



Local Government Pensions Board

Date: MONDAY, 8 FEBRUARY 2021
Time: 1.45 pm
Venue: VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

Members: James Tumbridge (Chairman) Jon Avern
Martin Newnham (Deputy Chairman) Yvette Dunne
Christina McLellan Mark Wheatley

Enquiries: Chris Rumbles
tel. no.: 020 7332 1405
christopher.rumbles@cityoflondon.gov.uk

Accessing the virtual public meeting

Members of the public can observe this virtual public meeting at the below link:

<https://youtu.be/ScdIVG5YEO>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

John Barradell
Town Clerk and Chief Executive

AGENDA

1. **APOLOGIES**

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

3. **MINUTES OF THE PREVIOUS MEETING**

To agree the public minutes and non-public summary of the meeting on 5th October 2020.

For Decision
(Pages 1 - 6)

4. **OUTSTANDING ACTIONS**

Report of the Town Clerk.

For Information
(Pages 7 - 8)

5. **TERMS OF REFERENCE: ANNUAL REVIEW**

Report of the Town Clerk.

For Decision
(Pages 9 - 12)

6. **THE CITY OF LONDON LOCAL GOVERNMENT PENSION SCHEME - RISK REGISTER**

Report of the Chamberlain.

For Decision
(Pages 13 - 32)

7. **THE CITY CORPORATION'S PENSIONS SCHEME - UPDATE**

Report of the Chamberlain.
(N.B – To be read in conjunction with the non-public appendix at item 13)

For Information
(Pages 33 - 40)

8. **FLEXIBLE RETIREMENT**

Joint report of the Director of Human Resources and Chamberlain.

For Information
(Pages 41 - 42)

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
11. **EXCLUSION OF THE PUBLIC**

MOTION - 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 Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

To agree the non-public minutes of the meeting held on 5th October 2020.

For Decision
(Pages 43 - 44)

13. **NON-PUBLIC APPENDIX: THE CITY CORPORATION'S PENSIONS SCHEME - UPDATE**

Non-public appendix to be read in conjunction with item 7.

For Information
(Pages 45 - 62)

14. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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LOCAL GOVERNMENT PENSIONS BOARD

Monday, 5 October 2020

Minutes of the virtual meeting of Local Government Pensions Board held on Monday 5th October 1.45 pm

Present

Members:

James Tumbridge (Chairman)
Jon Averbs
Yvette Dunne

Martin Newnham (Deputy Chairman)
Mark Wheatley

Officers:

James Graham	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Jeff Henegan	- Chamberlain's Department
Christopher Rumbles	- Town Clerk's Department

1. APOLOGIES

Apologies were received from Christina McClellan.

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

There were no declarations of interests.

3. ORDER OF THE COURT OF COMMON COUNCIL

The Order of the Court, appointing the Board and setting its terms of reference, was received.

The Chairman questioned reference to his membership of the Board showing as five of six years having been completed and asked for clarification of this position to ensure it was correct. The Town Clerk agreed to review the position and report back.

4. ELECTION OF CHAIR

In accordance with Standing Order No 29, the Board proceeded to elect a Chairman for the ensuing year. James Tumbridge, being the only Member having expressed their willingness to serve was duly elected Chairman.

5. ELECTION OF DEPUTY CHAIR

In accordance with Standing Order No 30, the Board proceeded to elect a Deputy Chairman for the ensuing year. Martin Newnham, being the only Member having expressed their willingness to serve was duly elected Deputy Chairman.

6. MINUTES OF THE PREVIOUS MEETING

Resolved, that the public minutes of the previous meeting on 4th February 2020 are approved as an accurate record.

7. WORK PROGRAMME

The Board noted that there were no outstanding items on the Work Programme at this time.

The Chairman referred to a note he had asked the Pensions Manager to provide to the Board updating them on key issues following cancellation of the June Board Meeting, and which he hoped Members had found useful.

The Chairman flagged an issue relating to the City Corporation's proposed investment in IT equipment that would go towards supporting the administration of pensions. The Chairman added that, whilst it was not for the Board to make a decision regarding the investment, he had asked that a paper be presented to the Board to allow an opportunity for any issues or concerns of the Board to be raised and fed into the procurement process. This was an item for discussion later on the agenda.

Resolved, that the update be noted.

8. THE CITY OF LONDON LOCAL GOVERNMENT PENSION SCHEME RISK REGISTER

The Board considered a report of the Chamberlain that presented existing risks and actions present on the Local Government Pension Board's Risk Register.

The Chairman referred to the presentation of the risk register and whether the striking out of old text and inclusion of new text was now the standard format. The Chamberlain explained that the Board's risk register had followed the same format as Financial Investment Board in allowing Members to see what the information was before, alongside the new text in an effort to make it easier for Members to see what had changed. Members endorsed this approach agreeing it added a good reference point and should continue in this way.

Resolved, that the Board noted the existing risks and actions present on the Local Government Pensions Board risk register and agreed that there were no further risks relating to the pension administration overseen by the Local Government Pensions Board.

9. THE CITY CORPORATION'S PENSIONS SCHEME - UPDATE

The Board received a report of the Chamberlain providing information on a range of topics in relation to the City Corporation's Local Government Pension Scheme.

The Chairman referred to the evolving situation of the Covid-19 pandemic and questioned whether there had been any shift or change since the papers had been prepared. The Chamberlain explained the position had remained consistent since lockdown began in March. The team were continuing to work as best they can through the current situation, with one or two staff going in once a week in recent weeks.

