

Investment, Governance and Engagement Sub Committee

Item 2 – Paper A ACTIONS AND AGREEMENTS

**MEETING HELD ON 13 January 2020 – 1.00pm to 3.00pm
At 18 Smith Square, Westminster, London SW1P 3HZ**

PRESENT

Cllr Yvonne Johnson	Chair
Cllr Robert Chapman	LAPF
Peter Wallach	Practitioner
Rodney Barton	Practitioner
Mark Wynn	Practitioner
Colin Meech	Members (Unison)
Glyn Jenkins	Members (Unison)
Annemarie Allen	Actuaries (Barnett Waddingham)
Keiran Harkin	Actuaries (Mercer)
David Walker	Actuaries (Hymans)
Mary Lambe	Actuaries (Aon)
Bob Holloway	Pensions Secretary, LGA
Liam Robson	SAB Secretariat, LGA

APOLOGIES

There were apologies from Georgiou Georgiou, Peter Moore, Jeff Houston and Teresa Clay. All other members (or substitutes) were present.

1. Welcome, introductions and declarations

The Chair welcomed all in attendance and introduced Cllr Robert Chapman to the meeting. There were no declarations of interest.

2. Actions and agreements from meeting of 14 October 2019

The minutes of the previous meeting were agreed.

3. Summary of 6th November SAB meeting

Bob Holloway (BH) provided a summary of the last SAB meeting.

4. Responsible Investment Guidance – Update

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Bob Holloway (BH) presented the paper included in the meeting pack. Since circulation, BH confirmed that 16 responses had been received in total.

The paper proposed that the deadline for response be extended and also that feedback from the Responsible Investment workshop, held on 15 January could be included in the draft paper to be presented to the Board on 3 February.

Agreed – the committee agreed that the deadline for responses to the draft guidance should be extended until 31 January 2020.

5. Cost transparency/Compliance - Update

Liam Robson (LR) provided an update on the work with Byhiras which included system build, testing and stakeholder engagement. Phase 1 testing had been completed, phase 2 was due in February.

A series of meetings with LGPS funds was planned including sessions at the CIPFA pensions network workshops to be held in London and Manchester.

Agreed – That the committee noted the position as outlined above.

6. Good Governance - Update

Bob Holloway (BH) explained that the good governance report had been published on the Board website, and that Hymans Robertson had agreed to continue to phase III within an agreed budget.

The SAB had agreed to reconvene the working group to implement a governance/ compliance regime, and a paper would be provided to the Board at the 3 February meeting.

Among the recommendations were that MHCLG should consider mandating a data standard, Pension Administration Strategy documents and revisit of Key Performance Indicators.

The importance of data retention was discussed, particularly in the light of McCloud/ Sargeant, final salary information not collected since 2014, and the GDPR and employment records expiring or ceasing.

7. Proposals for 2019 Section 13 report – Update from GAD

BH explained that GAD had attended the Cost Management meeting earlier in the month and had welcomed comments from stakeholders.

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It was noted that a SAB Actuaries GAD meeting was planned in the near future.

8. AOB

It was noted that a meeting with pool joint committee and the Chair of the Scheme Advisory Board was planned for 28 January. The purpose of this meeting was to hear views from the pension fund perspective following a similar meeting in 2019 with chairs of pool companies.

Letters had been written by the Chair of the SAB to LGPS pools that did not have member representation asking for an explanation. The responses to these letters would be presented at the Board meeting on 3 February.

A meeting with owned LGPS pooled companies had been arranged to further discussions on the Competition and Markets Authority (CMA) order covering fiduciary management and its application to the LGPS.

At the meeting, there was no update on the RPI consultation, however, an announcement later in the day indicated that this would be included in the March 2020 budget.

9. Date of next meeting

The date of the next meeting was confirmed as 20 April 2020.

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