

LOCAL GOVERNMENT PENSIONS BOARD

Monday, 12 December 2022

Minutes of the meeting of the Local Government Pensions Board held at the Guildhall EC2 at 4.00 pm

Present

Members:

Mark Wheatley (Chairman)	Christina McLellan
James Tumbridge (Deputy Chairman)	Paul Wilkinson
David Pearson	

Officers:

Kate Limna	- Chamberlain's Department
Jeff Henegan	- Chamberlain's Department
Christopher Rumbles	- Town Clerk's Department
Graham Newman	- Chamberlain's Department
Amanda Luk	- Chamberlain's Department
Sarah Port	- Chamberlain's Department
Emma Moore	- Chief Operating Officer

1. APOLOGIES

There were none.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations of interests.

3. MINUTES

RESOLVED – That the public minutes and non-public summary of the Local Government Pensions Board meeting on 22 June 2022 be approved as an accurate record.

The Chairman commented on the role of Pensions Committee as being the decision making body for all pensions related issues and questioned how this would align to the scrutiny role of Local Government Pensions Board.

In response, the Chamberlain confirmed that Pensions Committee had been constituted on 1 April 2022 and had met on three occasions to date, with an update included within the papers presented today allowing Board Members an opportunity to review the decisions taken. It was further explained how the interaction between a Pensions Committee and Local Government Pensions Board varied between authorities. It was suggested Board Members may want to consider inviting the Chairman of Pensions Committee to a future meeting of the Board. The Chairman noted that there was no formal structure that had to be observed.

The Deputy Chairman proposed that an informal meeting be held between the Chairmen and Deputy Chairmen of Local Government Pensions Board and Pensions Committee to consider how the two bodies would interact with each other moving forwards, with the Town Clerk agreeing to facilitate a meeting which would include the Chamberlain.

4. **PENSION BOARD (LGPS) ADMINISTRATORS REPORT**

The Board received a report of the Chamberlain providing an update on Pensions Administration as well as providing an update on the work of Pensions Committee in relation to scheme administration and giving details of reporting since the last Local Government Pensions Board meeting on 22 June 2022.

The Deputy Chairman referred to a data breach referenced within the report and requested a further update on this and an assurance that all processes had been followed. The Chamberlain responded assuring Board Members that the data breach had been dealt with in accordance with agreed processes, whilst stressing that any further information would need to be taken during the non-public part of the agenda.

The Deputy Chairman sought an update on the McCloud judgment and whether any updated guidance had been received from Government on a remedy. Members noted that no further guidance had been received to date but with it being hoped that information would come through as soon as it possibly can, with officers proceeding on the basis of what was currently known, against expected changes and final legislation, with there being a target date of October 2023 for its implementation.

The Chairman sought an assurance on the City Corporation's ability to implement any remedy and changes proposed in response to the McCloud judgement, with the Chamberlain explaining how the nature of the Local Government Pensions Scheme, the size of the City Corporation, its workforce and the number of employees it has within the Local Government Pension Scheme, would see fewer Scheme Members affected by the McCloud Judgment than other pensions schemes. This was, however, based on what was known at this point with final legislation still awaited making the position clear, but with there being no concerns in this regard at this stage.

The Deputy Chairman referred to an issue that had been presented at Finance Committee in September 2022 relating to City Fund and Pension Fund Statement of Accounts, with these remaining unsigned owing to a national technical accounting and auditing issue. Finance Committee had agreed that relevant information and a proposed way forward would be passed on to Pensions Committee and Local Government Pensions Board to make them aware of the issue, with the Deputy Chairman noting there was no reference to this within the papers presented today and that he would welcome an update that could be formally recorded.

The Town Clerk responded confirming information relating to the position of the City Fund and Pension Fund Statement of Accounts had been circulated to Members of Local Government Pensions Board between meetings for their

information as agreed, with this action to be formally recorded within the minutes of the meeting today for the record.