A Member questioned whether there were any longer-term implications on the administration of the scheme given the continued advice for staff to continue to

work from home. The Chamberlain responded explaining the City Corporation continues to develop its systems e.g. IT and telephony to accommodate the increased working from home. Latest advice remains that staff should continue to work from home. The Chamberlain commended staff on how well they had responded to issues arising from the Covid-19 pandemic in dealing with additional areas of work and requests coming through. The City Corporation continues to keep its staffing arrangements under review and the Pensions Team falls within that remit.

The Chairman questioned whether the pandemic had caused any issues in terms of communication to scheme members. The Chamberlain responded confirming that annual benefits statements had recently been issued successfully by an external provider. Annual allowance statements having also recently been issued to those scheme members affected with the physical printing and posting of these undertaken by the Pensions Office. All other communications had been sent via email using suitable security provision and to date it had worked well. Going forward, any new electronic system that can accommodate different ways of working such as self-service would be of great benefit.

A Member referred to the impacts through Covid-19 of people being affected by death in service. It was acknowledged that the response received from the Pensions Team had been pro-active and efficient in responding to and meeting tight deadlines and in providing timely information and advice. The Member asked that the recognition of the Pensions Office be formally acknowledged.

The Chairman asked that the Board's thanks be put on record to the Pensions Office for all their work throughout the recent period in responding to the Covid-19 pandemic.

A Member referred to flexible retirement potentially seeing a larger proportion of scheme members retiring and reference to this remaining cost neutral. It was questioned how this worked in actuarial terms and also when funds(pension strain costs) can be expected to be transferred into the Pensions Fund. The Chamberlain proposed a request go back to colleagues in HR through the Town Clerk asking that they bring bring back a more formal response on the flexible retirement arrangement at the next meeting.

The Chamberlain confirmed that the Pension Fund would be compensated by the employer for the pension strain arising from early retirements. As people retired funds would move over from the City Corporation (as employer) to the Pension Fund. The Chamberlain agreed to provide a more formal response at the next meeting once they were in receipt of more information.

The Member agreed that it would be useful to receive an update at the next meeting to allow the Board to understand how the process was cost neutral and any potential long-term impact.

The Chairman referred to the employee contribution band review within the report and a target date for completion of one week ago. The Chamberlain

clarified the review had now been completed, but that it had been unclear at the time of preparing the Board papers whether the team would have sufficient resources to complete the task. The Chamberlain confirmed implementation had been from 1st October.

Resolved, that the update be noted.

10. LGP BOARD - PENSION FUND INVESTMENT ACTIVITIES 1 APRIL 2019 TO 31 MARCH 2020

The Board received a report of the Chamberlain providing a summary of the investment activity of the Pension Fund from 1 April 2019 to 31 March 2020.

The Chairman referred to increased volatility seen through impacts of the Covid-19 pandemic and asked if there was any steer on how the position was looking and whether the challenges of 2020 might have an impact on slowing progress down on the work of reducing funding gaps.

The Chamberlain explained that the actuarial valuation was carried out every three years and there was currently no advice from the SAB that this should be re-done at the present time, with the next review expected in two years' time. The Chamberlain assured the Board that the position would be kept under review.

The Chairman acknowledged that the impact on investments in 2020 were not likely to be fully understood until the middle of next year.

Resolved, that the Pension Fund Investment activities be noted.

11. PENSION FUND - INVESTMENT STRATEGY STATEMENT

The Board received a report of the Chamberlain providing a revised Investment Strategy Statement.

The Chairman explained the Statement had been presented to the Board to allow oversight of good governance, with the Financial Investment Board being focussed on the investment activity.

The Chairman acknowledged that it had been a challenging year and that he would be happy to follow the guidance set out within the statement.

Resolved, that the Investment Strategy Statement be noted.

12. PENSION FUND - DRAFT ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Board received a report of the Chamberlain presenting the draft Pension Fund Annual Report.

A Member acknowledged the huge amount of work that had gone into producing the annual report and passed on their thanks for providing such clear information. It was questioned whether there was anything that might be

added to the report that was not already included or whether there were any other strategy documents that were even more comprehensive.

The Chamberlain explained that the annual report was a statutory document that had to be produced and that there was clear guidance on what needed to be included within it. This was the public annual report and provided all public information on the Pensions Fund and it was the most comprehensive report available. If there was any additional information the Board required then this could be provided, but it would not need to be included within this document.

Resolved, that the report be received and its content noted.

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

There were no questions.

14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no additional items of business.

15. EXCLUSION OF THE PUBLIC

Resolved, that under section 100(A) of the Local Government Act 1972, that 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 Schedule 12A of the Local Government Act.

16. PENSION ADMINISTRATION SYSTEM PROCUREMENT

The Board considered a report of the Chamberlain providing Members with information on procurement of a pensions administration system.

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

There were no non-public questions.

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

There were no urgent items of business.

The meeting closed 2.55pm.

Chairman

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Local Government Pension Board - Outstanding Actions List

Date raised	Action	Officer responsible	To be completed/ progressed to next stage	Comment
4.10.20	Flexible Retirement Arrangement. Briefing to provided setting out how the arrangement will work in actuarial terms in remaining cost neutral. Also setting out any potential long-term impact on the Pension Fund.	Town Clerk	February 2021	COMPLETE A report is on today's agenda
4.10.20	Pension Administration Procurement Board be provided with updates outside of the formal Board meetings to keep them informed on the progress being made.	Chamberlain	Between meetings/February 2021	COMPLETE A note was circulated to Board Members on 6 January 2021 and an update is provided within the Scheme Update report on today's agenda

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Committee(s)	Dated:
Local Government Pensions Board	8 th February 2021
Subject: Terms of Reference: Annual Review	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	5 and 6
Does this proposal require extra revenue and/or capital spending?	Members are asked to consider the current scope of the Committee's Terms of reference, and bear in mind the impact of any proposed changes, particularly resource, legal and equalities implications.
If so, how much?	
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: Town Clerk	For Decision
Report author: Chris Rumbles – Town Clerk's Department	

Summary

As part of the post-implementation review of the changes made to the City Corporation's governance arrangements in 2011, it was agreed that all Committees should review their terms of reference annually. This is to enable any proposed changes to be considered in time for the annual reappointment of Committees by the Court of Common Council.

