

Item: 15

**Pension Fund Sub-committee, together with Pension Board:
19 November 2025.**

1. Recommendations

It is recommended:

1.1.

That the Committee approves the attached minute as a true record.

2. Appendix

Draft Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 19 November 2025.

Minute

Pension Fund Sub-committee, together with Pension Board

Wednesday, 19 November 2025, 14:15.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Pension Fund Sub-committee:

Councillors Alexander G Cowie, P Lindsay Hall, Steven B Heddle, Rachael A King and Mellissa-Louise Thomson.

Pension Board:

Employer Representatives:

Councillors Graham A Bevan, David Dawson and Owen Tierney, Orkney Islands Council.

Trade Union Representative:

Eileen Swanney (Unison).

Present via remote link (Microsoft Teams)

Pension Fund Sub-committee:

Councillors Kristopher D Leask and Heather N Woodbridge.

Pension Board:

Employer Representative:

Karen Ritch, Orkney Ferries Limited.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Robert Adamson, Service Manager (Payroll and Pensions).
- Shonagh Merriman, Service Manager (Corporate Finance).
- Paul Maxton, Solicitor.
- Katie Gibson, Team Manager (Corporate Finance).
- Katrina Tait, Team Manager (Pensions).

Hymans Robertson:

- Chris King, Investment Consultant.

Apology

Pension Board, Trade Union Representative:

- Karen Kent (Unison).

Not Present

Pension Board, Trade Union Representative:

- Mark Vincent (GMB).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Alexander G Cowie.

1. Revenue Expenditure Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Sub-committee:

Noted:

1.1. The revenue financial summary statement in respect of service areas for which the Pension Fund Sub-committee was responsible, for the period 1 April to 30 September 2025, attached as Annex 1 to the report by the Head of Finance, indicating a budget surplus position of £32,695,200.

1.2. The revenue financial service area statement in respect of service areas for which the Pension Fund Sub-committee was responsible, for the period 1 April to 30 September 2025, attached as Annex 2 to the report by the Head of Finance.

The Sub-committee scrutinised:

1.3. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance, and obtained assurance that appropriate action was being taken with regard to significant budget variances.

2. Pensions Administration – Performance

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Payroll and Pensions), the Sub-committee:

Scrutinised the Pension Fund administration activities, together with performance against key service standards, for the period 1 April to 30 September 2025, as detailed in sections 3 to 8 of the report by the Head of Finance, and obtained assurance.

3. Orkney Islands Council Pension Fund – Pre/Post Divorce Charges

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Payroll and Pensions), the Sub-committee:

Resolved, in terms of delegated powers, that the CH1 Form Schedule of Charges for the Local Government Pension Scheme, attached as Appendix 1 to this Minute, be approved.

4. Pension Regulator General Code of Practice

Self-Assessment of Compliance

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Team Manager (Corporate Finance), the Sub-committee:

Scrutinised the Pension Regulator's General Code of Practice self-assessment results and Summary Scorecard including actions points, attached as Appendices 1 and 2 respectively to the report by the Head of Finance, and obtained assurance.

5. Exclusion of Public

On the motion of Councillor Alexander G Cowie, seconded by Councillor Rachael A King, the Sub-committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

6. Statement of Managed Funds

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Team Manager (Corporate Finance), the Sub-committee:

Scrutinised:

6.1. The investment monitoring report for the Pension Fund produced by Hymans Robertson, the Council's appointed investment advisor, attached as Appendix 1 to the report by the Head of Finance, relating to the performance of managed funds for the quarter to 30 September 2025.

6.2. The IFM Investors Infrastructure Climate Change report for 2024, attached as Appendix 2 to the report by the Head of Finance.

6.3. The Baillie Gifford report for the quarter ending 30 September 2025, attached as Appendix 3 to the report by the Head of Finance.

7. Orkney Islands Council Pension Fund – Private Debt Allocation

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Sub-committee:

Resolved, in terms of delegated powers, action should be taken with regard to private debt allocation.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

Councillor Heather N Woodbridge left the meeting during discussion of this item.

8. Orkney Islands Council Pension Fund – Climate Transition Action Plan

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Sub-committee:

Resolved, in terms of delegated powers, that the Climate Transition Action Plan, attached as Appendix 2 to this Minute, be approved.

9. Conclusion of Meeting

At 15:05 the Chair declared the meeting concluded.

Signed: Alexander G Cowie.

