Shropshire Council

Pensions Committee
20 June 2025
10.00 a.m.

MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 21 MARCH 2025
10.00 AM - 12.35 PM

Responsible Officer: Sarah Townsend
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Present:

Members of the Committee:
Councillor Thomas Biggins (Chairman), Councillors Tony Parsons and Brian Williams (Substitute) (substitute for Simon Harris)

Co-Opted Members (Voting):
Councillors Paul Davis and Zona Hannington

Co-Opted Members (Non-Voting):
Byron Cooke and Jean Smith

55 Apologies and Substitutions

Apologies for absence were received from Councillor Roger Evans, Councillor Simon Harris and Paul Griffiths. Councillor Brian Williams was in attendance as Councillor Simon Harris' substitute.

Members welcomed Councillor Tony Parsons to his first meeting of the Pensions Committee.

56 Disclosable Interests

None were declared.

57 Minutes of the Previous Meeting

RESOLVED:
That the minutes of the meeting held on 6th December 2024 be approved and signed by the Chairman as a correct record.

58 Public Questions

Four questions had been received from members of the public. None of the public questioners were in attendance and their questions were therefore read out on their

behalf by the Pensions Investment and Responsible Investment Manager. The responses to each question were read out by the Head of Pensions – LGPS Senior Officer. A full copy of the questions and responses provided are attached to the web page for the meeting.

59 Audit Plan for Shropshire County Pension Fund 2024/25

The Committee received the report of the External Auditor, Grant Thornton, which set out the Shropshire County Pension Fund Audit Plan for the year ending 31 March 2025.

Ms Siobhan Barnard, Senior Audit Manager, was in attendance virtually from Grant Thornton to present the report and in particular, Members' attention was drawn to the following areas of the report and the comments detailed therein:

- Local Audit Reform;
- Identified risks;
- Grant Thornton's approach to materiality;
- Progress against prior year audit recommendations;
- Logistics concerning the audit timeline;
- Fees and related matters; and
- Independence considerations.

It was noted that at an appropriate point within the audit, Grant Thornton would like to meet informally with the Chairs of the Council's Audit Committee and Pensions Committee, to brief them on the status and progress of the audit work to date and also, in line with best practice, Grant Thornton were offering to meet in private with the Audit and Pensions Committees. In responding to a question regarding this, Ms Barnard commented that this change had come about due to Grant Thornton reviewing their processes and procedures in order to improve the audit process. Members were also informed that the 'Informing the Audit Risk Assessment' report that is presented to the Audit Committee had been amended to make it into more of a discussion, rather than a presentation of the findings and therefore, meetings would take place with Committee members and Chairs.

A question was asked regarding Level 3 Investments and Mr Colin Cartwright, Aon, provided clarification on what these were.

60 Pensions Administration Monitoring

The Committee received the report of the Pensions Administration Manager which provided them with monitoring information on the performance of and issues affecting the Pensions Administration Team.

The Team were congratulated for their results in the 2023-24 CIPFA benchmarking exercise which indicated that the Shropshire County Pension Fund was just below the average for the cost of administering the scheme when compared to all other local authority pension schemes that had taken part in the CIPFA benchmarking exercise.

Referring to paragraph 9.2 of the report, it was commented that there were not many active members (53%) registered to view their records on the online portal, known as 'My Pension Online' and whether any more could be done to increase this figure. In responding, the Pensions Administration Manager explained that work had started on a promotion campaign specifically targeting active members not yet registered to access to 'My Pension Online', conversations were being held with employers and communications were being sent out with the aim to get more using the online service.

RESOLVED:

1. That the position as set out in the report of the Pensions Administration Manager be accepted.

2. That the progress for key activities from the business plan (Appendix B) be noted and the Pension Dashboard update (Appendix C) also be noted.

3. That the updates made to the Communications Policy (Appendix D) following the review that has been conducted be approved.

61 Pension Fund Treasury Strategy 2025/26

The Committee received the report of the Head of Pensions – LGPS Senior Officer which explained that Shropshire Council as the Administering Authority maintains a small working cash balance for the Pension Fund that is invested separately to the Council's own cash and is managed under the defined Treasury Strategy as set out within the report.

There were no questions from Members.

