

PENSIONS BOARD MINUTES

Wednesday 14 April 2021 at 6.30 pm

Present: Councillor Scott Ainslie, Councillor Linda Bray (Chair) and Councillor Ibrahim Dogus

Apologies:

Also Present: Anne Biddle and Ian Fall

1 Declarations of Pecuniary Interest

There were no declarations of pecuniary interest.

2 Minutes of the Previous Meeting

The name of Item 4 on the agenda was changed to Lambeth Pension Administration – Performance report.

The minutes of the meeting held on 13 January 2021 were approved with the above changes.

3 Work Programme

Officers explained that the next municipal year's work programme was under construction. In response to questions officers stated that an update on the TCFD Strategy would be included in the work programme.

4 Lambeth Pension Administration - Performance report for the period January 2021 to March 2021

Officers highlighted areas of the report, namely:

- That they were preparing and issuing letters to pensioners specifying the pensions increase order for 2021 which was 0.5%;
- That the recommendations made by the Pensions Board to the Pensions Committee had been discussed at the Pensions Committee meeting, and the risk rating for ESG had moved from a 1 to a 4, and that adding climate change as a specific risk would come into play when the TCFD framework was updated;
- That the GMP reconciliation exercise was almost complete, and that rectifications should begin in May 2021; and,
- That HMT published Directions Orders on 12 February which disapplied the exit cap

regulations effective from 12 February 2021 and as there had been no scheme members in the Lambeth Pension Fund affected by the exit cap regulations, no rectification was necessary.

RESOLVED:

1. To note the Pension Administration Service Performance update covering the period January 2021 to March 2021.

5 Lambeth Pension Fund - Risk Register

There was a discussion about how to improve the functioning of the relationship between the Pensions Board and the Pensions Committee, and it was agreed that the Pensions Team and Democratic Services would liaise with the Board and Committee Chairs to arrange this.

It was also agreed that all questions and communication should go through the Pensions Team, including requests for specific investments from external bodies.

Officers explained that the risk rating for ESG risk was not higher than 4 given that ESG factors are considered at all stages of the investment strategy, are regularly monitored, and will be of increasing focus with upcoming regulatory changes around ESG reporting. In addition, the Fund's current indirect exposure to fossil fuel investments was small in relation to the entire value of the Pension Fund.

RESOLVED:

1. To note and review the Lambeth Pension Fund Risk Register and the additional actions proposed to mitigate risk.
2. To recommend any possible amendments to the Pensions Committee.

6 Lambeth Pension Fund - Investment Performance Review

In response to questions about investing in either the Renewable Infrastructure or London Fund with the LCIV officers explained that discussions are still ongoing with LCIV and that the London fund in particular encompassed two or three different asset classes, and that it may include making some changes to the investment strategy.

RESOLVED:

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

7 Lambeth Pension Fund - Investment Manager's Summary

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 7.43 pm

CHAIR
PENSIONS BOARD
Thursday 29 July 2021

Date of Despatch: Thursday 22 April 2021

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