

## **PENSIONS COMMITTEE MINUTES**

**Wednesday 6 October 2021 at 6.30 pm**  
**Committee Room (B6) - Lambeth Town Hall, Brixton, London, SW2 1RW**

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

**Co-optees Present:** Shankar Siva Ananthan and Peter Woodward

**Apologies:** Councillor Iain Simpson

### **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 7 July 2021 were agreed as an accurate record of proceedings.

### **3 Investment Performance Report - Q2 2021**

Hamant Bharadia, Assistant Director of Strategic Finance, and Tony English, the representative from Mercer, introduced the report, explaining that the Fund had performed well again in this quarter.

Members expressed concerns around the Fund's investments in the Private Rented Sector property market, as there was a housing crisis in Lambeth. Officers agreed to arrange for a representative from Invesco to brief the Committee on these investments.

Members agreed to send any questions around this to Rob Browning, Head of Treasury and Pensions.

#### **APPROVED:**

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

### **4 Risk Register - September 2021**

#### **APPROVED:**

To note and review the Lambeth Pension Fund Risk Register and the additional actions proposed to mitigate risk.

## **5 Training Policy and Plan - October 2021**

Officers confirmed that they would be doing a skills audit and made a request to Members to email any specific training requirements to them.

The Chair requested that any training opportunities be offered to all councillors and not just those currently involved with Pensions, as the upcoming Borough Council elections may lead to new committee members. The Chair also requested that officers highlighted any training sessions that were particularly helpful for members.

### **APPROVED:**

1. That the Training Policy be approved.
2. That the suggested Training Plan be noted.
3. That members commit to undertaking a skills audit and return results to officers before the May elections, with a view to reassessing this after May 2022.

## **6 UK Stewardship Code**

Officers explained that the Lambeth Pension Fund was not likely to be accepted into the Stewardship Code as it was lacking in some areas of the twelve principles. In comparison, much larger funds with more resources were able to achieve more of the required targets. The Pensions team would make a number of amendments before applying to be a signatory of the Stewardship Code at the end of October 2021.

The Chair extended the Committee's thanks to officers for their work on this, and requested that members send their comments to the Chair before the 31 October deadline.

### **APPROVED:**

1. That the Committee review and provide feedback where relevant on the Fund's draft UK Stewardship Code report.
2. That the Committee delegate to the Chair the approval and sign-off of the amended report before the October 31 deadline.

## **7 General Update - October 2021**

In response to the Pensions Board's queries the Committee discussed the need for more context around the Mercer Environmental Social and Governance (ESG) ratings assigned to the Fund's managers, and the benchmarking of those ratings to other managers, which Mercer agreed to provide. The Committee also asked that officers explore alternative measures of ESG output to measure a manager's ESG credentials.

The Committee agreed to respond to the Board's queries but requested that a more detailed discussion on the mechanisms for measuring ESG factors be held before providing a response, preferably involving the Pensions Board and held before the next Committee meeting so that the results of those discussions could be recognised as part of the formal agenda.

**APPROVED:**

1. That the Committee respond to the recommendations and requests for information from the Pensions Board as asset out at section 2.10.
2. That the remainder of the report, together with the information in the accompanying papers, be noted.

**8 LDI Hedging Review**

**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.

**9 Climate Change Scenario Analysis**

**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.

**10 Investment Performance (Manager) Report - Q2 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.

The meeting ended at 8.55 pm

CHAIR  
PENSIONS COMMITTEE  
Wednesday 15 December 2021

Date of Despatch: Thursday 14 October 2021

Contact for Enquiries: Marianna Ritchie

Tel: 020 7926 8640

E-mail: [mritchie@lambeth.gov.uk](mailto:mritchie@lambeth.gov.uk)

Web: [www.lambeth.gov.uk](http://www.lambeth.gov.uk)