



MINUTES OF THE PENSION BOARD

Thursday 9 March 2017 at 7.00 pm

PRESENT: Councillor Mr Ewart (Chair) and Councillor Kabir, Ms Bola George, Mr Euton Stewart and Mr Trevor Dawson

1. Apologies for Absence

Received from Councillor Crane and Ms Angela Cattermole

2. Declarations of Interests

None declared.

3. Minutes of the Previous Meeting - 13/12/2016

RESOLVED:

That the minutes of the meeting held on 13 December 2016 be approved as an accurate record.

4. Matters Arising

Employees and scheme members

Gareth Robinson (Head of Finance) informed members that the Head of Human Resources and the Head of Finance would produce a joint paper on a joint paper on performance and administrative matters. Mildred Phillips (Head of Employee Services) added that an email portal would be sent to all active members. The portal would include annual benefit statement, editing and calculator functions for members to edit their details as well as to be able to calculate benefits at any given period year of retirement.

5. Capita's LGPS Pension Administration Performance Update

David Veale (the Council's Director of HR and Organisational Development) gave a progress report on Capita's performance on pensions administration. He outlined the key concerns of strategic nature highlighting lack of care cost data, delays in getting figures ready including pensions statement and meeting only 63% target of the contract. He added that despite meetings and correspondence with Capita's senior management, there appeared to be a lack of robust approach to resolving the issues. Mildred Phillips added that she was working with Capita to ensure that they delivered on 2016 employee data and confirmation of any additional costs,

Members noted however that due to the nature of pensions administration; high risk and high cost operation, there were very few pensions providers in the market.

Officers were requested to press ahead with the re-tendering process taking into account the viability of the provider, price as well as quality of service.

RESOLVED:

- (i) that officers be thanked for their efforts in resolving the structural problems in delivering on the contract;
- (ii) that the Board wish to place on record their dissatisfaction that Capita had not been able to provide the information in a timely manner.

6. Pension Fund Valuation Update

The Board received a verbal update from the Head of Finance. It was noted that the triennial valuation was 4 months late and that some bodies in particular maintained schools felt that the contribution rates were not affordable. Gareth Robinson added that the Fund was on track to achieve a 100% funding in 19 years.

RESOLVED:

that the progress report be noted.

7. Pension Fund Sub-Committee Update

Gareth Robinson (Head of Finance) introduced the report that provided an update on Brent Pension Fund's activity during the quarter ended 31 December 2016. Members heard that the Fund increased in value from by 3.6% £749.7m to £776.9m during the quarter 4 ended 31 December 2016 and that the following distributions or capital proceeds took place in Q4 2016:

- a) £13.7m sales proceeds from the Aviva UK property fund
- b) Capital Dynamic private equity distributions in the quarter of £3.5m.
- c) £2.1m distributions from Alinda Parallel II Infrastructure.

He continued that due to underperformance, the Fund was getting out of commercial property portfolio. He drew Members' attention to the list of outstanding investment commitments which meant that the Fund would need to retain a sizeable cash balance to meet capital call payments as they arise. In response to a member's question on Collective Investment Vehicle (CIV) protection on the Fund, Gareth Robinson outlined the benefits including reduced fees and economies of scale.

RESOLVED:

That the quarterly investment report for Q4 2016 be noted.

8. **Discussion on Training Needs**

It was noted that there would be a training on investment categories before the next meeting of Brent Pension Fund Sub-Committee. David Ewart (Chair) requested members to send to the Head of Finance the areas in which they require would training.

9. **Future Meeting Dates**

It was noted that dates of future meetings would be confirmed at the Council's Annual Meeting in May. The date of next meeting would be in June 2017.

10. **Any Other Urgent Business**

None.

The meeting closed at 8.10 pm

D EWART
Chair