The terms of reference of the Local Government Pensions Board are attached at Appendix 1 to this report for consideration.

Recommendations

It is recommended that:

- the terms of reference of the Board, subject to any comments, be approved for submission to the Court in April 2021.

Appendices

- Appendix 1 – Terms of Reference

Chris Rumbles

Town Clerk's Department

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RUSSELL, Mayor	RESOLVED: That the Court of Common Council holden in the Guildhall of the City of London on Thursday 16 th July 2020, doth hereby appoint the following Committee until the first meeting of the Court in April, 2021.
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LOCAL GOVERNMENT PENSIONS BOARD

1. Constitution

A Non-Ward Committee consisting of,

- Three Employer Representatives, of which;
 - Two will be Members of the Court of Common Council (who may not be Members of the Investment Committee, Financial Investment Board or Establishment Committee);
 - One will be an Officer of the Corporation, nominated by the Town Clerk and Chief Executive; and
- Three Member Representatives, selected by an appointment method determined by the Town Clerk and Chief Executive.

In addition, the Board has the power to appoint one co-opted member (with no voting rights) as an independent advisor to the Board, should the Board require further technical guidance.

2. Quorum

The quorum consists of any three Members, including one Employer Representative and one Member Representative.

3. Membership 2020/21

Three Employer Representatives

- 6 (6) James Richard Tumbridge
- 2 (2) Mark Raymond Peter Henry Delano Wheatley
Jon Avers, Director of Markets and Consumer Protection

Three Member Representatives

Yvette Dunne (*appointed for a four-year term expiring April 2021*)
 Martin Newnham (*appointment for a four-year term expiring April 2022*)
 Christina McLellan (*appointed for a four-year term expiring April 2024*)

together with the co-opted Member referred to in paragraph 1 above, if required.

Each Board Member should endeavour to attend all Board meetings during the year. In the event of consistent non-attendance by any Board member, then the tenure of that membership should be reviewed by the other Board members in liaison with the Scheme Manager.

Board Members must be satisfied that they:

- are conversant with the legislation and associated guidance of the Local Government Pension Scheme (LGPS);
- are conversant with documents recording policy about the administration of the LGPS by the City of London Corporation;
- Have knowledge and understanding of the law relating to pensions and any other matters which are prescribed in regulations, including undertaking appropriate training to develop this knowledge;
- conduct themselves in line with the seven principles of public life;
- do not have any conflict of interest with their role on the Pensions Board.

4. Terms of Reference

In line with the requirements of the Public Services Pensions Act 2013 for the management of the City of London Corporation's Pension Scheme, to be responsible for:

(a) assisting the Scheme Manager (the City of London Corporation) in the following matters:

- Securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that it is connected to;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by the Pensions Regulator; and
- Other such matters as the scheme regulations may specify.

(b) securing the effective and efficient governance and administration of the LGPS for the City of London Pension Fund

The Pension Board will ensure it effectively and efficiently complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

The Pension Board will also help ensure that the City of London Corporation Pension Fund is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

The Pension Board shall meet at least three times per year.

5. Chairmanship

Any Member of the Board will be eligible to be Chairman. However, to allow reporting to the Court of Common Council, either the Chairman or Deputy Chairman must be a Member of the Court of Common Council.

Committee:	Date:
Local Government Pensions Board	8 February 2021
Subject: The City of London: Local Government Pension Scheme – Risk Register	Public
Report of: The Chamberlain	For Decision
Report author: Matt Mott – Chamberlain’s Department	

Summary

This report reviews the Risk Register for the Local Government Pensions Board. The Risk Register details the key risks that the Board has identified alongside a risk score which indicates the likelihood of a risk being realised together with the potential impact and the appropriate mitigations. . .

When reviewing the risks, the Board should be aware that generic risks are also included in the City of London Police Pension Scheme Pension Board risk register. The risks are CHB LGPS 03 Legislative Compliances, 04 Pension Scheme Administration, 05 Fraud and 07 Cyber security.

Officers have conducted a preliminary review of the Risk Register and are not recommending any changes to the current scores. In addition, and as requested by the Board at its October meeting, a new risk, CHB LGPS 008 has been added to the Risk Register covering the procurement of a new contract for the pension administration software.

The Risk Register is included at Appendix A(ii) with risk updates underlined throughout. The Risk Register is reviewed at each meeting by the Local Government Pensions Board and more frequently by officers, who report any material changes or new risks identified in between reviews on an exceptions basis.

Recommendation

Members are asked to:

- review the existing risks and actions present on the Local Government Pension Board’s Risk Register, and confirm that appropriate control measures are in place; and
- confirm that there are no further risks relating to the pension administration overseen by the Local Government Pension Scheme Board

Main Report

Background

1. The Local Government Pension Board instituted a Risk Register on 20 October 2016 to help identify and manage the strategic risks facing the Board in discharging its responsibilities to oversee the City's Pension Fund. The current Risk Register, as agreed by the Board on 5 October 2020, is included as Appendix A (i).
2. The Board reviews the Risk Register at each meeting. Officers review the register more frequently and report any material changes between reviews on an exceptions basis to the Board. This is in line with standard risk review procedures across the rest of the City of London Corporation.

