

**THE FIFE COUNCIL - SUPERANNUATION FUND AND PENSIONS COMMITTEE AND
FIFE PENSION BOARD – REMOTE MEETING**

15th December, 2020

9.30 a.m. – 12.25 p.m.

- PRESENT:** Committee - Councillors Dave Dempsey (Convener), David Barratt, Bobby Clelland, Altany Craik, Colin Davidson, Fiona Grant, Mino Manekshaw, Alistair Suttie and Jonny Tepp.
- Fife Pension Board - Gordon Pryde (Chair), Colin Paterson, Councillor Ian Ferguson and John Wincott.
- ATTENDING:** Elaine Muir, Head of Finance, Laura C Robertson, Finance Operations Manager, Avril Cunningham, Service Manager, Audit and Risk Management, Fiona Clark, Pensions Specialist, Karen Balfour, Senior Banking and Investments Officer and Anne Bence, Accountant, Finance; Helena Couperwhite, Manager – Committee Services and Wendy MacGregor, Committee Officer, Legal & Democratic Services, Finance and Corporate Services.
- ALSO IN ATTENDANCE:** Robert Bilton, Fund Actuary, Hymans Robertson; Tim Bridle, Audit Manager, Audit Scotland and Albert Chene and Bruce Miller, Lothian Pension Fund.
- APOLOGIES FOR ABSENCE:** Fife Pension Board – Councillor Dave Coleman, Robert Graham and Vicki Wyse.

114. DECLARATIONS OF INTEREST

Councillor Bobby Clelland declared an interest in the business on the agenda, being a trustee of the Mine Workers Pension Scheme.

115. MINUTES -

The Committee considered the:-

- (a) Minute of the meeting of the Superannuation Fund and Pensions Committee of 30th September, 2020.

Decision

The Committee agreed to approve the minute.

- (b) Fife Pension Board comments arising from the meeting on 30th September, 2020.

Decision/

Decision

The Committee noted:-

1. the comments from the Fife Pension board; and
 2. that updates had been provided by the Head of Finance on the highlighted areas in the minute.
- (c) Minute of the meeting of the Superannuation Fund and Pensions Committee of 26th November, 2020.

Decision

The Committee agreed to approve the minute.

Councillor Mino Manekshaw joined the meeting during consideration of the above item.

116. HYMANS ROBERTSON ACTUARIAL VALUATION - PRESENTATION BY ROBERT BILTON, HYMANS

Robert Bilton, Funding Actuary, Hymans Robertson, provided an update on the valuation of the Fife Pension Fund for 2020 which included detailed information on investments, assets and liabilities, the long term funding strategy and what had changed since the last valuation on 31st March, 2017. Following detailed discussion, members thereafter asked a number of questions, which were subsequently answered by Robert Bilton.

Decision

The Committee thanked Mr. Bilton for his interesting and detailed presentation.

Councillor Colin Davidson joined the meeting during consideration of the above item.

117. PENSIONS ADMINISTRATION MONITORING REPORT

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing members with monitoring information on the performance of the Pensions Team.

Decision

The Committee:

1. noted the contents of the report; and
2. agreed to invite the Pension Team Manager, to the next meeting of the Superannuation Fund and Pensions Committee on 9th March, 2021 to present the report on the review of the Key Performance Indicators.

118. PENSION FUND BUDGETARY CONTROL

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing members with details of the projected outturn of the Pension Fund for 2020-21 as at 30th September, 2020.

Decision

The Committee noted:-

1. the projected outturn for 2020-21; and
2. that further reports in relation to the financial position of the Fund would be submitted to the Superannuation Fund and Pensions Committee on a bi-annual basis.

The Committee adjourned at 11.05 and reconvened at 11.15 a.m.

119. UPDATE ON 20/21 AUDITS

The Committee considered a report by the Service Manager, Audit and Risk Management Services providing members with an update on 2020/21 audits and summaries of any IJB reports issues.

Decision

The Committee noted the contents of the report.

120. POST AUDIT REVIEW REPORT

The Committee considered the Post Audit Review report (PAR) by the Service Manager, Audit and Risk Management Services relating to internal audit reports issued within the period 1st July, 2019 to 30th June, 2020, advising members that actions were complete for all reports issued prior to that period.

Decision

The Committee noted:-

1. the contents of the report; and
2. the satisfactory progress that had been made in implementing recommendations.

121. NATIONAL FRAUD INITIATIVE 2020/21 PROGRESS

The Committee considered a report by the Audit and Risk Management Services Manager advising members of the required process to be followed for the 2020/21 National Fraud Initiative Exercise.

Decision/

Decision

The Committee:-

1. noted the contents of the report;
2. acknowledged the progress made to date; and
3. noted the outcome of the June 2020 Pensions to DWP Deceased exercise.

122. SUPERANNUATION FUND AND PENSIONS COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the Superannuation Fund and Pensions Committee Forward Work Programme which would be updated as appropriate.

123. SUPERANNUATION FUND - INVESTMENT UPDATE

The Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 6 of Part 1 of Schedule 7A to the Act.

The Committee considered a report by the Head of Finance providing an overview of the Fund's Investments at 30th September, 2020. A verbal update was provided during the meeting on manager monitoring activity and investment strategy.

Decision

The Committee noted :-

1. the Fund's strategic allocation and current allocations relative to target;
2. the value of the Fund's assets as at 30th September, 2020 after returning +3.4% over the quarter;
3. a set of 'interim target' allocations had been introduced at the recommendation of the Fund's investment advisers, which would be used for return benchmarking from Quarter 4, 2020; and
4. that longer term absolute returns were strong and relative returns were above both the asset and liability benchmarks.

Councillor Fiona Grant left the meeting during consideration of the above item.
