

CITY OF LONDON POLICE PENSIONS BOARD

Friday, 9 October 2020

**Minutes of the meeting of the City of London Police Pensions Board held on
Microsoft Teams at 1.45 pm**

Present

Members:

John Todd (Chairman)	Helen Isaac
Alexander Barr (Deputy Chairman)	Mike Reed
Henry Colthurst	

City of London Police Authority / City of London Corporation:

Alistair MacLellan	- Town Clerk's Department
Kate Limna	- Chamberlain's Department
Matt Mott	- Chamberlain's Department
Graham Newman	- Chamberlain's Department

City of London Police Force:

Azeem Bhatti	- City of London Police – Finance
Michael Edelstein	- City of London Police – Human Resources

1. APOLOGIES

There were no apologies.

The Chairman welcomed Henry Colthurst and Mike Reed to their first meeting.

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

Henry Colthurst declared a non-pecuniary interest as an Employer Member of the Hackney Pension Committee.

3. TERMS OF REFERENCE

Members considered the Board's terms of reference.

RESOLVED, that the Board's terms of reference be received.

4. MINUTES

RESOLVED, that the public minutes of the meeting held on 3 February 2020 be approved, subject to the language used around reference 9/2019/P being amended to make it clear that completion of training modules by Members of the Board was compulsory.

5. OUTSTANDING REFERENCES

Members considered a report of the Town Clerk regarding outstanding references from previous meetings and the following points were made.

2/2019/P – Due Diligence and Market Research

- Members noted that an update on the procurement process was within the Administrator's update, and that this reference could be closed.

9/2019/P – Member Training

- Members agreed that this reference could be closed subject to Member training being incorporated into regular reporting to the Board, including a recommended convention regarding the time in which Members should complete the required training modules once they had joined the Board.

RESOLVED, that the report be received.

6. THE CITY OF LONDON: POLICE PENSION SCHEME - UPDATE

Members considered an update report of the Chamberlain regarding the City of London: Police Pension Scheme and the following points were made.

- A Member noted that the deadline for issuing the Pension Saving Statements (Annual Allowance Letters) had been met, albeit with a day to spare. The Member queried whether this was indicative of risks around capacity of the Pensions Team, and whether Members could be provided with a better understanding of the processes and procedures underpinning the preparation of the statements and any contingencies in the events of issues such as human error.
- The Chamberlain was heard in reply, noting that data must first be collected and updated on member records during the year end process. This data is then used for the basis of pension calculations for annual benefits statements, which have a statutory deadline of 31 August, and then the Annual Allowance Pensions Savings Statements which have a statutory deadline of 6 October. It was, therefore, not possible for the Pensions Team to commence work on the savings statements before September each year. Due to the process to prepare the statements being a requirement of HMRC and not pension scheme regulations, it is not supported well enough by software and is largely a manual one and ,therefore, it would be appropriate for this to be factored into the Board's risk register.
- The Member thanked the Chamberlain for his response, noting that inclusion on the risk register would give Members – particularly those new to the Board – a greater understanding of the process involved going forward.

RESOLVED, that the report be received.

7. THE CITY OF LONDON: POLICE PENSION SCHEME - MCCLLOUD JUDGEMENT UPDATE

Members considered an update report of the Chamberlain regarding the City of London Police Pension Scheme – McCloud Judgement and the following points were made.

- The Chamberlain noted that the McCloud Judgement was probably the biggest challenge facing the Pension Scheme since the reforms of 2014/15. Whilst the details of the implications arising were not clear at present, it was evident that each member of the scheme would be affected by the judgement in some way, and they would need to make choices regarding the nature of their pension entitlement. The Pensions Team would bring further details to the Board over the coming year as more information was made available.
- A Member was heard, noting that communication would be required to both Pension Authorities and Members to allow informed decisions to be made over whether potential members opted into the scheme now, or at a later stage. The Police Federation of England and Wales would not be giving financial advice but it would be assisting its members as far as was possible.
- A Member noted that the Judgement was included within the Risk Register elsewhere on the agenda and added that, whilst the Board was not in a position to give financial advice, it could ensure that the issue was raised consistently with Force Human Resources who in turn could consider whether it would be appropriate to provide scheme members with financial advice, be it independent or otherwise.
- A Member highlighted the guidance at appendix three within the report as particularly helpful for Members.
- The Chamberlain agreed to provide a training session for Members once draft legislation was made available.

RESOLVED, that the report be received.

8. THE CITY OF LONDON: POLICE PENSION SCHEME - RISK REGISTER

Members considered a report of the Chamberlain regarding the City of London Police Pension Scheme – Risk Register and the following points were made.

- Members agreed that the recommendation regarding further risks relating to the pension administration overseen by the Board should reference that the Board had considered further risks, rather than Member's confirming that there were no further risks.
- Members agreed, regarding Risk CHB COLP PSB 01 – Actuarial Data, that it was not possible for the Board to influence what data other Forces provided to the Home Office, and therefore the risk impact rating should move one space to the right to err on the side of caution.

- A Member noted the discussion regarding the McCloud ruling earlier on the agenda and queried whether Force Human Resources could be involved in the management of Risk CHB COLP PSB 08c (making preparations for managing expectations for those officers affected by the remedy). In reply, the Director of Human Resources (Force) noted that the Force had links into national police pay bodies that were co-ordinating a response to the ruling from National Police Chiefs' council point of view.
- The Chairman noted that the Board had been conscious for some time of the need to ensure the Force was as proactive as possible in communicating the implications of the McCloud ruling with scheme members, and welcomed therefore the engagement with the Board from the Force Finance and Human Resources representatives to date. The Board was firmly of the view that scheme members were guided as unambiguously as possible, and that they would need professional financial advice.
- The Town Clerk noted that the Chairman and Deputy Chairman were free to liaise with their counterparts on the City of London Police Authority Board to emphasise the points made regarding effective communication to scheme members.

RESOLVED, that subject to the comments made, Members,

- Note the existing risks and actions present on the City of London Police Pensions Board Risk Register, and confirm that appropriate control measures are in place;
- Note that they had considered further potential risks relating to the pension administration overseen by the City of London Police Pensions Board.

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
Active/Deferred/Retired Members

In response to a question, the Chamberlain agreed to provide a headline breakdown of active/deferred/retired members, broken down by the three pension schemes (1987, 2006 and 2015) in future update reports.

10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman confirmed that he did not have any other items of business in public session, but that he wished to raise an item in non-public session.

Members agreed that, whilst there was no scheduled non-public business on the agenda that day, agendas for future meetings should include a placeholder for the Board to be able to discuss any relevant issues in non-public session.

RESOLVED, that under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the

grounds they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

10.1 **Any Other Business that the Chairman considers urgent and which the Board agrees should be considered whilst the public are excluded**

Members considered one item of non-public other business.

The meeting closed at 2.25 pm

Chairman

**Contact Officer: Alistair MacLellan / 020 7332 1416 /
alistair.maclellan@cityoflondon.gov.uk**