Review of Risks

3. The method of assessing risk reflects the City of London's standard approach to risk assessment as set out in its Risk Management Strategy approved by the Audit and Risk Management Committee in May 2014. The City of London Corporation risk matrix, which explains how risks are assessed and scored, is attached at Appendix A (ii) of this report. Risk scores range from one, being lowest risk, to the highest risk score of thirty-two. These scores are summarised into 3 broad groups, each with increasing risk, and categorised "green", "amber" or "red".

Update on risks

4. The Revised Risk Register is attached at Appendix A(i) and the Risk Matrix at Appendix (ii)
5. At its meeting on 5 October 2020 the Board requested a new risk to be added to the Risk Register concerning the procurement of a new contract for the pension administration software. Risk CHB LGPS 008 Pension Administration Software identifies the risks associated with the expiry of the existing contract on 13 October 2021 and the procurement process to replace it immediately, enabling CoL to continue to meet its statutory obligation as an Adminstrating Authoring for the City of London LGPS. The likelihood of the procurement not completing in time and CoL unable to meet its statutory administrative requirements is unlikely. If, however, the procurement did fail and CoL were without an administration system to hold member and perform pension calculations and payments the impact would be extreme. Risk CHB LGPS 008, therefore, is currently scored as 16 and is red.
6. The scores for other risks have been maintained at their previous levels, although these risks have each been reviewed and updated where necessary in the Register itself. Updates to the Risk Register are underlined throughout.
7. Officers have also considered whether in addition to risk CHB LGPS 008, any new further risks have emerged since the last review. Although the Board's operating environment continually changes officers have determined that the existing Register captures the material risks facing the Board and enables the Board to concentrate on the most prescient risks.

8. Each risk presented in the Risk Register is accompanied by one or more “action(s)” which reflect how the risk is managed and mitigated. A “due date” for required completion is set against each action. Due to the nature of the risks overseen by the Board, in many cases it is impossible to entirely eliminate a risk, and therefore corresponding actions will always remain live. These ongoing actions are necessary in order to maintain the current risk score. Where this is the case the Risk Register includes an annual due date, which will be renewed each year.

Conclusion

9. The risks overseen by the Local Government Pension Board are primarily of low likelihoods but represent substantial impact, particularly with regards to financial loss and reputational damage. The Board is requested to confirm that appropriate control measures are in place for these risks and that there are no other risks that should be added to the Risk Register.

Appendices:

Appendix A (i)– Risk Register

Appendix A (iii) - Risk Matrix

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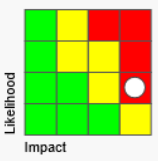
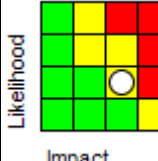

CHB LGPS Detailed risk register EXCLUDING COMPLETED ACTIONS

Report Author: Chris Anastasi

Generated on: 12 January 2021



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
Page 7 CHB LGPS 8 Pension Administratio Software	<p>Cause: (i) Contract expires and is not replaced. (ii) Contract expires and replacement is delayed.</p> <p>Event: Unable to meet statutory obligations of the LGPS or PPS</p> <p>Effect: (i) Pensions not paid (ii) sanctions and fine (iii) Complaints and loss of reputation.</p>		16	<p>The current software contract expires on 13 October 2021 following a two year extension. The CoL must complete a procurement exercise to appoint or re-appoint a provider by 14 October 2021.</p> <p>Failure to deliver by 14 October 2021 may result in a delay to processing of benefits and the cessation of the Local Government Pension Scheme (LGPS) administration processes.</p> <p>There is a Framework for LGPS software administered by Norfolk County Council. The framework has already identified and selected the providers that may meet the CoL requirements and provides technical specification of the software.</p>		8	31-Mar-2021	

04-Jan-21				04-Jan-21				Reducing
Matt Mott				Matt Mott				

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
008a	<u>Papers presented to CoL Boards for approval, stakeholder consulted</u>	<u>Procurement, Digital Services and Project Boards attended in August, September, October and November request to approve process and move to next steps. Return to Board in March 2021 prior to award of contract</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008b	<u>Ensure all relevant providers are included in tender as per the framework, seeking timely outcome and value for money</u>	<u>Tender released 8 January and closes to applications on 9 February 2021.</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008c	<u>Robust checking of software specification questions and accuracy of answers across all areas of the administration.</u>	<u>Providers will be questioned about all areas of software provision such as member record data, workflow and accuracy of core calculations prior to offer and anticipated award in early April</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008d	<u>Removal of single person dependencies</u>	<u>With effect from 9 February members of the Pensions Office will be involved in the evaluation of the applications and determination of award with procurement. This will aid a successful outcome by reducing the single person dependency within the Pensions Office that currently exist with only the Pensions Manager involved in the procurement process, allowing a successful outcome even in the event of officer absence for reason such as illness etc</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008e	<u>Resourcing - Work with the successful vendor on resource planning at project commencement to ensure all resource requirements are identified from the onset. This will be part of a wider mobilisation plan.</u>	<u>As part of the information issued by the Norfolk County Council Framework all onboarding to be considered as a deliverable. Question will be asked of all potential bidders based on this information. Project Management resource allocated from IT Project office to help manage post tender award process.</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008f	<u>Ensuring that the pensions administration software is included in the departmental business continuity plans</u>	<u>Updating the business impact analysis details used in the departmental continuity plan as required.</u>	David Clelland	04-Jan-2021	02-Nov-2021
008g	<u>Include Data migration and Exit management in the requirement to vendors.</u>	<u>All system data identified, Analysis carried out on all data sets. Estimated budget allocated to each data migration event. Decommissioning of On-Premise legacy systems can be carried out under the current support contract.</u> <u>Contractual obligation for migration support from the Incumbent exists.</u>		04-Jan-2021	31-Mar-2020

