

LOCAL GOVERNMENT PENSIONS BOARD

Wednesday, 22 June 2022

Minutes of the meeting of the Local Government Pensions Board held as a virtual public meeting and available to view at www.youtube.com/watch?v=tJOpJVbrvcg

Present

Members:

Mark Wheatley (Chairman)

Christina McLellan

James Tumbridge (Deputy Chairman)

Officers:

Kate Limna

- Corporate Treasurer

Jeff Henegan

- Chamberlain's Department

Christopher Rumbles

- Town Clerk's Department

Graham Newman

- Pensions Manager

Emma Moore

- Chief Operating Officer

With James Tumbridge in the Chair.

The Chairman referred to Martin Newnham having recently departed the City Corporation, following which he had decided to stand down from his role on the Local Government Pensions Board. The Chairman thanked Martin for his contribution during his time on the Board, particularly during the last year as Deputy Chairman.

1. **APOLOGIES**

Apologies were received from Paul Wilkinson, David Pearson and Martin Newnham.

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

There were no declarations of interest.

3. **ORDER OF THE COURT OF COMMON COUNCIL**

The Board received an Order of the Court of Common Council dated 21st April 2022 appointing the Committee and agreeing its terms of reference for the ensuing year.

The Chairman referred to a separate process following the introduction of a new Target Operating Model and Governance Review changes and the introduction of new committees. This would be looking at the timetabling of meetings going forwards and also which committees Members would be precluded from sitting on and the criteria for this.

RECEIVED

4. **ELECTION OF CHAIR**

The Board proceeded to elect a Chair in accordance with Standing Order No. 29.

Mark Wheatley, being the only Board Member expressing their willingness to serve, was duly elected Chairman for the ensuing year.

5. ELECTION OF DEPUTY CHAIR

The Board proceeded to elect a Deputy Chair in accordance with Standing Order No. 30.

James Tumbridge, being the only Member expressing their willingness to serve, was duly elected Deputy Chairman for the ensuing year.

6. MINUTES OF THE PREVIOUS MEETING

RESOLVED – That the public minutes and non-public summary of the Local Government Pensions Board meeting on 7 February 2022 be approved as an accurate record of the meeting.

Matters Arising

McCloud Judgement – The Board noted that information relating to the judgement was now fully searchable and easily accessible through the City of London Pension Fund website on the resources page. There had previously been an issue with an incorrect link being used.

7. THE CITY CORPORATION'S PENSIONS SCHEME - UPDATE

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

The Corporate Treasurer referred to two areas to highlight to the Board where an update can be provided later on the agenda. These being two complaints that had been received as part of the Internal Disputes Resolution Process as well as two data breaches that had occurred in the last six days. Further information on both of these would be provided during non-public session.

The Deputy Chairman questioned the severity of the data breaches and whether the Information Commissioner's Officer (ICO) had been notified and the Corporate Treasurer confirmed they were minor breaches that did not require reporting to the ICO.

The Deputy Chairman asked for an explanation of the Internal Disputes Resolution Process to allow the Board a greater understanding of the process.

The Corporate Treasurer explained that the Internal Disputes Resolution Process (IDRP) was an agreed process, generally around ill-health, where if a Scheme Member was put forward for ill-health retirement and this was not granted then they could put forward a complaint. A three-stage process would then be followed to consider the complaint under the IDRP.

As part of this process, recommendations could be made on areas where it was considered the employer could perhaps look at doing something different. These complaints were very rarely received at the City Corporation, but with two having been received in the last six weeks.

The Deputy Chairman questioned whether there was a commonality of issue and the Corporate Treasurer confirmed further information could be provided on this point in non-public session.

The Deputy Chairman took the opportunity to raise Pension Board training. The Deputy Chairman referred to training being given to the Board at meetings and of his completion of all relevant online training modules, but suggested it was difficult to remember those requiring a refresh given the infrequent nature of the Board. The Deputy Chairman questioned whether officers could alert Board Members to any training where a refresh would be required, which the Corporate Treasurer agreed to review and consider how this could be managed.

The Corporate Treasurer acknowledged that it was important for Board Members to be made aware of changes to certain modules and where they would benefit completing these again. The Corporate Treasurer agreed to take the point away for consideration and report back.

RESOLVED: That the report be received and its content noted.

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

The Board considered a report of the Chamberlain providing a review of the Risk Register for the Local Government Pensions Board.

The Board were reminded of a question raised at the previous meeting around cyber security and whether pensions administration should be looked at differently to other areas of the City Corporation when considering externally hosting data. Members noted the position had been reviewed and it had been concluded that, given the City Corporation was the administrative authority for pensions and all associated data that it would be appropriate for pensions cyber security to be dealt with in line with all other areas at the City Corporation. As such, there was no proposal to amend the risk at this point in time.

The Deputy Chairman raised a question regarding hosting through a third-party provider, the security this offered in terms of pensions obligations and whether there were appropriate controls in place and the risk profile sufficient. The Corporate Treasurer responded assuring the Board that she was satisfied that all cyber security requirements were being met, with these having been reviewed and put in place as part of the project to move over to a third-party provider and with a dedicated IT representative to help with the transition moving forward.

The Corporate Treasurer explained that moving forwards, this risk register would become the property of Pensions Committee and it would be their responsibility to review this, whilst taking into consideration any comments from Local Government Pensions Board.

The Corporate Treasurer further explained how Pensions Committee would be making all pensions related decisions at the City Corporation moving forwards, with Local Government Pensions Board having a role in scrutinizing the decisions taken. This would bring the City Corporation in line with other Local Government Pensions Scheme administrators and provide clearer governance.

The Deputy Chairman referred to the number of helpful updates on McCloud and, with Royal Assent being given in March to the Public Service pensions and Judicial Officers Act (the Act), how this would impact the current risk profile and see it come down. The Deputy Chairman added that he would welcome more clarity on this point and to understand what the timetable was to hit the target score

In response, it was clarified that the Act in March was not specific to the Local Government Pensions Scheme and that it related to public sector pensions schemes as a whole, with there being an expectation that a remedy would be introduced for each scheme. The Act offered general terms covering what must happen and be brought into law; it would then be for specific public sector pension schemes to prepare appropriate guidance on how each scheme would address the issues raised. Formal guidance and technical regulations were needed from central government before a remedy could be implemented for the Local Government Pensions Scheme.

Resolved: The Board Members: -

- Noted the existing risks and actions presented on the Local Government Pensions Board risk register; and
- Confirm there were no further risks relating to the pension administration overseen by the Local Government Pensions Board.

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

There were no questions.

10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no additional items of business.

11. 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.

12. CONFIDENTIAL MINUTES

The confidential minutes of the Local Government Pensions Board meeting on 7th February 2022 were approved as an accurate record of the meeting.

The meeting closed at 2.28pm

Chairman

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