

15 February 2017 From Tyne & Wear LPB

Dear Local Pension Board Chair,

I am writing to you in my capacity as the Chair of the Tyne and Wear Local Pension Board.

At our quarterly meeting on 21 December 2016, we learned that the Pensions Committee representatives of the funds comprising the Borders to Coast pool (The pool) have resolved not to allow any representation at pool level for scheme members. At our previous Board meeting, we unanimously advised the Tyne and Wear Pensions Committee that whilst we were happy that employer interests are adequately represented at pool level by elected members, there needs to be a person to represent the interests of scheme members at pool level.

We were not advising the Tyne and Wear Pensions Committee to give an employee representative any voting rights. We consider that it is a matter of good governance that a scheme member point of view is present and available at all pool meetings attended by Pensions Committee members. This view is shared by the Tyne and Wear Pensions Committee.

As a Board, we feel strongly that the absence of a voice representing scheme member interests at pool level is an omission that we are not willing to merely accept.

My purpose in writing to you is to establish:

1. Whether your views as a Board were sought on whether there should be scheme member representation at pool level?
2. Whether you provided your pension scheme with any views on scheme member representation at pool level and if so, what were those views?
3. Do you agree that the absence of a scheme member voice at pool level represents an unsatisfactory omission and that you would like to see scheme member representation at pool level written in to the pool constitution?

If you share the Tyne and Wear Board's concerns, there may be merit in taking this issue up with your own Pensions Committee. If several Pension Boards within the pool raise this issue as a concern, hopefully, we can secure an improved governance structure at pool level to everyone's benefit.

I am grateful for the time you spend on this correspondence. More generally, I hope we will be able to establish lines of communication among the Boards within our pool, which will help us all to discharge our statutory duties more effectively.

Yours sincerely

Mike Harding
On behalf of Nicholas Wirz
Chair – Tyne and Wear Pension Fund Local Pension Board
Town Hall, Grange Road, Jarrow, Tyne and Wear NE32 3LE

18th February 2017 from Surrey LPB

Dear Mike

This is not a topic we have reviewed so far, but I have put it on the agenda for our next meeting in March.

Thanks for drawing this to our attention.

Best regards,
Nick

Cllr Nick Harrison
Surrey County Council, Nork & Tattenhams Division
Chairman, Surrey Local Pensions Board

19th February 2017 from Lincolnshire LPB

Dear Mike,

The Lincolnshire Pension Board has received regular presentations on progress including governance arrangements on the Border to Coast Pensions Partnership (BCPP). To-date, no member of the Board has made a specific request for member representation on the BCPP. The local branch of Unison has however raised the issue with both the Chair of the Pensions Committee and myself. We believe that scheme members are best represented on the Lincolnshire Pension Fund Pensions Committee and Pensions Board. It is the Pensions Committee that will determine the investment strategy and asset allocation. The BCPP will effectively be an investment company in another guise and subject to scrutiny and challenge by the Pensions Committee and the Pensions Board. Personally, I see no point in having a person to represent the interests of scheme members on the BCPP with no voting rights.

I will however include your letter on the Agenda for the Pension Board meeting in March.

Kind regards,
Roger Buttery,
Independent Chair of the Lincolnshire Pension Board.

19th February 2017 from North Yorkshire LPB

Mike

Scheme member representation at Pool level has been a frequent subject for discussion at North Yorkshire Pension Board's meetings since before the July submission. Whilst we have not to date formally come to view, there are strongly held views that some way of enabling scheme member views to be fed into Pool governance should/must be agreed, and these views have been passed on at NY's Pension Fund Committee meetings.

