

# North Yorkshire County Council

## Pension Fund Committee

Minutes of the meeting held on 2 July 2021 held as a live broadcast meeting commencing at 10 am under the process described at Minute 211.

### **Present:-**

County Councillors John Weighell OBE (Chairman), Michael Chambers MBE, Cliff Lunn, Don Mackay, Patrick Mulligan, Helen Swiers and Angus Thompson.

Councillor Jim Clark - North Yorkshire District Councils.

Councillor Christian Vassie - City of York Council.

David Portlock - Chair of the Pension Board.

Brian Hazeldine – UNISON retired members

Apologies for absence were received from County Councillor Andy Solloway

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**Copies of all documents considered are in the Minute Book**

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### **221. Welcome and Introduction**

The Chairman welcomed everyone to the live broadcast meeting of the Pension Fund Committee and announced that under his delegated decision making powers in the Officers' Delegation Scheme in the Council's Constitution, the Chief Executive Officer has power, in cases of emergency, to take any decision which could be taken by the Council, the Executive or a committee. Following on from the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, which allowed for committee meetings to be held remotely, the County Council resolved at its meeting on 5 May 2021 that, for the present time, in light of the continuing Covid-19 pandemic circumstances, remote live-broadcast committee meetings should continue (as informal meetings of the Committee Members), with any formal decisions required being taken by the Chief Executive Officer under his emergency decision making powers and after consultation with other Officers and Members as appropriate and after taking into account any views of the relevant Committee Members. This approach will be reviewed by full Council at its July meeting.

### **222. Exclusion of the Public and Press**

#### **Resolved –**

That on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006, the public and press were excluded from the meeting during consideration of Minute 223: Confidential Minutes.

## **223. Minutes**

### **Resolved -**

That the Minutes and Confidential Minutes of the meeting held on 4 June 2021 were confirmed and would be signed by the Chairman as a correct record at the first available opportunity.

## **224. Declarations of Interest**

There were no declarations of interest.

## **225. Public Questions or Statements**

There were no questions or statements from the public.

## **226. Governance Arrangements and NYPF Draft Statement of Final Accounts**

Considered -

The report of the Treasurer requesting Members to review a range of governance documents and for the Committee to approve or note the following documents, as appropriate, and to provide Members with an update on the draft 2020/21 Statement of Accounts:

- a) Investment Strategy Statement
- b) Governance Compliance Statement
- c) Funding Strategy Statement
- d) Communications Policy
- e) Admissions and Terminations Policy
- f) Risk Register
- g) Pensions Administration Strategy
- h) Administering Authority Discretions Policy
- i) Internal Dispute Resolution Procedure (IDRP) Guide
- j) Governance Roles and Responsibilities
- k) Charging Policy
- l) Breaches Policy
- m) GDPR Privacy Notice
- n) GDPR Memorandum of Understanding
- o) Training Policy
- p) Cashflow Policy
- q) Responsible Investment Policy

Details of the alterations made, if any, since the previous review of the documents, were outlined by officers. Details of the NYPF draft Statement of Final Accounts were provided for information.

Members discussed the documents and the following issues and points were raised:-

- It was clarified that the Asset Class (Summary) in the Funding Strategy Statement (FSS) related to the investment strategy at the time of the 2019 Valuation, rather than that recently agreed by the Committee. The FSS will be updated alongside the 2022 Valuation and will reflect the investment strategy in place at that time..
- A Member referred to the Responsible Investment Policy, recognising that the approach to responsible investment was under continuous development, but

reflecting that the current relationship with BCPP gave a sense that this could not be developed in the way he wished. He considered that the Pool's approach to responsible investment was limited, and felt there was a need for the Pool to implement a more ambitious plan to represent the interests of those it was investing on behalf of. He noted that BCPP's approach to this issue differed from that of the other Pools involved with LGPS Funds. He suggested that there was a need to focus on climate change within the policy to demonstrate fiduciary responsibility, and to protect the planet for future generations, emphasising that some issues mattered more than generating money. He emphasised that opportunities were available to address climate change and make money for the Fund at the same time, and these should be explored for the sake of the future and the Fund. The Chairman acknowledged the issues raised by the Member, and emphasised that there were alternative viewpoints, but welcomed the debate and discussion. He considered that it was of most importance that the Fund's investments increased the Fund's assets to pay pensions, and to reduce the burden on North Yorkshire Council Tax payers. He noted that a workshop was to take place, following this meeting, where responsible investment issues would be discussed further, and he would welcome further discussion on the issues raised. The Member welcomed the comments of the Chairman, but stated that he could not support the proposed Responsible Investment Policy.

- The Treasurer thanked the Committee, and all involved, for the tremendous amount of work that had been undertaken over a very difficult year, on responsible investment and on the new investment strategy.

Members were provided with details of the draft NYPF Statement of Final Accounts for information. It was noted that details of the Final Accounts would be brought back to the Committee following their approval by Audit Committee. Members welcomed the excellent performance of the Fund over the previous year, which had seen substantial growth in investments, resulting in the Fund being one of the best performers in the country and being in a healthy solvency position.

#### **Resolved –**

(i) that the changes made to the following governance documents be approved:

- Investment Strategy Statement (Appendix 1)
- Governance Compliance Statement (Appendix 2)
- Communications Policy (Appendix 4)
- Admissions and Terminations Funding Policy (Appendix 5)
- Risk Register (Appendices 6 & 7)
- Pension Administration Strategy (Appendix 8)
- IDRP Guide (Appendix 10)
- Charging Policy (Appendix 12)
- Breaches Policy (Appendix 13)
- GDPR Privacy Notice (Appendix 14)
- Cashflow Policy (Appendix 17)
- Responsible Investment Policy (Appendix 18)

(ii) that the following governance documents be noted:

- Funding Strategy Statement (Appendix 3)
- Administering Authority Discretions Policy (Appendix 9)
- Governance Roles and Responsibilities (Appendix 11)
- GDPR Memorandum of Understanding (Appendix 15)
- Training Policy (Appendix 16)

(iii) that the update on the 2020/21 NYPF Statement of Accounts be noted.

The meeting concluded at 10.35am.

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