

## **PENSIONS COMMITTEE MINUTES**

**Wednesday 30 March 2022 at 6.30 pm**  
**Committee Room (B06), Lambeth Town Hall, Brixton, London SW2 1RW**

**Members Present:** Councillor Mary Atkins, Councillor Anna Birley (Chair) and Councillor John Kazantzis

**Co-optees Present:** Shankar Siva Ananthan

**Apologies:** Councillor Pete Elliott, Councillor Iain Simpson and Peter Woodward

### **1 Declarations of Pecuniary Interests**

There were no declarations of pecuniary interest.

### **2 Minutes of the Previous Meeting**

The minutes of the meeting held on 12 January 2022 were agreed as an accurate record of the meeting.

### **3 Lambeth Pension Fund - Investment Performance Review - 31 December 2021**

Rob Browning, Head of Treasury and Pensions, explained that although the Fund performed above benchmark in the three- and five-year periods there continued to be issues with the performance of the Baillie Gifford equity fund. Rob Browning also highlighted that the Lambeth Pension Fund was taking part in the London Collective Investment Vehicle's (LCIV) new seed investor group to develop a UK housing fund, and was looking to develop the fund to address the Fund's current underweight position to property. In response to questions from members, officers answered that:

- The biggest effect on the Fund resulting from the Russian war on Ukraine would be inflation, but that the Fund's high proportion of real assets exposure should mitigate that;
- Officers recommended geo-economic scenario testing in the next valuation cycle;
- Employees who felt the financial strain of inflation and rising energy prices would have the option to change their pension contributions by opting in to the 50/50 scheme. Any who did lower their contributions would be given frequent opportunities to reassess their abilities to contribute;
- Officers, however, expected contributions to remain stable following the latest 2022 valuation cycle.
- Continuing poor performance of Baillie Gifford was not of major concern; they

had since made some changes to their investment processes, which Mercer and the LCIV were satisfied would result in better performance going forwards.

The Committee requested that the LCIV picks up these issues with Baillie Gifford and requested that Baillie Gifford joined a future Pensions Committee meeting to look at these ongoing issues.

#### **RESOLVED**

1. That the report, together with the information in the accompanying performance report, be noted.

#### **4 Lambeth Pension Fund - General Update March 2022**

The Committee congratulated and thanked officers for their high quality and persistent hard work getting the Lambeth Pension Fund accepted as a signatory of the UK Stewardship Code.

The Chair requested that, regarding the emphasis of good governance on investments, officers engage with the LCIV about any indirect exposure to assets involved in the Russia Ukraine conflict and any that may be in bordering countries which may be affected.

Officers also explained the issue concerning the LCIV's treatment of regulatory capital and the progress made to date to resolve the issue to the Financial Conduct Authority's (FCA) satisfaction.. Officers assured the Committee that this was not an ongoing concern for the FCA and that it was not an indicator of further problems at the LCIV.

#### **RESOLVED**

1. That the report, together with the information in the accompanying papers, be noted.

#### **5 Lambeth Pension Fund - Investment Managers Summary - 31 December 2021**

#### **RESOLVED**

Unanimously that members of the Press and Public be excluded from the remainder of the meeting under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined in Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part 1 of Schedule 12A of the Act: and (ii) that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

#### **6 Lambeth Pension Fund - ESG Considerations - March 2022**

#### **RESOLVED**

Unanimously that members of the Press and Public be excluded from the remainder of the meeting under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined in Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part 1 of Schedule 12A of the Act: and (ii) that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## **7 Lambeth Pension Fund - Decarbonisation Planning**

### **RESOLVED**

Unanimously that members of the Press and Public be excluded from the remainder of the meeting under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined in Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part 1 of Schedule 12A of the Act: and (ii) that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The meeting ended at 8.30 pm

CHAIR  
PENSIONS COMMITTEE

Date of Despatch: Thursday 7 April 2022

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