

PENSIONS BOARD MINUTES

Wednesday 13 January 2021 at 6.30 pm

Present: Councillor Scott Ainslie, Ann Biddle, Councillor Linda Bray (Chair), Ian Fall and Glenis Williamson

Apologies: Councillor Ibrahim Dogus

1. DECLARATIONS OF PECUNIARY INTEREST

There were no declarations of interest.

2. MINUTES FROM THE MEETING HELD ON 21 OCTOBER 2020

The Chair raised one amendment to the minutes, which was to remove recommendation 2 of item 6 of the minutes.

RESOLVED:

That the minutes were agreed subject to the above amendment.

3. WORK PROGRAMME

The work programme was noted.

4. INVESTMENT PERFORMANCE REPORT

Linda D'Souza, Head of Payroll and Pensions, presented the report. Officers summarised that:

- Since the last report the Pensions team had received no complaints, but had received several compliments following the staff conference, and were also planning to hold further engagement seminars; Officers explained that following latest internal audit the overall rating was very good, as shown in green, and that the only area shown in amber had been resolved;
- Officers then gave an update on the Pensions Admin System Contract, stating that the response had been received and evaluated, and that they were moving forward to make sure a contract was in place for April;
- There would be an update on the judicial reviews relating to the exit cap regulations at the next Pensions Board meeting as they would not be heard until late in March. The response to the McCloud consultation was likely to be delayed and therefore all the

associated regulation changes may take much longer and possibly as late as 2023.

In response to questions from members, officers explained that:

- There were redactions in the report because it was an overarching report for all service areas across the council, and that the redacted section was not relevant to the Pensions Board. It was also mentioned in response to questions that parts of the report that related to housing rents should also have been redacted,
- That there been an increase in the take-up of usage of the pensions portal by staff, and;
- That there were no immediate concerns around resources in the Pensions team.

RESOLVED:

1. That the Pension Administration Service Performance update covering the period from October to December 2020 be noted.

5. LAMBETH PENSION FUND - RISK REGISTER

Linda D'Souza, Head of Payroll and Pensions, presented the report.

Members discussed the risk rating PA21 and queried the low rating, that it should increase or further narrative to be provided around why it is rated as low.

RESOLVED:

1. That the Lambeth Pension Fund Risk Register and the additional actions proposed to mitigate risk be noted.
2. That the risk rating PA21 be reviewed.

6. LAMBETH PENSION FUND - GOVERNANCE REVIEW ACTION PLAN UPDATE

Linda D'Souza, Head of Payroll and Pensions, presented the report.

Officers stated that the action plan was in progress and the areas that were in red were steadily changing to green, and that they would be updating the Board on this progress regularly.

In response to questions from members Officers stated that there was a three-year training plan, which was one of the policy documents that had been issued. Officers also stated that as part of the governance review in 2018, a skills assessment was carried out at the time indicating that members had sufficient knowledge to carry out their responsibilities. However, since then member engagement in training facilitated by Officers had been inconsistent. Members requested that it be recommended to the Pensions Committee and Board that members be actively involved with training made available by the Pensions team.

RESOLVED:

1. That the Lambeth Pension Fund governance review update and action plan be noted.
2. That the Pension Board recommend to the Pensions Committee a commitment that both Board and Committee members actively engage in all training opportunities.

7. LAMBETH PENSION FUND INVESTMENT PERFORMANCE REVIEW

Hamant Bharadia, Assistant Director of Finance, presented the report.

Officers pointed out that the pension fund continued to outperform the benchmarks set for it.

In response to questions from members, officers stated that:

- The team's investment strategy was focussed on making responsible investments, and it had done over the last ten years, and;
- The Pensions team had not invested in assets that would affect ESG risks as it was a part of their investment strategy not to do so, and;
- The LCIV had made a presentation to the Pensions which included an update on their governance review, their approach to responsible investment amongst other updates. The presentation would be shared with Board Members.

RESOLVED:

1. That the report, together with the information in the accompanying exempt from disclosure report, be noted.

8. LAMBETH PENSION ADMINISTRATION - PERFORMANCE REPORT FOR THE PERIOD OCTOBER 2020 TO DECEMBER 2020

This item was not discussed as it was already included in the agenda under the title 'Investment Performance Report'.

9. LAMBETH PENSION FUND - INVESTMENT MANAGERS SUMMARY - 30 SEPTEMBER 2020

RESOLVED:

That under section 100A-H of the Local Government Act 1972, the press and public be excluded from the remainder of the meeting on the grounds that, for the item of business summarised below, it was likely that exempt information, as defined by Section 1001 and Schedule 12a of the Local Government Act 1972 and as specified by reference to the appropriate paragraph thereof, would be disclosed to them:

3. Information relating to the financial or business affairs of any particular person including the authority holding that information.

The meeting ended at 7.36 pm

CHAIR
PENSIONS BOARD
Wednesday 14 April 2021

Date of Despatch: Thursday 21 January 2021

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