

SCOTTISH BORDERS COUNCIL PENSION BOARD

MINUTES of Meeting of the PENSION BOARD held in Council Chamber, Council Headquarters, Newtown St Boswells on Tuesday, 10 March 2020 at 11.10 am

Present:- Mr A Barclay (Chair), Councillor S Aitchison, Mr M Drysdale, Mr M Everett
Ms L Ross, Ms C Stewart.
Apologies:- Ms K M Hughes, Mrs H Robertson.
In Attendance:- Pension & Investments Manager, HR Shared Services Manager, Democratic
Services Officer (J Turnbull)
Also in Attendance: Mr D Bell, Unite.

1. **MINUTE**

There had been circulated copies of the Minute of the Meeting of 17 December 2019.

DECISION

NOTED for signature by the Chairman.

2. **PENSION BOARD MEMBERSHIP**

The Chair, Mr Barclay, advised that he would be retiring in June and introduced Mr David Bell, as the new Unite representative on the Pension Board. It was noted that Mr Bell would take over as Board member from the next meeting.

DECISION

NOTED the change of membership to be approved at the next meeting.

3. **JOINT MEETING OF PENSION COMMITTEE AND PENSION BOARD**

3.1 The Board asked for clarification on the Government Actuary's Department (GAD) which had been referred to in the Scheme Advisory Bulletin presented to the Pension Fund Committee and Pension Board. The Pension and Investments Manager, Ms Robb, explained that the GAD report concerned the actuarial valuations of funds in the Local Government Pension Scheme to determine solvency. The data GAD used was the 2017 valuation information - now three years old - and a new valuation was about to be undertaken. GAD used the valuation numbers and then applied standard assumptions that did not take into consideration the individual asset or risk profile of the funds.

3.2 The Board then discussed the Scheme Advisory Board's (SAB) proposed evaluation of the benefits and risks associated with merging pension funds. Ms Robb advised that the push to merge the 11 existing funds was being driven by a small group. This group believed that merging funds would cut costs and facilitate investment in infrastructure. However, there was no empirical data to substantiate this. The next stage of the review and its findings would be required to be based on empirical data. Progress with the SAB evaluation would be updated at the next meeting. In response to a question, Ms Robb advised that merging of funds might have a direct impact on the Fund and could affect jobs. The full effect could not currently be quantified as would be reliant on how any fund mergers were implemented.

DECISION

NOTED.

4. **DATE OF NEXT MEETING**

The next meeting was scheduled to be held on Thursday, 11 June, following the Pension Fund Committee and Pension Board joint meeting.

**DECISION
NOTED.**

The meeting concluded at 11.25 am