3

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 001a	The Investment strategy of the Pension Fund is reviewed at least every three years by the Financial Investment Board with proper advice from the Investment Consultant.	Following shortly after the completion of the 2019 triennial valuation of the Fund's liabilities, the Financial Investment Board reviewed the Pension Fund investment strategy at its meetings in June and July 2020. This ensured that the investment strategy remained appropriate in the context of the Fund's updated liabilities valuation and the current investment environment.	Caroline Al-Beyerty; Kate Limna	08-Jan-2021	31-Mar-2023
CHB LGPS 001b	The investment performance of the Pension Fund is measured against absolute return targets required to meet long term objectives. This is reported to the Financial Investment Board throughout the year and is supplemented by market insight from the Corporation's Investment Consultant who will assist any strategic decisions required in between the three-year formal strategy reviews.	Individual Fund investment performance is brought to each Financial Investment Board for consideration.	Kate Limna; Matt Mott	12-Jan-2021	31-Mar-2021

5

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 004a	Job descriptions used at recruitment to attract candidates with skills and experience related to LGPS administration. The appraisals process to monitor progress and assess training needs.	Ensuring that candidates with the necessary skills and abilities are employed by the City. Once in post, staff continue to receive relevant training and attend courses, seminars and conferences when appropriate. Have trained multiple team members for extra duties due to parental leave cover	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 004b	Scheme administrators are trained to use the pensions administration software.	Ensuring that administrators are fully trained to use the pension administration software to enable them to provide accurate and efficient calculations. In addition, administrators should know the correct process to report to the software provider any errors encountered with the system in order that they can be investigated and resolved.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 004c	Practical disaster recovery/succession plans in place to ensure continuity in the event that key staff leave or are unable to work for a prolonged period of time.	Ensuring that skill sets are not restricted to one staff member alone. Priority cases and work types are identified to ensure continuation in the event that staff or other resources become unavailable. Disaster Recovery reviewed in light of COVID 19 and officers having worked from home since 23 March 2020.	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021
CHB LGPS 004e	Accurate and appropriate checking procedures in place at all areas of administration.	All checking procedures reviewed and where necessary amended due to take account of COVID 19 and officers having worked from home since 23 March 2020.	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021

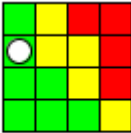
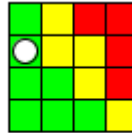

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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 006a	Bond indemnity/guarantee required for admitted bodies and incorporated into admission agreements where appropriate.	Recent admissions to the scheme have provide a bond.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 007 Cyber security	<p>Cause: (i) Ineffective procedures. (ii) Inadequately trained staff. (iii) IT system failure (iv) Data Accuracy. (v) Lack of resources.</p> <p>Event: Breach of Corporate IT systems and Cyber security.</p> <p>Effect: (i) Inaccurate benefits paid or delayed. (ii) Increased costs of inefficiencies. (iii) Financial penalties/sanctions. (iv) Breach of Data Protection regulations. (v) Loss/corruption of data</p>	 Likelihood Impact	4	A malicious breach of Corporate IT systems may lead to a failure of the pensions administration system and/or a breach of Data Protection regulations. A failure of the pensions administration system or a breach of the DP regulations may mean a failure or inability to calculate benefits accurately and on time which may lead to financial penalties and sanctions being imposed by the governing industry bodies such as the Pensions Regulator or Information Commissioner's Office.	 Likelihood Impact	4		Constant
Page 24								
17-Dec-2019 Peter Kane				11 Feb 2020				

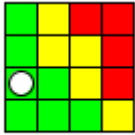
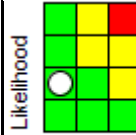
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 007a	Pensions administration staff to be aware of the corporate policy regarding cyber security and to follow the guidelines given.	Corporate online training regarding cyber-security to be carried out by all staff and reviewed as required.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

CHB LGPS 007b	Corporate and departmental specific software to be updated as required to ensure the latest and most secure version is being used..	To ensure the most up-to-date software is being used, staff should update their computers as and when prompted.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 007c	Ensuring that the pensions administration software is included in the departmental business continuity plans	Updating the business impact analysis details used in the departmental continuity plan as required.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 007d	Pensions administration staff to be aware of Data Protection legislation	Data Protection reviewed and all staff reminded of the legislation and its importance. Processes amended for home working since 23 March 2020, ensuring the protection of scheme member data.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 003 Legislative Compliances	<p>Cause: (i) Lack of appropriate knowledge or skill. (ii) Lack of training/ appropriately skilled staff.</p> <p>Event: The failure to comply with legislative requirements.</p> <p>Effect: (i) Inaccurate benefits paid. (ii) Financial loss. (iii) Increase in Appeals. (iv) Fines from Pensions Regulator. (v) Reputational damage</p>	<p>Likelihood</p>  <p>Impact</p>	3	<p>Local Government Pension Scheme (LGPS) regulations determine how LGPS benefits should be calculated; the procedures to be followed in certain circumstances (i.e. normal retirement and ill health retirement); the timeframes/deadlines to be adhered to; and the notifications to be provided to Scheme members.</p> <p>In addition, overriding pension legislation and other bodies such as the Pensions Regulator, HM Revenue & Customs, the Office of National Statistics and the Financial Conduct Authority may impose rules that work alongside the LGPS regulations or may even supersede them.</p> <p>If the members of the Pensions Office that are responsible for administration of the LGPS Scheme lack the necessary legislative knowledge and skills payment of benefits may be delayed or may be inaccurate.</p> <p>This may lead to formal complaints or appeals from scheme members, there representative or scheme employers resulting in financial penalties and sanctions imposed by the governing bodies such as the Pensions Regulator or the Pensions Ombudsman and a loss of reputation.</p>	<p>Likelihood</p>  <p>Impact</p>	3	31-Mar-2021	

