

Value for Money & Collaboration

Actions and Agreements

11th December 2014, 1pm

UNISON Centre - 130 Euston Road, London, NW1 2AY

Item

1. Apologies

Present

Glyn Jenkins – UNISON (Member representative)

Phil McEvoy - GMB (Member representative)

Robert Lynch – Unite (Member representative) [*substituting for Steve Paines*]

Richard Paul – UCEA (Employer representative)

Mark Wynn - Cheshire West and Chester Council (Practitioner)

Nigel Keogh - CIPFA [*substituting for Paul Dale*]

Ian Colvin – Hymans Robertson (Observer) [*substituting for John Wright*]

Graeme Muir – Barnett Waddingham (Observer) [*substituting for Alison Hamilton*]

Alison Murray - AON Hewitt (Observer)

Con Hargrave - LGA (Board secretariat)

Apologies: Steve Paines - Unite (Member representative), Cllr Tony Deane - Wiltshire Council (Employer representative), Bob Claxton - LB Wandsworth (Practitioner), Tim O'Connor - Wiltshire Council (Practitioner), Paul Dale - LB Merton (CIPFA), Nicola Mark - Norfolk Pension Fund (CIPFA), Sean Collins - Oxfordshire CC (ALATS), Bob Holloway - DCLG, John Wright - Hymans Robertson (Observer), Alison Hamilton - Barnett Waddingham (Observer), John Livesey – Mercer (Observer)

2. **Actions and Agreements from 7th May 2014**

It was confirmed by the Secretariat that the performance measurement framework of the LGPS continues to be worked on within the scheme report working group. Members of the Value for Money & Collaboration sub-committee will continue to be invited to meetings of this group whilst work continues on developing the measures for comparing pension funds.

The investments survey discussed at the previous meeting was confirmed as having been reworked and reissued in May 2014. The survey closed in late June 2014 and the responses received fed into the Jul 2014 Board consultation response.

Discussion of the proposed collaborations event was confirmed as being on the agenda for the meeting.

Action - Secretariat to circulate the current draft of the performance measurement framework to the sub-committee and to circulate a soft copy of the investments survey summary.

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3. **Update on structural reform**

A brief update was provided based on the Secretariat's understanding of the Government's plans with respect of structural reform.

4. **Planning for Board collaborations event**

Agreed - The collaborations event may be more relevant to LGPS funds and encourage a wider attendance if it seeks to promote itself as offering a fresh perspective and different speaker line up than is found at other conferences.

Agreed - Seeking sponsorship of the event may help to ease the financial cost of setting up the event so that it can be free for fund representatives to attend.

Agreed - A workshop format should be incorporated in the event programme so that there is an increased opportunity for learning and sharing experiences.

Agreed - Holding the event sooner rather than later would be preferable, subject to funding and a suitable venue being found.

Agreed - If holding the event outside of London is seen as crucial, then a venue in Birmingham or Manchester should be sought.

Agreed - If the event cannot be staged before the end of March 2015, then the Board should seek an initial session on the topic of collaboration at the LGC Investment Conference being held in February 2015.

Action - Following the above agreements, the Secretariat to circulate a draft proposal to the full sub-committee, including to those members not in attendance at the meeting, for comment and consideration.

Agreed - Following agreement to the above proposal, this should be circulated to the full Board for their consideration and decision.

5. **Identifying areas for development of collaborations within the LGPS**

Agreed - Possible areas in which collaborations could be developed in the LGPS, via frameworks, sharing resources nationally or otherwise, include:

- internal dispute resolution procedures,
- independent registered medical practitioners,
- development of template or sample statutory documents (like funding strategy statements), and
- printing of annual benefit statements.

Agreed - Further discussion as to the development of collaborations into new areas should be undertaken at the next meeting. The Secretariat to

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prepare a paper to build on the meeting's discussions.

Agreed - The sub-committee should proceed to develop a guide to collaborations. Depending on timescales, this could be launched at the Board collaborations event itself or in advance of the collaborations event in order to publicise the event.

Action - Draft structure to collaborations guide to be prepared by the Secretariat and circulated to the sub-committee for comment prior to the Secretariat preparing an updated guide.

Action - Nigel Keogh (NK) to share a guide to collaborations which has been previously issued by CIPFA to assist in the development of the Board guide.

6. **Developing best practice value for money guidance**

Agreed - Development of best practice value for money guidance would be useful. Guidance could contribute to developing a more consistent, comparable dataset within the Scheme (for instance, in investment fee reporting).

Agreed - In considering the development of the guidance, the legal/procedural requirements of firms in entering into contracts with local authority pension funds should be considered.

Agreed - The difficulty in developing value for money indicators (ie. to be used to consider whether value for money has or hasn't been achieved by a fund taking a particular course of action) was noted.

Action - The Secretariat to ask the other sub-committees to consider at future meetings, a) the value for money guidance which could be developed in each of their own areas and b) what that value for money guidance may contain.

Action - Progress in respect of the guidance should be reviewed at a future meeting of the sub-committee. The Secretariat to prepare an initial draft of the guidance for consideration at the meeting.

Agreed - Subject to timescales, best practice guidance could form part of the collaborations guide discussed under the previous agenda item.

7. **Review of 2014 work programme**

Agreed - The sub-committee noted the update and agreed the proposed 2015 work programme, subject to the committee structure which will be utilised by the statutory Scheme Advisory Board upon its establishment.

8. **AOB**

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NK noted the work that CIPFA are considering on the application of the Myners' Principles to the LGPS.

No other business was noted.

DATE OF NEXT MEETING

To be confirmed.