

PENSIONS COMMITTEE
Tuesday, 21 November 2023

Minutes of the meeting of the Pensions Committee held at Committee Rooms, 2nd Floor West Wing, Guildhall on Tuesday, 21 November 2023 at 2.00 pm

Present

Members:

Deputy Timothy Butcher (Chairman)
David Sales (Deputy Chairman)
Deputy Henry Pollard

Officers:

Kate Limna	-	Chamberlain's Department
Graham Newman	-	Chamberlain's Department
Sarah Port	-	Chamberlain's Department
Amanda Luk	-	Chamberlain's Department
Raquel Pinto	-	Town Clerk's Department

In attendance:

Deputy Madush Gupta
Clare James
Lucy Tusa (Mercer)
Gregory Hall (Mercer)

1. APOLOGIES

Apologies were received from Deputy Madush Gupta and Clare James who were in attendance online.

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

There were no declarations.

3. MINUTES

RESOLVED:

- That the public minutes of the Pensions Committee meeting on 12 September 2023 be approved as an accurate record.
- That the draft public minutes of the Local Government Pensions Board on 25 September 2023 be noted.

4. WORK PROGRAMME

The Committee considered a report of the Chamberlain detailing a forward-looking Pensions Committee work programme.

RESOLVED: That Members: -

- Received the report and noted its content.

5. **CITY FUND AND PENSION FUND STATEMENT OF ACCOUNTS UPDATE**

The Committee received a report of the Chamberlain, which provided an update on the audit of the 2020-21 and 2021-22 Statement of Accounts, and the publication and audit of the 2022-23 Statement of Accounts.

The Chamberlain advised that this report had been to the Audit and Risk Management Committee and Finance Committee, with the Pension Fund sections coming to this Committee. Since the reports had been published, the 2020-2021 accounts had been signed and published. The 2021-2022 accounts were expected to be signed by the end of the month by the external auditors, Grant Thornton, who were currently reviewing BDO's audit file (BDO were the external auditors for the 2020-2021 accounts). The 2022-2023 accounts were expected to be signed off early in the new year.

The Committee noted the three appendices particularly appendix 4, page 349, and page 545, which were the audit findings for the years ended 31 March 2022 and 31 March 2023. Auditors produce an audit finding report following each audit, and each finding showed that there were no major issues around the pension fund audit.

Members enquired whether the delays were a situation unique to the Corporation or whether this was across the country. The Chamberlain advised that the delay had been due to an infrastructure accounting issue across the country, and the Corporation had also been delayed by the change in external auditors.

The Chairman wanted to express the Committee's thanks to officers for the amount of work that was put in with regard to the accounts, Members were pleased to hear that the 2020-2021 accounts had been signed off, with 2021-2022 following suit in December.

RESOLVED: That Members: -

- Received the report and noted its content.

6. **PENSION SCHEME ADMINISTRATOR'S UPDATE**

The Committee received a report of the Chamberlain providing a summary of general information around a range of topics in relation to the administration of the Scheme since the last Committee meeting.

The Chairman noted that on Appendix C, page 33, for Quarter 1 and 2, the running total did not show an improvement, which did not reflect on the work of the officers. The Chairman requested that an extra column be added so Members can understand what the percentages truly mean and see the number of cases, as one or two cases could skew the numbers. The Deputy Chairman added that these were internal targets that were being measured against, and reassurance was provided that from a mandatory target point of view the department was in full compliance.

RESOLVED: That Members: -

- Received the report and noted its content.

7. **LGPS - COMMUNICATIONS ISSUED TO SCHEME MEMBERS**

The Committee received a report of the Chamberlain which presented letters / communications that had been changed in the intervening period for information.

The Chairman requested that on page 40 with regards to the wording on annual allowance, that officers make it clear that taxable earnings included all income. This included investment income or from the letting of a property. It was suggested that paragraph three on page 41 was moved next to the paragraph on page 40.

The Committee noted that feedback was received regarding these letters particularly on annual allowance, as this topic always raised a number of questions, due to its complexity. Suggestions on how to make communications clearer were welcomed from all involved. The Committee also noted that they believed the word 'judgement' had been misspelled throughout the report and wanted to know if this was a legal term, or whether the American version was used. The Chamberlain noted this and would look into the matter.

RESOLVED: That Members: -

- Received the report and noted its content.

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

9. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

The Chairman raised that in light of the membership of the Committee, given the number of recent vacancies, that the Terms of Reference be reviewed and amended, under Standing Order 41(B) to delegate authority to the Town Clerk in consultation with the Chairman and Deputy Chairman.

RESOLVED: That Members

- Agree to delegate authority to the Town Clerk in consultation with the Chairman and Deputy Chairman of the Pensions Committee to review and amend the Pensions Committee Terms of Reference.

10. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

11. **MINUTES**

RESOLVED:

- That the non-public minutes of the Pensions Committee meeting on 12 September 2023 be approved as an accurate record.
- That the draft non-public minutes of the Local Government Pensions Board meeting on 25 September 2023 be noted.

12. FUNDING OPTIONS

The Committee considered a report of the Chamberlain regarding the LCIV Funding Options.

13. PERFORMANCE MONITORING

The Committee received a presentation from Mercer regarding the Pension Fund Quarterly Monitoring Report Q3 2023 and a report of the Chamberlain relating to the Investment Performance of the Pension Fund as at 30 September 2023.

14. LCIV UPDATE

The Committee received a report of the Chamberlain providing an update on the London CIV (LCIV), the asset pool operator for London LGPS Funds and in which the Pension Fund is invested in.

15. NON-PUBLIC APPENDIX

The Committee received a non-public appendix which was read in conjunction with agenda item 6.

16. NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

17. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND THAT THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There were no additional items of business.

The meeting ended at 3.35 pm

Chairman

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