



Pensions Committee

19 September 2025

10.00 a.m.

**MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 20 JUNE 2025
10.00 A.M. - 1.30 P.M.**

Responsible Officer: Sarah Townsend

Email: sarah.townsend@shropshire.gov.uk Tel: 01743 257721

Present:

Members of the Committee:

Councillors Gary Groves, Malcolm Myles-Hook, Charles Shackerley-Bennett and Benedict Jephcott (Substitute) (substitute for Alan Holford)

Co-Opted Members (Voting):

Councillors Zona Hannington and Fiona Doran (Substitute) (substitute for Paul Davis)

Co-Opted Members (Non-Voting):

Byron Cooke

Others Present:

Shropshire Council Officers:

Peter Chadderton (Pensions Investment and Responsible Investment Manager), Vicky Jenks (Pensions Administration Manager) and James Walton (Executive Director of Resources (Section 151 Officer))

Aon:

Colin Cartwright and Luke Hammond

Independent Advisor to the Committee:

Philip Hebson

Grant Thornton:

Grant Patterson

LGPS Central:

Jayne Atkinson, Trevor Castledine, Cara Forrest, Richard Law-Deeks and Patrick O'Hara

Pensions Board Members (remotely via MS Teams):

John Hall, Rebecca Summerlin and David Wright

1 Election of Chairman

RESOLVED:

That Councillor Gary Groves be elected as Chairman of the Pensions Committee for the forthcoming municipal year.

2 Apologies and Substitutions

Apologies for absence were received from Councillor Alan Holford, Councillor Paul Davis and Paul Griffiths. Councillor Ben Jephcott was in attendance as Councillor Alan Holford's substitute and Councillor Fiona Doran was in attendance as Councillor Paul Davis' substitute.

3 Appointment of Vice-Chairman

RESOLVED:

That Councillor Zona Hannington be appointed as Vice-Chairman of the Pensions Committee for the forthcoming municipal year.

4 Disclosable Interests

None were declared.

5 Minutes of the Previous Meeting

RESOLVED:

That the minutes of the meeting held on 21st March 2025 be approved and signed by the Chairman as a correct record.

6 Public Questions

Two questions had been received from members of the public and the second public questioner was in attendance to ask his question in person. The other public questioner was not in attendance and their question was therefore read out on their behalf by the Executive Director of Resources (Section 151 Officer). The responses to each question were read out by the Pensions Investment and Responsible Investment Manager. A full copy of the questions and responses provided are attached to the web page for the meeting.

7 Introductory Overview by Grant Thornton

Mr Grant Patterson was in attendance from Grant Thornton and explained that he was the external audit lead for the Shropshire County Pension Fund and that it was his audit team that provided an audit opinion on both the pension fund financial statements within the Council's accounts and the financial statements that would be included within the pension fund annual report.

Mr Patterson provided the Committee with an introductory overview presentation on the work of auditors and where it fits into the local government pension scheme. The presentation covered the following areas:

- Introduction – Local government structures in England; LGPS governance structure; Delegation structures.
- The role and powers of external auditors – Current external audit framework; Grant Thornton's presence in the LGPS pensions sector; Local audit reform;

Scope of external audit work; Key external audit outputs; Additional auditor powers.

- Financial reporting framework – Summary of LGPS Statutory Reporting Framework; Accounting Framework; The annual report; Forms of opinion – auditor's report and the consistency report.
- Delivering the audit – Building blocks of the audit; Planning a pension scheme audit – Those Charged with Governance (TCWG); Who do we communicate with; Practical implications for the Pensions Committee.
- Questions and Discussion

Questions were asked regarding whether there was even any conflict encountered between the auditing of the main council finances and the auditing of the pension fund accounts and to what extent best practice and views from other pension organisations and other councils could be considered by Shropshire County Pension Fund.

8 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.

In responding to a question on the delay in the McCloud remedy by a year, the Pensions Administration Manager explained that the McCloud remedy had increased workload significantly across a vast group of people but there was very little impact with only a small number of people (approximately seventy pensioner members who would see an increase in benefits) impacted on retrospective changes. Whilst work had started on this, it was not looking likely that this would be completed by 31st August 2025. Going forward, anybody that is affected would get the additional payment straight away as they take benefits.

