

**THE FIFE COUNCIL - PENSIONS COMMITTEE – BLENDED MEETING**

**Committee Room 2, Floor 5, Fife House, North Street, Glenrothes.**

**20 June 2025**

**10.00 am – 12.50 pm**

**PRESENT:** **Committee** - Councillors Dave Dempsey, David Alexander, James Calder, Jane Ann Liston, Sarah Neal and Gordon Pryde.

**Fife Pension Board** - Ross Hugh (Chair – Employee representative – Trade Union); Councillor Tom Adams (Employer Representative – Fife Council); Robert Graham, Ross Hugh, Colin Paterson and Thomas Templeman (Employee representatives – Trade Unions) and Vicki Wyse (Employer representative – Admitted body employer representative).

**ATTENDING:** Elaine Muir, Head of Finance; Laura Robertson, Pensions Service Manager; Pamela Redpath, Service Manager - Audit and Risk Management Services, Shona Slayford, Audit Team Manager, Audit and Risk Management Services; John Mackie, Team Manager - Transactions Team and Wendy MacGregor, Committee Officer, Finance and Corporate Services.

**ALSO ATTENDING:** Emanuel Boquet, Chief Investment Officer, Gillian de Candole, Head of Responsible Investment and Natalie Drysdale Responsible Investment Analyst, Lothian Pension Fund and Clare Scott, Independent Professional Observer.

**APOLOGIES FOR ABSENCE:** **Committee** – Councillor Colin Davidson.

**Fife Pension Board** - Councillor Lynn Ballantyne-Wardlaw.

**154. DECLARATIONS OF INTEREST**

No declarations of interest were submitted in terms of Standing Order No. 22.

**155. MEMBERSHIP OF FIFE PENSION BOARD**

The committee noted that Ross Hugh, Employee Representative (Union) had been re-appointed for a further term on the membership of the Board until 26 April 2029.

**156. MINUTES**

The committee considered:-

- (a) minute of the meeting of the Pension Committee of 31 March 2025;

**Decision**

The committee approved the minute.

- (b) minute of the pre-meeting of the Fife Pension Board of 27 March 2025; and

**Decision**

The committee noted the minute.

- (c) minute of the post-meeting of the Fife Pension Board of 31 March 2025

**Decision**

The committee noted the minute.

**157. STATEMENT OF INVESTMENT PRINCIPLES**

The committee considered a report by the Head of Finance introducing the annual review of the Statement of Investment Principles (SIP) for Fife Pension Fund. The document replaced the SIP agreed by the committee in September 2024. The report also outlined governance arrangements for the implementation of the investment strategy, the assurance provided and the format and frequency of reporting to the committee.

**Decision**

The committee:-

- (1) agreed to adopt the revised Statement of Investment Principles (SIP);
- (2) agreed to delegate authority to the Head of Finance to make consequential amendments to the SIP before publishing the document on the Fife Pension Fund website; and
- (3) agreed to the revised cycle of formally reviewing the SIP at least every three years, aligned to the cycle of the triennial actuarial valuation and investment strategy.

**158. FIFE PENSION FUND - STATEMENT OF RESPONSIBLE INVESTMENT PRINCIPLES**

The committee considered a report by the Head of Finance proposing a review and any necessary changes to the Statement of Responsible Investment Principles (SRIP). The SRIP had been in existence for approximately four years. The SRIP detailed in Appendix 1 to the report, was intended to complement the Statement of Investment Principles (SIP) which was a statutory document.

**Decision**

The committee:-

- (1) agreed to update the Statement of Responsible Investment Principles (SRIP) with the changes highlighted in the SRIP;
- (2) acknowledged the focus on climate change in the SRIP and requested that detail on investment in human rights should also be incorporated into the SRIP; and

- (3) agreed to the revised cycle to review the SRIP at least every three years and an annual update report on progress outlining the implementation of the actions and ambitions.