17-Dec-2019 Peter Kane				04- Feb- 2020				Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 003a	Robust recruitment and training processes.	Ensuring that suitable staff are recruited at the correct salary levels and that appropriate training is provided will help to prevent non-compliance with legislative requirements	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 003b	The governing legislation may change or evolve over time and it is therefore important that staff maintain accurate and up-to-date knowledge of the Regulations.	Regular attendance at seminars, forums, webinars and user groups will ensure that knowledge of the relevant legislation is kept up-to-date and accurate.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 005 Fraud <div>Page 28</div> <div>Dec-2019</div> <div>Peter Kane</div>	Cause: (i) Not notified of death. (ii) Staff acting inappropriately Event: Fraudulent claim of pension benefits. Effect: (i) Continued payment of pensions following death. (ii) Overpaid pensions. (ii) Financial loss	<div> <div>Likelihood</div>  <div>Impact</div> </div>	2	<p>If the death of a LGPS beneficiary is not reported, their pension may continue to be paid when there is no longer an entitlement.</p> <p>This may be a deliberate failure to report the death or may be where there is no fraudulent intention, but in either case it will lead to benefit overpayment and a potential financial loss.</p> <p>4-Feb-2020</p>	<div> <div>Likelihood</div>  <div>Impact</div> </div>	2	31-Mar-2021	<div> <div>Constant</div> </div>

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 005a	Robust fraud protection/detection processes.	Use of Mortality Screening Service and Tell Us Once Service [Government initiative that allows us to be notified of a death when registered]. Participation in the National Fraud Initiative. Annually sending Life Certificates to Overseas Pensioners.	Matt Mott	19-Jan-2021	31-Mar-2021

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Pete

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 002a	Regular meetings with the Actuary to ensure that assumptions are appropriate involving nominated Members of the Finance Cttee, with final report to Finance Cttee.	Nominated Members of the Finance Cttee together with relevant officers met with the Actuary in October and November 2019 to discuss the preliminary triennial valuation results and the robustness of the financial and demographic assumptions used in the valuation process. The final triennial valuation results were will be reported to the Finance Cttee at its meeting on 18 February 2020.	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021
CHB LGPS 002c	Robust Year End procedures and updates.	The Pension Fund Accounts and Annual Report for 2016/17, 2017/18 and 2018/19 (covering	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021

		the most recent triennial valuation period) were finalised on time and audited without qualification. The draft Pension Fund Accounts and Annual Report for 2019/20 were completed on time and are currently being reviewed by the external auditor. The Pension Fund Accounts and Annual report for 2019/20 were finalised and audited without qualification. <u>The draft report was published by the statutory deadline of 1 December with the final version being published on 11 December as the audit certificate was not issued until this date.</u>			
CHB LGPS 002d	Checking for errors or inconsistencies in valuation extract report before submission to the Actuary	Officers review data quality prior to submission to the actuary. Additionally, member data is submitted separately from employer level cash flow data, which are held on two distinct management information systems. As a result, errors are more easily identified during the valuation process itself. For example, if the member data demonstrates that a given number of members belonging to a single employer retired during the valuation period then this should also be evident from the benefit payments reported in the cash flow data.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

City of London Corporation Risk Matrix (Black and white version)

Note: A risk score is calculated by assessing the risk in terms of likelihood and impact. By using the likelihood and impact criteria below (top left (A) and bottom right (B) respectively) it is possible to calculate a risk score. For example a risk assessed as Unlikely (2) and with an impact of Serious (2) can be plotted on the risk scoring grid, top right (C) to give an overall risk score of a green (4). Using the risk score definitions bottom right (D) below, a green risk is one that just requires actions to maintain that rating.

(A) Likelihood criteria

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)
Criteria	Less than 10%	10 – 40%	40 – 75%	More than 75%
Probability	Has happened rarely/never before	Unlikely to occur	Fairly likely to occur	More likely to occur than not
Time period	Unlikely to occur in a 10 year period	Likely to occur within a 10 year period	Likely to occur once within a one year period	Likely to occur once within three months
Numerical	Less than one chance in a hundred thousand (<10-5)	Less than one chance in ten thousand (<10-4)	Less than one chance in a thousand (<10-3)	Less than one chance in a hundred (<10-2)

(B) Impact criteria

Impact title	Definitions
Minor (1)	Service delivery/performance: Minor impact on service, typically up to one day. Financial: financial loss up to 5% of budget. Reputation: Isolated service user/stakeholder complaints contained within business unit/division. Legal/statutory: Litigation claim or find less than £5000. Safety/health: Minor incident including injury to one or more individuals. Objectives: Failure to achieve team plan objectives.
Serious (2)	Service delivery/performance: Service disruption 2 to 5 days. Financial: Financial loss up to 10% of budget. Reputation: Adverse local media coverage/multiple service user/stakeholder complaints. Legal/statutory: Litigation claimable fine between £5000 and £50,000. Safety/health: Significant injury or illness causing short-term disability to one or more persons. Objectives: Failure to achieve one or more service plan objectives.
Major (4)	Service delivery/performance: Service disruption > 1 - 4 weeks. Financial: Financial loss up to 20% of budget. Reputation: Adverse national media coverage 1 to 3 days. Legal/statutory: Litigation claimable fine between £50,000 and £500,000. Safety/health: Major injury or illness/disease causing long-term disability to one or more people. Objectives: Failure to achieve a strategic plan objective.
Extreme (8)	Service delivery/performance: Service disruption > 4 weeks. Financial: Financial loss up to 35% of budget. Reputation: National publicity more than three days. Possible resignation of leading member or chief officer. Legal/statutory: Multiple civil or criminal suits. Litigation claim or find in excess of £500,000. Safety/health: Fatality or life-threatening illness/disease (e.g. mesothelioma) to one or more persons. Objectives: Failure to achieve a major corporate objective.