RESOLVED:

1. That the progress and completion of key activities from the business plan 2024-25 (Appendix B) be noted.
2. That the progress of the Pension Dashboard implementation which is provided in the update report (Appendix C) be noted.
3. That the Committee determine that the implementation date for the McCloud Remedy can be delayed to 31 August 2026 for members where a rectification calculation needs to be undertaken. (Item 10.5 of the report).
4. That the Committee delegate to fund officers the authority to respond to the LGPS 'Access and fairness' consultation. (Item 11.3 of the report).

9 Corporate Governance Monitoring

The Committee received the report of the Pensions Investment and Responsible Investment Manager which informed them of corporate governance changes including the government's "LGPS - Fit for the Future" consultation response, since

the last committee and socially responsible investment issues arising in the quarter period 1st January 2025 to 31st March 2025.

In terms of voting, the Pensions Investment and Responsible Investment Manager explained that voting was carried out by LGPS Central through EOS @ Federated Hermes (EOS) on all equity portfolios since 1st January 2025 which ensured a consistency of approach.

Questions were asked regarding the governance structure of LGPS Central and the Pensions Investment and Responsible Investment Manager explained that LGPS Central was made up of eight local government pensions schemes on a one member one vote basis and that any new admissions would require the agreement of the eight partner funds. For Shropshire Council as Administering Authority for Shropshire County Pension Scheme, the voting role is undertaken by the Shareholder Representative i.e. the Chairman of the Pensions Committee. Whilst this position was able to be delegated to either the Section 151 Officer or the LGPS Senior Officer, this was currently not an option due to the way in which the Constitution was currently set up. However, going forward, this could be looked into.

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 noted and accepted:
 - LGPS Central at Appendix A;
 - Columbia Threadneedle Investments Responsible Engagement Overlay Activity Report at Appendix B; and
 - LAPFF Engagement Report at Appendix C.
2. That the government's Local Government Pension Scheme (England and Wales): Fit for the future consultation response be noted and accepted.

Prior to closing the public session of the meeting, the Pensions Investment and Responsible Investment Manager explained that Mrs Jean Smith (Pensioner Representative) had resigned last week as a Committee Member after 17 years. On behalf of both Officers and the Committee, he thanked her for all her help and support over the years and for her calm, steady influence. Going forward, applications would be sought for a new Pensioner Representative to sit on the Committee and the Committee would be provided with an update on the outcome of this in due course.

10 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 11 to 17, 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.

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

RESOLVED:

That the exempt minutes of the meeting held on 21st March 2025 be approved and signed by the Chairman as a correct record.

12 Introductory Overview by LGPS Central (Exempted by Category 3)

Ms Jayne Atkinson, Mr Trevor Castledine, Ms Cara Forrest, Mr Richard Law-Deeks and Mr Patrick O'Hara, LGPS Central, were in attendance and provided the Committee with an introductory overview presentation of LGPS Central.

13 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.

14 Equity Protection Update (Exempted by Category 3)

The Committee received a presentation from Mr Colin Cartwright, Aon, which provided them with an equity protection update.

15 Investment Monitoring - Quarter to 31 March 2025 (Exempted by Category 3)

The Committee received the exempt report of the Pensions Investment and Responsible Investment Manager which provided them with monitoring information on investment performance and managers for the quarter period to 31 March 2025 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 Pensions Investment and Responsible Investment Manager be approved.

16 Governance (Exempted by Category 3)

The Committee received the exempt report of the Pensions Administration Manager which provided them with information regarding regulatory breaches arising from 1st April 2024 to 31st March 2025 and any stage one or stage two appeals that had been received under the internal dispute resolution procedure (IDRP). Fund policies that had been reviewed in the last quarter and required approval by the committee were also included within the report.

RESOLVED:

That with the amendment to recommendation 3.4 of the report as reported by the Pensions Administration Manager at the meeting, the recommendations as set out in the exempt report of the Pensions Administration Manager be approved.

17 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 status admissions to 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 a Parish Council that had 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.

Signed (Chairman)

Date: