements for various institutions and functions, including the banks,

custodian, and overseas pensions payment agent, as well as the granting of power of attorney where appropriate. This report also formed a part of the Fund's scheme of delegation and set out the management and authorisation arrangements, for the avoidance of doubt, by organisations undertaking due diligence on MPF as an investee company or as a financial services provider, or for purposes of overseas jurisdiction. It was noted that there was only one change in the authorised signatories which was the addition of Wirral Council's Director of Finance following his appointment.

Resolved – That

- (1) the arrangements set out in section 3 of this report in relation to the internal control arrangements at Merseyside Pension Fund be approved.**
- (2) the officers designated in section 3 of this report as authorised signatories for Merseyside Pensions Fund be approved.**

26 WIRRAL LOCAL PENSION BOARD MINUTES

The Director of Pensions introduced his report which provided Members with the draft minutes of the previous meeting of the Wirral Local Pension Board.

The Chair thanked the Board and noted that minute 11 indicated that the Draft Funding Statement and Actuarial Valuation represented a very positive approach and position for both the Fund and Employers, and that the positive relationship between the Fund and employers was praised.

Resolved – That the minutes of the Wirral Local Pension Board be noted.

27 MINUTES OF WORKING PARTY MEETINGS

The Director of Pensions introduced his report which provided Members with the minutes of meetings of Working Parties held since the previous Committee meeting.

Resolved – That the minutes be approved.

28 PROPERTY PORTFOLIO RENT ARREARS AND WRITE OFFS

The Head of Finance and Risk for Merseyside Pension Fund presented the report of the Director of Pensions which requested that Members approve the write off of £900,575.41 of irrecoverable rent arrears from the Fund's property portfolio. It was noted that the annual property rental income for 2021/22 was £32.1 million; all possible actions had been taken to recover the debt; and the write off request was for three tenants that had gone into administration or liquidation. It was also noted that the position was exacerbated by the Covid-19 pandemic.

Resolved – That the write off of uncollectable property rental income of £900,575.41 be approved.

29 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely

disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

30 PROPERTY PORTFOLIO RENT ARREARS AND WRITE OFFS EXEMPT APPENDIX

Resolved – That the exempt appendix be noted.