**159. FIFE PENSION FUND - BUSINESS PLAN UPDATE AND ADMINISTRATION ACTIVITY TO 31 MARCH 2025**

The committee considered a report by the Head of Finance providing an update on the activities undertaken by the wider pension team during the fourth quarter of 2024-25. The report was organised into three sections and provided an update on the development activities identified in the Business Plan, followed by an update on administration activity undertaken. The report concluded with more in-depth consideration of the performance of processing of certain tasks by the Pensions Administration team by providing details of the agreed key performance indicators.

**Decision**

The committee noted :-

- (1) the progress of key Business Plan activities;
- (2) the range of additional activities carried out by the team over the last quarter; and
- (3) the level of quarterly performance relative to the target and to the same quarter of the previous year as detailed in Appendix 1 in the report.

**160. UPDATE ON 2024/25 FIFE PENSION FUND INTERNAL AUDIT PLAN AND 2024/25 ISSUED AUDIT REPORTS**

The committee considered a report by the Service Manager, Audit and Risk Management Services providing an update on progress towards delivering the 2024/25 Fife Pension Fund Internal Audit Plan, including a summary of findings from the Internal Audit Reports finalised since the last meeting of the committee.

**Decision**

The committee noted the contents of the report and the update on progress towards delivering the 2024/25 Internal Audit Plan at Appendix A and summary of findings at Appendix B to the report.

*The committee adjourned at 11.25 am and reconvened at 11.40 am*

**161. PENSION FUND TRAINING AND DEVELOPMENT**

The committee considered a report by the Head of Finance providing a review of performance and progress in respect of implementation of the training policy for members of the Pensions Committee and Fife Pension Board, highlighting the requirement for all pension committee and board members to undertake the Pension Regulator online learning toolkit.

**Decision**

The committee:-

- (1) approved the suggested amendments to the training policy;
- (2) noted that a varied training programme had been provided over the last financial year on a range of topics;
- (3) noted the requirement for members of Committee and Board to meet the annual minimum level of 14 hours training;
- (4) agreed to undertake the required level of training and provide details of doing so, which included the Pension Regulators toolkit; and
- (5) noted that work had progressed to support members to achieve their training requirements. Compliance would be kept under review and reported to the committee on a regular basis.

*Councillor James Calder left the meeting at 12.00 noon.*

**162. PENSIONS COMMITTEE WORKPLAN AND TRAINING PLAN**

The committee considered a report by the Head of Finance providing an overview of the proposed agendas for future meetings of the Pensions Committee and the annual cycle. The report also highlighted the proposed internal training sessions designed to complement committee meetings and allow members more time to explore topics in depth.

**Decision**

The committee noted: -

- (1) the agenda planning document; and
- (2) the scheduled training dates.

**163. RISK MANAGEMENT – QUARTERLY REVIEW**

The committee considered a report by the Head of Finance providing a quarterly update on the Risk Register for Fife Pension Fund. The risks associated with the Fund were reviewed and updated scores provided to reflect the internal controls in place.

**Decision**

The committee noted:-

- (1) the contents of the report; and
- (2) that the risks were reviewed on a regular basis and reports would be brought forward on a quarterly basis.

*Councillor James Calder re-joined the meeting at 12.15pm.*

The committee resolved, under Section 50(a)(4) of the Local Government (Scotland) Act 1973, as amended, to exclude the public and press 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(s) 6 of part 1 of schedule 7a of the Act.

**164. FIFE PENSION FUND - PROPOSED RESOURCE CHANGES**

The committee considered a report by the Head of Finance providing details of the rationale for implementing a revised structure for the wider pensions team, along with a summary of the work undertaken to date. The report also outlined the next stage in the process, seeking approval for the additional budget requirements.

**Decision**

The committee:-

- (1) acknowledged the proposed resource changes in the Pensions Team, identified during the structure review to support the planned development work and provide increased expertise and resilience in the area of pensions; and
- (2) approved the indicative increase to the budget required to allow the managing workforce change process to begin.