RESOLVED:

1. That authority be delegated to the LGPS Senior Officer to manage the Pension Funds day to day cash balances.

2. That the Pension Fund Treasury Strategy be approved.

3. That the LGPS Senior Officer be authorised to place deposits in accordance with the Pension Fund's Treasury Strategy.

4. That authority be delegated to the LGPS Senior Officer to add or remove institutions from the approved lending list and amend cash and period limits as necessary in line with the Administering Authority's creditworthiness policy.

62 Corporate Governance Monitoring

The Committee received the report of the Pensions Investment and Responsible Investment Manager which informed them of Corporate Governance and socially responsible investment issues arising in the quarter period 1st October 2024 to 31st December 2024.

Members attention was drawn to the Stewardship Code and it was announced that the Fund had been successful in retaining its signatory status for a further year.

Regarding the Climate Stewardship Plan, Members were informed that three companies had been removed due to them having robust Paris aligned plans in place and two companies (BP and Glencore) had been added as a result of the 2024 Climate Risk report.

RESOLVED:

1. That the position as set out in the report of the Pensions Investment and Responsible Investment Manager in respect of voting and engagement activity be accepted:
    - LGPS Central at Appendix A;
    - Legal & General Investment Management (LGIM) at Appendix B;
    - Columbia Threadneedle Investments Responsible Engagement Overlay Activity Report at Appendix C; and
    - LAPFF Engagement Report at Appendix D.

2. That the changes to the Climate Stewardship Plan as a result of the Climate Risk Report presented in December 2024 be noted and accepted. The revised plan was attached at Appendix E to the report.

63 **Exclusion of Press and Public**

RESOLVED:
That under paragraph 10.2 of the Council's Access to Information Procedure Rules, the proceedings of the Committee in relation to Agenda Items 10 to 16, be not conducted in public on the grounds that they might involve the likely disclosure of exempt information as defined by the categories specified against them.

64 **Exempt Minutes of the Previous Meeting (Exempted by Category 3)**

RESOLVED:
That the exempt minutes of the meeting held on 6th December 2024 be approved and signed by the Chairman as a correct record.

65 **GIP Infrastructure Update (Exempted by Category 3)**

Mr Martin Catchpole and Ms Francesca Orofino, Global Infrastructure Partners, were in attendance virtually and provided the Committee with a presentation regarding Infrastructure.

66 **Financial Markets Update (Including Equity Protection) (Exempted by Category 3)**

The Committee received a presentation from Mr Colin Cartwright, Aon, which provided them with a financial markets update (including equity protection).

67 **Investment Strategy Implementation Update (Exempted by Category 3)**

The Committee received the exempt report of the Pensions Investment and Responsible Investment Manager which provided them with an Investment Strategy Implementation update.

RESOLVED:
That the recommendations as set out in the exempt report of the Pensions Investment and Responsible Investment Manager be approved.

68 **Investment Monitoring - Quarter to 31 December 2024 (Exempted by Category 3)**

The Committee received the exempt report of the Head of Pensions – LGPS Senior Officer which provided them with monitoring information on investment performance and managers for the quarter period to 31 December 2024 and reported on the technical meetings held with managers since the quarter end.

RESOLVED:
That the recommendations as set out in the exempt report of the Head of Pensions – LGPS Senior Officer be approved.

69 **Governance (Exempted by Category 3)**

The Committee received the exempt report of the Pensions Administration Manager which informed them of regulatory breaches arising in the quarter period 1st April 2024 to 31st December 2024 and any stage one or stage two appeals that had been received under the internal dispute resolution procedure (IDRP).

RESOLVED:
That the recommendations as set out in the exempt report of the Pensions Administration Manager be approved.

70 **New Employers (Exempted by Category 3)**

The Committee received the exempt report of the Pensions Administration Manager which provided them with full details regarding schools converting to Academy's and becoming an employer in the Fund under Schedule 2, Part 1 (20.) Scheme Employers of the LGPS regulations 2013.

The report also provided the Committee with full details regarding new employer admissions to the Fund under Schedule 2 Part 3 Regulation 1(d) (i) of the Local Government Pension Scheme Regulations 2013 as well as Parish Councils who have made a resolution to join the Fund under Schedule 2 Part 2 Scheme Employers (designated bodies).

RESOLVED:
That the recommendations as set out in the exempt report of the Pensions Administration Manager be accepted.

71 Mercer Training Session on Actuarial Valuation

Once the meeting had formally ended, there was a training session for Members of the Pensions Committee on Actuarial Valuation, presented by Ms Michelle Doman and Mr Mark Wilson from Mercer.

Signed ..... (Chairman)

Date: .....