RESOLVED: That Members: -

- Receive the report and note its content.

5. **SUBJECT: PENSIONS COMMITTEE UPDATE REPORT (PUBLIC)**

The Board received a report of the Chamberlain summarising reports and decisions made by Pensions Committee during the public part of the agenda at their meetings on 11 July, 27 September and 29 November 2022.

The Deputy Chairman referred to Pensions Committee's risk register and how he considered it important to understand Local Government Pensions Board's role in providing oversight of this. The Deputy Chairman added how his understanding of the legal framework was that Local Government Pensions Board continued to have a focus on the compliance side with it reserving the option to request items for inclusion.

The Deputy Chairman noted that 3 additional risks had been added by Pensions Committee covering short term cashflow, Breach of GDPR / Data Protection Regulations and Pension Scheme Administration and sought clarity on the reasons for these risks having being added. The Chamberlain responded explaining how Pensions Committee had taken time to review potential risks under their remit, with there having been a wide ranging discussion and a number of areas raised as potentially presenting a risk, following which an updated risk register with additional risks had been presented and approved.

The Deputy Chairman responded adding how he considered it important that, where Pensions Committee had agreed changes to the risk register, it would be helpful for Local Government Pensions Board to understand why these had been added, which the Chamberlain agreed to review and provide clarity on.

The Deputy Chairman referred to the data breach as an area of concern and questioned whether there was anything in the public part of the agenda that could be provided on this. The Chamberlain responded assuring Board Members that the data breach was not something officers could have prevented, but with it not being possible to provide further detail on this during the public part of the agenda.

The Deputy Chairman referred to the planned informal meeting between the Chairmen and Deputy Chairman of Local Government Pensions Board and Pensions Committee during which they could look to clarify the responsibilities of each and agree the relationship between them. The Deputy Chairman added how it was important for the Board to understand decisions being taken by Pensions Committee, key risks identified and the reason for these. The Chairman added how the meeting would allow for a level of understanding to be agreed between the two bodies as one was developing.

A Board Member remarked on how they were struggling to understand the difference between the roles of Local Government Pensions Board and that of Pensions Committee; clarity was sought on whether Local Government Pensions Board was scrutinising Pensions Committee or if its role was to scrutinise officers at the City Corporation in their implementation of the Local Government Pensions Scheme. The Chamberlain responded clarifying that under the 2013 Public Services Pensions Act the role of a Local Government Pensions Board was to assist the Pensions Committee to ensure the effective and efficient governance and administration of the Local Government Pension Scheme, with its role being one of providing oversight and assurance; the role of Local Government Pensions Board was non-decision making, with Pensions Committee being responsible for taking decisions relating to the City of London Pension Fund.

The Chamberlain added how Local Government Pensions Board had a role in scrutinising and reviewing decisions taken by Pensions Committee.

RESOLED: That Board Members: -

- Receive the report and note its content.

6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were no questions.

7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no additional items of business.

8. EXCLUSION OF THE PUBLIC

RESOLVED: That the public be excluded from the meeting for the following items that relate to business under the remit of the Court of Common Council acting in line with requirements of the Public Services Pensions Act 2013 relating to pensions scheme governance, to which Part VA and Schedule 12A of the Local Government Act 1972 public access to meetings provisions to not apply.

Part 2 - Non Public Agenda

9. PENSIONS COMMITTEE UPDATE REPORT (NON PUBLIC)

The Board received a report of the Chamberlain providing a Pensions Committee Update.

10. THE CITY CORPORATION'S PENSIONS SCHEME - UPDATE

The Board received a non-public appendix to be read in conjunction with item 4.

11. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were none.

12. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There were no additional items of business.

Part 3 - Confidential Agenda

13. **MINUTES**

RESOLVED: That the confidential minutes of the Local Government Pensions Board meeting on 22nd June 2022 be approved as an accurate record of the meeting.

The meeting closed at time 5.07pm

Chairman

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