

VI(ii) – The proceedings of the PENSIONS COMMITTEE as follows:

PENSIONS COMMITTEE

PENSIONS COMMITTEE – Minutes of Meeting held on Wednesday, 26th October, 2016.

Members Present: Councillor Mrs C.R. Turner, (Vice-Chair), the Mayor, Councillor Miss D.A.M. Pitts, Mr A. Thomas (Independent Member).

In Attendance: Mr Andrew Beedall (Capita Employee Benefits), Director of Finance (Mr G.M. Bolt), Assistant Chief Officer (Finance) (Mr E.P. Pierce), Payroll and Payments Manager (Mr M. Quayle), Democratic Services Officer (Mrs D.C. Atkinson).

REPORT

PART A –

Matters within the scope of the Committee's delegated authority

A1. Election of Vice-Chair and Chair of Meeting

Resolved unanimously, “That Councillor Mrs C.R. Turner be elected Vice-Chair of the Pensions Committee for the remainder of the Municipal Year 2016/2017.”

In the absence of the Chair, the Vice-Chair was unanimously elected to Chair the Meeting.

A2. Apologies

Mr Councillor C.L.H. Cain (Chair), Mr Councillor S.R. Pitts and Councillor Ms K. Angela submitted their apologies for the meeting.

A3. Minutes – 15th September, 2016

The minutes of the meeting held Wednesday, 15th September, 2016 were approved and signed.

A4. Matters Arising

In response to question raised, the Director of Finance confirmed that a letter has been received from St. James's Place clarifying the over-charge in fees. Members were provided with an explanation as to how the over-charge came to light, and how the position has been rectified. It was noted that there has been a rebate in fees and the correct number of units have been calculated to bring the fund back to the correct position had they been purchased at the right times.

Resolved, “That particulars of the matters arising be noted on the minutes.”

A5. Training Presentation – Scheme Overview and Governance

Mr A. Beedall provided a training presentation on the Governance of the Local Government Superannuation Scheme and a Scheme overview.

The presentation began with an explanation of the role of elected Committee Members followed by the governance surrounding mandatory policies and reports. Mr Beedall provided an overview of the mandatory policies; Pensions Fund Annual Report, Governance Compliance Statement, Funding Strategy Statement, Statement of Investment Principles and the Communications Policy. He explained how the policies are reviewed. The Director of Finance referred Members to the Pensions section of the Douglas Council website to view the documents that had been discussed. Members were advised of the Administering Authority Policy Statements (Discretions), it was noted that a report reviewing this document was to be considered later in the meeting.

In response to questions raised by Members, the Director of Finance explained the process and cycle for reviewing the Pensions Committee consultants.

Mr Beedall moved on to the scheme overview, Members were presented with the key principles regarding the application of discretionary policies. The scheme rules were explained, including the membership, contributions, member benefits and options for leaving the scheme early.

Resolved, “That particulars of the presentation and discussion be noted on the minutes.”

A6. The Isle of Man Local Government Superannuation Scheme Pension Fund Annual Report for the Year Ending 31st March, 2016

The Committee considered a report submitted by the Assistant Chief Officer (Finance) to approve the Isle of Man Local Government Superannuation Scheme Pension Fund Annual Report for the year ending 31st March 2016.

Members were reminded that the Accounts and Audit Regulations 2013 require Local Authorities to have their Statement of Accounts approved and certified by the external auditor by 31st October each year. This also applies to the Pension Fund Annual Report. As in previous years, Members noted that the Council's auditor has asked that a Letter of Representation be issued by the Council, alongside the Statement of Accounts, in order that audit certification can take place. The Letter of Representation was appended to the report.

Resolved, "That particulars of the report be noted on minutes and;

- (i) The Pension Fund Annual Report for the year ended 31st March 2016, be approved;
- (ii) The Letter of Representation be signed by the Vice-Chair of the Committee and presented to the Council's external auditor;
- (iii) The completion letter from Grant Thornton Limited be noted."

A7. Items for Future Report and Review of any Training Requirements

The Committee considered a report submitted by the Director of Finance setting out items that are to be considered at future meetings and to review any future training requirements. Members suggested deferring the training proposed for the November 2016 meeting as there are a number of lengthy items scheduled to be considered at this meeting.

Resolved, "That the items for future report be noted on the minutes."

A8. Local Government Superannuation Scheme Statement of Policy on Administration Authority Discretions

The Committee considered a report submitted by the Director of Finance to review the policy for discretions.

Members noted that the Local Government Superannuation Scheme 2012 requires the Administering Authority to have a clear policy in relation to a number of mandatory discretions. Capita have reviewed all of the policies and Members had in front of them the updated draft together with some explanations.

In response to question, the Director of Finance explained that policies are written in plain English and when technical jargon cannot be avoided, there is an explanation provided.

Resolved, "That particulars of the report be noted on the minutes and

- (i) The draft statement of policy on Administering Authority discretions be approved and made available on the website;
- (ii) The policy be effective one month following the date it is published."

The Committee rose at 12.48pm.