FORM CH1Schedule of Charges for the Local Government Pension Scheme (LGPS)**A. Scheme member not yet retired – about to divorce**

Procedure	Comments	Cost
Produce CETV quotation (member or Court does not stipulate deadline for production)	Standard annual entitlement under PSA 1993 (to be provided within 3 months of relevant date)	£0
Produce CETV quotation (member or Court requires within 3 months)	Standard CETV under PSA 1993 (to be provided within deadline requested)	£154.00 *
Additional CETV quotations based on different dates		£154.00 * per additional quote
Provision of other information	If under disclosure of information regulations	£0
	Otherwise, depending on nature of request	Maximum £154.00 *
Receipt of pension sharing order or consent order where the spouse (the credited member) is under 65	To cover all administration costs from receipt of pension sharing order to completion of pension payments	£854.00
Establish a new pensioner record where the spouse (the credited member) is 65 or over	To cover all administration costs from receipt of pension sharing order to completion of pension payments	£854.00
Assuming all documentation is in place, settle a transfer out (instead of 4)	This only applies if the credited member asks for a transfer out at the outset. Otherwise, the charges in 4 will apply and no additional charge will be levied if the credited member subsequently asks for a transfer-out	£409.00
Objections to order by Scheme	Onus should be on the draftsman of the order to ensure that it is correctly drafted prior to issue	Costs for dealing with inoperable orders will be passed on

B. Scheme member retired – pension in payment – about to divorce

Procedure	Comments	Cost
Assess the value of the Pension in payment, Including any contingent Benefits		£409.00 *
Receipt of pension sharing Order or consent order Where the spouse (the Credited member) is under 65	To cover all administration costs from receipt of pension sharing order to completion of pension payments	£854.00
Establish new pensioner record where the spouse (the credited member) is 65 or over	To cover all administration costs from receipt of pension sharing order to completion of pension payments	£854.00
Assuming all documentation is in place, settle a transfer Out (instead of 2, above)	This only applies if the credited member asks for a transfer out at the outset. Otherwise, the charges in 2 will apply and no additional charge will be levied if the credited member subsequently asks for a transfer out	£409.00

Notes:

- Any additional costs arising if specialist actuarial, legal, etc advice is requested will be charged in full in addition to the figures quoted above.
- Where a scheme member has an Additional Voluntary Contribution contract under the LGPS, the insurance company, etc may charge for the provision of information. Any such charges will be charged in full in addition to the figures quoted above.
- Any reasonable administrative costs incurred or likely to be incurred in complying with an " earmarking order" will be charged to the pensioner member.
- Any costs incurred in relation to a "pension sharing order" which is made the subject of an application for leave to appeal out of time will be recovered by the authority administering the pension fund.
- VAT will be payable in addition to all the above charges.
- All charges are correct at the time of production of this charging schedule (April 2009). The authority administering the pension fund will increase its charges each April by RPI (over the 12 months to the previous September).
- The standard practice of the authority administering the pension fund is that the full amount of the charges marked with an "*" must be paid, by either party to the divorce, before the relevant action is undertaken. All other charges can either be paid
 - in full at the point of action, by either party to the divorce, or
 - by part payment at the point of action, by either party to the divorce, with the balance being deducted from either the cash value awarded to the ex-spouse (the credited member) under the sharing order or agreement before it is converted into an annual pension value under the LGPS or, if the credit member wishes to immediately transfer the pension credit to another scheme, from the transfer value payable in respect of the credited member, or
 - by deduction in full of either the cash value awarded to the ex-spouse (the credited member) under the sharing order or agreement before it is converted into an annual pension value under the LGPS or, if the credit member wishes to immediately transfer the pension credit to another scheme, from the transfer value payable in respect of the credited member, or
 - by deduction in full of any share of a scheme member's Additional Voluntary Contribution 'pot' awarded to the ex-spouse (the credited member) under the sharing order or agreement.
- The authority administering the pension fund will, however, comply with the charging requirements specified in an order or agreement.

Appendix 2.

Climate Transition Action Plan

Pages 1 to 13.

Resolved that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public were excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part I of Schedule 7A of the Act.

This constitutes a summary of the Appendix in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

Local Government (Scotland) Act 1973 – Schedule 7A

Access to Information: Descriptions of Exempt Information

- | | |
|--------------|--|
| Paragraph 6. | Information relating to the financial or business affairs of any particular person (other than the authority). |
| Paragraph 9. | Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services. |