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Pension Committee

Meeting held on Tuesday, 16 March 2021 at 10.00 am in This meeting will be held remotely

MINUTES

Present: Councillor Humayun Kabir (Chair);

Councillors Simon Brew, Jan Buttinger, Robert Canning, Clive Fraser, Patricia Hay-Justice, Yvette Hopley and Andrew Pelling

Co-opted Members: Ms Gilli Driver, Mr Peter Howard and Charles Quaye

PART A

1/21 Minutes of the Previous Meeting

The minutes of the previous meeting held on 8 December 2020 were not approved as an accurate record for the following reasons:

- Need to add Councillor Pelling to the attendance
- There were no disclosures of interest listed when Chairman had agreed that these should be included.
- That the minute under 4/20 was substantially inaccurate and should be rewritten for approval by the Committee via email by the end of the following week.

2/21 Disclosure of Interests

Members declared an interest in relation to the property transfer as they are Representatives of the Employing Authority.

3/21 Urgent Business (if any)

Councillor Hay-Justice made a request that the Committee should consider appointing a Vice-Chair to ensure that in the absence of the Chairman it would still be possible to call meetings.

Councillor Hay-Justice moved a motion, seconded by the Chair, to appoint Councillor Pelling as Vice-Chair for the remainder of the municipal year. Following a vote the Committee:

RESOLVED – That Councillor Pelling be appointed as Vice-Chair for the remainder of the 20/21 municipal year.

Councillor Hopley requested that the concerns raised in an email from the Section 151 Officer and Interim Director for Finance, Investment and Resources regarding the property transfer be noted and reported to the next meeting of the Committee. In response to queries raised by the Committee, officers confirmed that the Pension Regulator and Ministry of Housing, Communities & Local Government had been watching the situation closely.

Councillor Hopley moved a motion, seconded by Councillor Brew, to decide whether to refer the property transfer to the Pension Regulator after it came to the next Committee. Following a vote the Committee:

RESOLVED – To decide whether to refer the property transfer to the Pension Regulator after it came to the next Committee.

Councillor Pelling wished for his objection to be noted.

a Exit Payment Cap

The Pension Committee considered a report which detailed which updated on the government's decision to revoke the Restriction of Public Sector Exit Payments Regulations 2020 which would impact on the level of benefits paid to scheme members and employer strain costs paid when an LGPS member aged 55 or over exited the organisation. The Committee received an introduction from the Head of HR and Finance Service Centre.

In response to queries raised by the Committee, officers confirmed that no members of staff were impacted by any of these changes.

RESOLVED – That the Committee agreed to note the report.

b Review of Breaches Log

The Pension Committee considered a report which detailed that it was a requirement of The Pension Regulator for the Pension Fund to maintain a breaches log detailing incidences where breaches had occurred. In line with the recommendations of the Aon Hewitt Governance Review, on 15

September 2020 the Committee agreed the revised Reporting Breaches of the Law Policy. This included a requirement for the Committee to monitor breaches on a regular basis. The Committee received an introduction from the Head of Pensions and Treasury.

RESOLVED – That the Committee agreed to note the report.

4/21 Final Matters Arising from Governance Review

The Pension Committee considered a report which advised the Committee of action taken or being taken in respect of the recommendations on specific aspects of the Fund's governance made by Aon Hewitt in their Governance Review received by the Committee on 11 February 2020. The Committee received an introduction from the Head of Pensions and Treasury.

In response to queries raised by the Committee, it was clarified that the employee representative did not have voting rights, as although they were significant stakeholders, there were no decisions within the scheme that they could vote on as set out in legislation.

RESOLVED – That the Committee agreed to note the report.

5/21 Governance Policy and Compliance Statement

The Pension Committee considered a report which detailed the updates of the Governance Best Practice Compliance Statement agreed by the Committee on 17 September 2019. The Committee received an introduction from the Head of Pensions and Treasury.

The Committee queried whether it was appropriate for the Chairman of the Pension Board to be a member of the Committee with voting rights and it was agreed that the Board Chairman's role was to provide a scrutiny role to the Committee.

RESOLVED – That the Committee the draft Governance Best Practice Compliance Statement.

6/21 (Key Performance Indicators (KPIs))

The Pension Committee considered a report which set out Key Performance Indicators for the administration of the Local Government Pension Scheme for

the three-month period up to the end of January 2021. The Committee received an introduction from the Head of HR and Finance Service Centre.

In response to queries raised by the Committee, it was clarified that the resources of the Pension Team were protected from any Section 114 notices.

RESOLVED – That the Committee agreed to note the report.

7/21 Risk Register

The Pension Committee considered a report which detailed that it was recommended best practice for the Pension Committee to maintain a risk register covering the most significant risks faced by the Fund. This report presented the current register (Appendix A) for the Committee's consideration. The Committee received an introduction from the Head of Pensions and Treasury.

Members queried the costs and quality of the London CIV and the Committee asked for a training session to be held so that the risks and benefits could be better understood. The Committee asked for and received an explanation pertaining to the reasoning behind the amber and green status of some of the risks.

RESOLVED – That the Committee agreed to note the report.

8/21 Training Records Update

The Pension Committee considered a report which advised the Committee of training undertaken since October 2020 and invited them to make suggestions for future training as they saw fit.

The Committee received an introduction from the Head of Pensions and Treasury.

The Committee asked that future versions of the report be produced in black and white and over two pages to make it easier to read and understand.

RESOLVED – That the Committee agreed to note the report.

9/21 Progress Report - Quarter Ending 31 December 2020

The Pension Committee considered a report which provided an update on the London Borough of Croydon Pension Fund's (the Fund's) performance for the

quarter to 31 December 2020. The Committee received an introduction from the Head of Pensions and Treasury.

The Committee asked for officers to report back to the Chairman and Vice-Chairman with a timetable for the Committee to discuss each aspect of the asset allocation strategy.

RESOLVED – That the Committee agreed to note Part A of the report.

10/21 Pension Board Report

11/21 Exclusion of the Press and Public

It was **MOVED** and **SECONDED**:

“That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information falling within those paragraphs indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended.”

The motion was put and it was agreed by the Committee to exclude the press and public for the remainder of the meeting.

12/21 Progress Report - Quarter Ended 31 December 2020

The meeting ended at 12.27 pm

Signed:

Date:

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