

# Pensions Committee

2.00pm, Wednesday, 27 June 2018

## Webcasting

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| <b>Item number</b>         | 5.10  |
| <b>Report number</b>       |   |
| <b>Executive/routine</b>   |   |
| <b>Wards</b>               | All   |
| <b>Council Commitments</b> | <a href="#">Delivering a Council that works for all</a> |

## Executive Summary

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On 3 May 2018 the City of Edinburgh Council agreed to offer the use of webcasting facilities to the Pensions Committee.

Consideration of a number of aspects in relation to pros and cons of webcasting concludes that the benefits in the Fund's existing format outweighs the benefits of the introduction of webcasting. For example, active participation and challenge could potentially be significantly hindered by the introduction of webcasting as well as the ability to discuss sensitive matters relating to the Fund and that of its business partners in an open and transparent way.

It is recommended that the Pensions Committee report to Council that it has agreed not to webcast meetings but reassure Council that the Pensions Committee considers its current practices, including the involvement of the Pension Board, to be open and transparent and relevant for the pension fund's stakeholders.

## Webcasting

### 1. Recommendations

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Committee is requested to:

- 1.1 decline to webcast meetings as it considers its current practices, including the involvement of the Pension Board, to be open and transparent and relevant for the pension fund's stakeholders.

### 2. Background

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- 2.1 At their meeting on 15 March, the City of Edinburgh Council agreed *'for a report into the feasibility, benefits and costs of introducing webcasting for public meetings, including but not limited to the Integration Joint Board, Licensing Board and Pensions Committee'*.
- 2.2 A feasibility report was presented to Council on 3 May which highlighted that the Pensions Committee is different from executive committees and exists due to the role of the Council as the administering authority of the pension funds. It also recognised the role of the Pensions Board.
- 2.3 The Council agreed to offer the use of webcasting facilities to the Pensions Committee to webcast if it chooses to do so.

### 3. Main report

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- 3.1 The Pensions Committee members act as quasi-trustees with a fiduciary duty owed to the stakeholders of the pension funds administered by the City of Edinburgh Council. It is therefore important to note that any consideration of greater transparency should solely relate to those stakeholders (members and employers) and not to the wider public as a whole. The Pensions Committee should not act in the interests of, or be influenced by, other interest groups of the wider public. That is not to say that the Pensions Committee should not be mindful of input from other parties, but the deputation mechanism allows such input.
- 3.2 Currently, the Fund exceeds industry standards around transparency and stakeholder engagement. The Fund is fully supportive of transparency to the point that it is commercially or operationally disadvantageous or increases governance risk. The current governance arrangements are considered open, transparent and industry leading in some cases, for example;

- 3.2.1 Pensions Committee meetings are open to the public, with reports available on the Council's website and very few matters are considered as B agenda items. The vast majority of pension funds, in both the private and public sector, carry out most, if not all, of their business meetings privately.
- 3.2.2 The Fund operates within a heavily regulated environment, has voluntarily invited representation and scrutiny from stakeholders for many years and regularly engages with them through various channels.
- 3.3 It is vitally important that the Pensions Committee and Pension Board operate in an open and constructive forum. Recording and webcasting could impact on the participation and challenge of members, particularly those who are less knowledgeable, given the often-complex matters under consideration. The views of the Pension Board are vital in this regard.
- 3.4 Another aspect for potential concern is that the Fund needs to be mindful of commercial sensitivities, including those related to its collaborative partners, and there would be an increased risk of inadvertent disclosure that could have serious consequences. Greater management to ensure this happens could restrict the flow of information to Committee and/or mean that fewer reports could be considered in public.
- 3.5 Broadcasting the Pensions Committee meetings could potentially benefit lobby and other interest groups, who could use the platform to raise the profile of their campaigns. This could further draw the resource of officers, Committee and Board members and heighten the risk around the Fund resources and the effectiveness of its governance.

## **4. Measures of success**

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- 4.1 Provide effective, accountable and transparent governance arrangements for scheme members and employers.

## **5. Financial impact**

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- 5.1 Additional costs would be incurred if webcasting was introduced but are not expected to be significant and could be absorbed in the Fund's existing budget.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 Governance of the Fund, including active participation and challenge, could potentially be significantly hindered by the introduction of webcasting as well as the ability to discuss sensitive matters relating to the Fund and that of its business partners in an open and transparent way.

## 7. Equalities impact

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7.1 There are no equalities implications as a result of this report.

## 8. Sustainability impact

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8.1 There is no sustainability impact as a result of this report.

## 9. Consultation and engagement

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9.1 The Pension Board, comprising employer and member representatives, is integral to the governance of the Fund and they are invited to comment on the relevant matters at Committee meetings.

## 10. Background reading/external references

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10.1 [Webcasting of Public Meetings – Motion by Councillor Miller, 3 May 2018](#)

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## 11. Appendices

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