Given your penultimate paragraph, I have shared your email with NY Pension Fund Committee Chair/Vice-Chair/Officers and NY Pension Board members. I've asked that the issue of scheme member representation at Pool level (on the basis of your email) be formally added to the agenda of the coming week's meeting of NY Pension Fund Committee. As the next scheduled meeting of NY Pension Board is not until the latter half of April, I've asked PB members to let me have their views - I've already received some responses which are strongly pro scheme representation. If necessary, I'll call a special meeting of the PB to discuss. On a personal note, I do have a wish to avoid tortuous discussions and procedures about how a scheme rep is identified/appointed....

I should add that the NY PB has been kept uptodate on developments regarding the path towards the BCPP Pool.

I agree that establishing lines of communication between PBs in the BCPP Pool would be good - and are essential.

David Portlock
Chair, North Yorkshire Pension Board

19th February from Warwickshire LPB

Dear Mike

This issue was raised and considered at the July 2016 meeting of the Warwickshire Board and the relevant minute of that meeting (which was accepted at the subsequent Board in January) reads as follows.

Pension scheme members will not be directly involved in the governance of the Pool. However, any member can approach the Local Pension Board or the Pension Fund Investment Sub-Committee and engage through that route. This is similar to the current practice.

Best wishes,

Keith

Keith Bray
Independent Chairman
Warwickshire Local Pension Board

From 21st February 2017 Cumbria LPB

All

Here in Cumbria there has been, as elsewhere, extensive engagement regarding the pooling arrangements, and last Thursday Cumbria County Council agreed unanimously to join the B2C pool.

As Chair of the Cumbria Pensions Board I have ensured that all members of the Pensions Board have been briefed on all aspects of the new arrangements.

With the allocations and investment strategy to be determined at individual pension committee level, the view from Cumbria is that at the pool level there is no need for the addition of another category of member. With the engagement of all stakeholders at the level where allocation decisions are made, and let's all remember that it is in the allocation of funding where performance is optimised, the addition of stakeholders at the pool level will add duplication but not value.

I have upmost confidence that the views of all elements of the Cumbria funds will be well represented by the one Cumbrian member of the pool.

Best wishes. Ian.
Cllr Ian Stewart
Chair Cumbria Local Government Pensions Board

Message to Tyne and Wear LPB sent 19th February 2017 From Glyn Boyington Chair South Yorkshire Joint LPB

Mike

Further to my telephone conversation with Nicholas Wirz on 16th February 2017

South Yorkshire Joint Local Pension Board (we are the Board for both South Yorkshire Pension Authority and the South Yorkshire Passenger Transport Fund) have been kept informed of developments in the pooling arrangements. We agreed with SY Pension Authority that Boarders to Coast presented the best option given the requirement for pooling and having been assured of a "like minded" attitude amongst the constituent funds to operational and governance matters.

We did raise the role of scheme members and the Local Pension Boards

within the pool and expressed a belief that there should be a mechanism for input into decisions whilst accepting that formal voting rights would not be appropriate. Similar points have been raised at Pension Authority meetings by both Councillors and non-voting trade union representatives. As a point of reassurance Officers have pointed out that decisions on investment asset allocation remain with individual Funds. Of course this does not address the practicality or desirability of greater scheme member involvement

On 16th February an extra meeting of the Authority was held with the intention of approving governance arrangements for the Pool. After a presentation and during a debate the issue of Scheme Member representation was raised by an Authority Member. I was permitted to give a view and all Councillor Members of the Authority that were present, along with a Trade Union representative, spoke. The Authority declined not ratify the governance arrangements without some reassurance on, as they put it, "Trade Union" involvement. The Chair was instructed to contact the Chairs of the other Funds to seek their support, at least in principle, for some form of scheme member involvement.

The Authority will again meet on 16th March as part of its regular cycle when the decision will be revisited.

Our LPB meets following the Pension Authority and we will therefore be in a position to further consider the inclusion of Scheme Member views at pool level

The meeting of 16th February being a public meeting may be viewed as a web cast at <http://southyorks.public-i.tv/core/portal/home>

Glyn Boyington
Chair
South Yorkshire Joint Local Pension Board