(C) Risk scoring grid

Likelihood	Impact			
	Minor (1)	Serious (2)	Major (4)	Extreme (8)
X				
Likely (4)	4 Green	8 Amber	16 Red	32 Red
Possible (3)	3 Green	6 Amber	12 Amber	24 Red
Unlikely (2)	2 Green	4 Green	8 Amber	16 Red
Rare (1)	1 Green	2 Green	4 Green	8 Amber

(D) Risk score definitions

RED	Urgent action required to reduce rating
AMBER	Action required to maintain or reduce rating
GREEN	Action required to maintain rating

This is an extract from the City of London Corporation Risk Management Strategy, published in May 2014.

Contact the Corporate Risk Advisor for further information. Ext 1297

October 2015

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Agenda Item 7

Committee:	Date:
Local Government Pensions Board	8 February 2021
Subject: The City Corporation's Pensions Scheme - Update	Public
Report of: The Chamberlain	For Information
Report author: Matt Mott – Chamberlain's Department	

Summary

This reports provides information regarding a range of topics in relation to the Corporation's Local Government Pensions Scheme (the Scheme). Members have indicated that information regarding communications be provided on an annual basis and all of the other items of information will be provided at each meeting except for when there is no updated information since the previous meeting

Item	Update
Annual schedule of events for the Pensions Scheme	Update provided (Appendix A)
Data Protection Act 2018 (DP18) – Data Retention Policy	No amendments since last Board Meeting
Information of Scheme Record Keeping	No amendments since the last Board meeting.
A record of any complaints or disputes under the Scheme's complaints procedure	None to report
Public Service Pensions Reporting Breaches of Pension Law	None to report
Any audit reports relating to the Pensions Fund	None to report
Any reports relating to the administration of the Pension Scheme which have been considered by other Committees	Pension administration system procurement paper – Digital Services Sub Committee 16 November 2020 Committee Paper (non- public Appendix B) (for information)
Guaranteed Minimum Pensions (GMP) Reconciliation	Pension data is continuing to be analysed and JLT are liaising with HMRC. The last data cut has been completed and the report by HMRC received by JLT. The Pensions Office are in discussion with JLT regarding next steps and outcomes. The process has been delayed due to COVID 19, however, it is still the intention to

	bring a report to the Board once the reconciliation has been completed.
Covid 19	<p>The Pensions Office still continue to work from home developing and amending processes to communicate securely with scheme members.</p> <p>There had been limited and voluntary visits to the Guildhall to access incoming post and to post letters to deferred scheme members where there is no other known form of contact information.</p> <p>This ceased with the introduction of Tier 4 and is not likely to change during this lockdown.</p> <p>However, working from the Guildhall would be considered in the event of a staff request where there were extenuating circumstances such as physical and mental wellbeing.</p>
The Target Operating Model (TOM)	<p>The new TOM has been announced for the financial year 2021/22 and a high level structure has been approved by the Court of Common Council.</p> <p>Recruitment to senior posts in the new structure has commenced and is expected to be finalised by 31 March 2021.</p> <p>Once recruitment has concluded the TOM will be implemented, subject to staff consultation, and is anticipated to be in place with effect from 31 March 2022.</p> <p>When further details are known they will be brought to the attention of the Board</p>
Procurement of Pension Administration System	<p>The tender was released on Friday 8 January 2021 with a closing date of 9 February 2021.</p> <p>Pensions Office staff will evaluate the applications with procurement. The preferred outcome of the tender process will then be reported to the Digital Services Sub Committee (DSSC) at their March meeting.</p> <p>Following the DSSC meeting it is the intention to formally appoint a provider to commence a new contract with effect from 14 October 2021.</p>
Automatic data transfer	The Corporation has begun the verification of their digital data and from February will begin

	<p>initial implementation of an automated data service</p> <p>Once the procurement of the pension administration software system has been completed the Pension Office will liaise with the other teams/departments with regards to regular automated transfer of the required scheme member data to the pension system.</p>
City Print contract	<p>APS have now successfully completed all mailings for 2020, including active and deferred annual benefit statements (ABS), newsletters and P60s.</p> <p>Discussions have commenced and pricing estimates requested for the coming year.</p> <p>The service provided by APS will continue to be monitored both by the Pensions Office and the Corporation.</p>
Public Sector Pensions Legal Challenge Update	<p><u>Lord Chancellor and Secretary of State for Justice v McCloud and others</u></p> <p>We are aware that Government departments together MHCLG and LGA are working together with scheme advisers such as actuaries, legal professionals and unions to resolve the issue of age discrimination.</p> <p>Pension Office staff have attended webinars with the Local Government Association and LGPS Officer groups and the current software provider in relation to McCloud.</p> <p>No new information was forthcoming at these events and we are still waiting for further detail and guidance.</p> <p>We understand that discussions are continuing at a national level.</p>
Exit Payment Cap	<p>The Exit Payment Cap legislation formally came into effect from 4 November 2020.</p> <p>This legislation formally bars public sector scheme employers paying more than £95,000 to an employee exiting their employment.</p> <p>The employer cost towards early unreduced payment of the LGPS benefits, known as the Strain on the Fund, is included in the £95,000 cap calculations as well as</p>

