

Committee(s): Local Government Pensions Board	Dated: 25 September 2023
Subject: Pensions Committee Update Report (Public)	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: The Chamberlain	For Information
Report author: Kate Limna – Chamberlain's Department	

Summary

The Local Government Pensions Board has responsibility for assisting the Pensions Committee to ensure the effective and efficient governance and administration of the scheme. The role is one of providing oversight of assurance in the governance of the scheme administration and not in decision making. This report summarises the reports and decisions made by the Pensions Committee on the public agenda at their meetings on 8 February and 20 June 2023. A further meeting was held on 12 September but due to administrative deadlines, an update is not included in this report.

Recommendation

Members are asked to note the report.

Main Report

Background

1. This report summarises the reports and decisions made by the Pensions Committee on the public agenda at their meetings on 8 March and 20 June 2023.
2. The following Members were elected to the Pensions Committee by the Court during 2022.
 - Ian David Luder, J.P., Alderman (4 year term ending April 2026) (resigned from the Court on 12 July 2023)
 - James Henry George Pollard, Deputy (4 year term ending April 2026)
 - David James Sales (4 year term ending April 2026)
 - Sir David Wootton, Alderman (4 year term ending April 2026)
 - Shahnaz Bakht, (2 year term ending April 2024)
 - Timothy Richard Butcher, (2 year term ending April 2024)
 - Deputy Madush Gupta ((2 year term ending April 2024)
 - Deputy Andrien Meyers (2 year term ending April 2024)
3. The Pensions Committee met for the first time on 11 July 2022 where Alderman Ian Luder was elected Chair and Timothy Butcher was elected Deputy Chair. At

this meeting, the Committee agreed to co-opt one independent member, Clare James. Ms James is an actuary who had been a Common Councillor until standing down at the last election. She is co-opted for 2 years.

4. At the meeting on 20 June 2023 Alderman Luder stepped down as Chair of the Pensions Committee and subsequently resigned from the Court on 12 July 2023. At the June meeting Timothy Butcher was elected Chair and David Sales was elected Deputy Chair.

Pension Committee Minutes

5. At the June Pensions Committee meeting, Members agreed that the minutes of the Pensions Committee should go to the Local Government Pensions Board for information and vice versa.

Training

6. All Members of the Pensions Committee are required to complete the Pension Regulator's (tPR) training modules in respect of the public sector pension schemes. Details of training modules completed by each Member are included on the non-public agenda (Appendix A).














Administration

7. At each meeting the Pensions Committee has received the Administrators Update and there is a separate report covering this on today's Agenda.

Risk Register

8. The Risk Register for the Pensions Committee was previously reviewed at each meeting. At the September meeting, Members reviewed the risks and confirmed that the appropriate controls were in place and there were no further risks relating to the service. They had previously agreed to review the Risk Register every 6 months. The Risk Register is attached at Appendix B (i) with the CoL Risk Matrix attached as Appendix B (ii). The report to the Pensions Committee can be found [here](#) and table 1 below provides a summary of the risks.

Table 1: Risk Summary

Risk code	Risk title	Current Risk Score	Current Risk Score Indicator
CHB Pensions 009	McCloud Remedy	16	
CHB Pensions 001	Insufficient assets - Pensions Fund	8	
CHB Pensions 010	Targeted returns – Pension Fund	6	
CHB Pensions 003	Short term Cash flow	4	
CHB Pensions 004	Breach of GDPR/Data Protection regulations	4	
CHB Pensions 006	Employer Insolvency	4	
CHB Pensions 007	Cyber Security	4	
CHB Pensions 008	Pension Scheme Administration	4	
CHB Pensions 011	Service provider failure	4	
CHB Pensions 012	Governance/Legislative Compliance	4	
CHB Pensions 013	Failure to discharge responsible investment duties	4	
CHB Pensions 005	Fraud	2	
CHB Pensions 002	Actuarial Valuation	1	

Funding Strategy Statement

9. All Local Government Pension Scheme (LGPS) Funds are required to prepare, maintain and publish a Funding Strategy Statement (FSS) in accordance with the Public Service Pension Act 2013. The FSS governs how employer liabilities are measured, the pace at which these liabilities are funded, and how employers, or pools of employers, pay for their own liabilities. In preparing, maintaining and reviewing the FSS, the administering authority must have regard to guidance published by CIPFA. The latest guidance was published in September 2016. It is subject to periodic review at least every three years and has been amended following the 2022 triennial actuarial review.
10. The FSS was last revised in 2020 and included amendments for the McCloud/Sargent judgement on age discrimination, regular reviews of contribution rates between valuations and procedures for admission bodies exiting the Fund (known as deferred debt arrangements). For this review, a new section has been included on “Climate Change Risk and opportunities”.
11. The FSS is a “living” document and is subject to periodic review at least every three years.
12. Having reviewed the FSS at their February meeting, Members asked for a minor amendment around the wording to the aims of the fund and following a discussion it was agreed that it should be the overall contribution rate being kept as constant

as possible and reference to “primary” should be removed. The FSS is attached at Appendix C to this report (with the amendment highlighted) and is also included in the Pension Fund Annual Report; the report to the February Pensions Committee can be found [here](#).

Conclusion

13. The Pensions Committee met on 8 February and 20 June 2023. This report is a summary of the reports and decisions made under the public side of the agenda. A further meeting was held on 12 September but due to administrative deadlines, an update is not included in this report.

Appendices

- Appendix A Pension Committee Member Training (NON PUBLIC)
- Appendix B (i) Pensions Committee Risk Register
- Appendix B (ii) CoL Risk Matrix
- Appendix C Funding Strategy Statement

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