	<p>employer statutory and compensatory payments such as redundancy payments.</p> <p>Currently the LGPS regulations are not capped and permit immediate and unreduced payments of pension benefits upon redundancy if the employee is aged 55 and over.</p> <p>The LGPS regulations are being amended with regards to the new legislation. These amended regulations, however, are not expected to be made and laid by Parliament before April 2021. We are also aware that there is a judicial review of the Exit Payment Cap legislation.</p> <p>The Corporation and the Pension Office have been collaborating with regards to processing of redundancy/exit payments and the risk of employees exceeding the cap. Any known potential redundancies for the first period of 2021 are being monitored.</p> <p>Further information will be brought to the Board when more is known.</p>
Flexible Retirement Opportunity	<p>The City Corporation has offered their employees aged 60 and over by a certain date, an opportunity to elect for Flexible Retirement.</p> <p>The effect on the fund and payment of strain cost has been monitored.</p> <p>Following a request by the Board at the meeting on 5 October 2020 a separate report is on today's agenda.</p>
Pension Board Training	<p>Board members have continued to progress the completion of the TPR online training tool. All Members of the Board are asked to check their training and complete outstanding modules if they have any.</p> <p>Training at Board meetings has not continued as anticipated through 2020, largely due to COVID 19. Training at Board meetings is not essential, however, is recommended.</p> <p>It is proposed McCloud and the 95k cap are topics for training, depending on available information, at future Board meetings.</p>

Recommendation

The Board is recommended to consider the information provided in the following reports and provide any comments in relation to this information.

Appendices:

Appendix A– Annual Schedule of Events

Appendix B – DSSC report (Non Public)

Contact:

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Local Government Pensions - Schedule of Events 20/21

Date Due	Event	Completed
31 st August 2020	Issue of Annual Benefit Statements deadline.	25 August 2020
September 2020 Within 2 weeks of quarter date	Tax return for Quarter 2 (to 30/09/2018)	1 October 2020
30 September 2020	Employee Contribution Band review	30 September 2020
1 October 2020	Office of National Statistics (ONS) Survey	30 September 2020
5 October 2020	Issue of Annual Allowance (AA) Saving Statements deadline	5 October 2020
3 rd & 10 th November 2020	Draft accounts to Audit & Risk Management Cttee and Finance Cttee	3 November 2020 and 10 November 2020
31 December 2020	Scheme Return to the Pensions Regulator	6 November 2020
1 December 2020	Publish signed City Fund Accounts (including the Pension Fund Accounts)	11 December 2020
1 December 2020	Publication of Pension Fund Accounts and Annual Report	11 December 2020 (draft version on Fund website 1 December 20)
December 2020 Within 2 weeks of quarter date	Tax Return for Quarter 3 (to 31/12/2020)	13 January 2021
31 December 2020	End of GMP Reconciliation Project	Further delays due to COVID 19
31 st January 2021	HMRC Event Reports – List of Annual Allowance cases exceeding the Previous years' threshold.	13 January 2021
March 2021 Within 2 weeks of quarter date	Tax return for Quarter 4 (to 31/3/2021)	
1 April 2021	Employee Contribution band review/ implementation.	
1 April 2021	Revaluation of CARE benefits.	
1 Monday in April following Tax Year End	Pensions Increase (PI) – Annual Inflation increase.	
31 May 2021	Pensioner P60s distributed	
June 2021 Within 2 weeks of quarter date	Tax return for Quarter 1 (to 30/06/2021)	
30 June 2021	Target date for the issue of deferred Annual Benefit Statement (ABS) to Deferred members.	

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Committee: Local Government Pensions Board – For Information	Dated: 8 February 2021
Subject: Flexible Retirement	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	People have equal opportunities to enrich their lives and reach their full potential. We have access to the skills and talent we need.
Does the Flexible Retirement Opportunity require capital spending?	Y
If so, how much?	Subject to take-up
What is the source of Funding?	Central Risk
Has this Funding Source been agreed with the Chamberlain's Department?	Y
Report of: Joint Report of the Director of HR and the Chamberlain	For Information
Report author: Caroline Reeve – Senior HR Business Partner	

Summary

At the Local Government Pensions Board on 5th October 2020, Members asked for an assurance that the Flexible Retirement Opportunity would be cost neutral to the Local Government Pension Fund. This report sets out the process which ensures that there is no adverse financial impact on the Pension Fund.

Recommendation

Members are asked to:

- Note the report.

Main Report

Flexible Retirement Opportunity - Impact on Local Government Pension Fund

1. Employees who meet the agreed criteria and elect to take their pension benefits under the flexible retirement opportunity will receive unreduced accrued benefits when they commence their flexible retirement. The latest they can commence their flexible retirement is 30th September 2021, subject to agreed criteria.
2. As these members of the Pension Fund will access their pension benefits earlier than assumed, the Pension Fund will start paying pensions earlier than expected,

and for longer. At the same time, the Fund will cease to receive the employer and employee contributions associated with these individuals earlier than expected. In most cases this will result in a shortfall in the level of funding needed to pay the pension benefits (commonly referred to as “pension strain”). An actuarial calculation is carried out for each individual to accurately determine the value of any pension strain.

3. It is the employer’s responsibility to meet pension strain costs, not the Pension Fund’s. Therefore, the City Corporation (as the employer) will fully reimburse the Pension Fund for any associated pension strain costs arising from the flexible retirement round.
4. The associated pension strain costs for each individual who has accepted flexible retirement, are transferred to the Pension Fund on a monthly basis.
5. The uptake of flexible retirement is voluntary and numbers may change as not all employees who express an interest will proceed with the opportunity. Each flexible retirement, however, is provided with an estimated cost at the outset and then confirmation of the exact cost upon retirement.

Conclusion

6. The flexible retirement opportunity offered to employees will result in a pension strain cost to the Local Government Pension Fund. Any such pension strain will be met by the City Corporation through the transfer of funds by the Chamberlain at appropriate intervals as outlined in this report.

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