

MINUTES OF THE MEETING OF THE LOCAL PENSION BOARD HELD ON WEDNESDAY, 15TH MARCH, 2023

MEMBERS: Pauline Kettless, Councillors Chris Joannides, Nawshad Ali and Tracey Adnan.

Officers: Ravi Lakhani (Interim Head of Pensions Investments), Andreas Andrea (Principal Exchequer Officer Pension), and Nicola Lowther (Governance Manager)

Also Attending: Colin Cartwright (AON)

1. WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Paul Bishop, Alison Cannur, Tim O'Connor and Julie Barker.

2. DECLARATION OF INTERESTS

Pauline Kettless declared a non-pecuniary interest as she is in receipt of a LGPS Pension from Enfield.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 15 December 2022 were **AGREED**.

4. AON INVESTMENT CONSULTANT PRESENTATION

Colin Cartwright (Aon) gave a brief presentation on this item and stated that it would be going to the Pension Policy and Investment Committee to be discussed in more detail on 29 March 2023. The contents of the presentation were **NOTED**.

5. EMPLOYER CONTRIBUTIONS REPORT

Ravi Lakhani, Interim Head of Pension Investments presented this item and highlighted key points from the report.

The Enfield Pension Fund has set the 19 days following the month in which the contributions were deducted from payroll to determine if a payment has been received on time. Contributions are received after the 19th day of each month following contributions deducted up to the 19 February 2023.

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In total there have been 9 late payments of contributions out of 357 expected payments. This is attributed to seven different employers in the Fund due to administrative errors and staff absence.

The report was **NOTED**.

6. **PENSION ADMINISTRATION RISK REGISTER, PENSION ADMINISTRATION PERFORMANCE AND UPDATE, PENSION ADMINISTRATION TEAM AND LGPS UPDATE**

Andreas Andrea, Principal Exchequer Officer Pensions presented this item and highlighted the key points from the report.

The Pensions Increase (PI) is set for 10.1% but is still yet to be laid before parliament. Members will pay less contributions but once the pay award is agreed, the contribution rate will increase, and the arrears will be taken from 1 April.

DLUHC announced a consultation on changing the date on which Career Average pensions are revalued from 1 April to 6 April. The move is designed to bring the revaluation of LGPS CARE benefits into line with the Pension Input Period (PIP) used for Annual Allowance tax calculations.

The Annual Allowance calculation measures the increase in pension benefits over the PIP. If growth exceeds the Annual Allowance of £40,000¹ Page 12 3 then a tax charge may be payable. The calculation of the growth allows for benefits to increase in line with a cost-of-living increase without being measured against the £40,000 limit.

The report was **NOTED**.

7. **ENFIELD PENSION BOARD GENERAL REMIT, TERMS OF REFERENCE AND WORK PROGRAMME FOR 2023/24**

Ravi Lakhani, Interim Head of Pension Investments presented this item and highlighted the key points.

The report outlines the general remit and core functions of the Enfield Pension Board, the terms of reference and the work programme for 2023/24.

Bola Tobun developed the work programme but was due to be leaving the Council soon and Ravi Lakhani would like to propose some amendments to the work programme.

The report and terms of reference were **NOTED**, and the work programme was **AGREED** with the following to be included:

1. Transparency of the Management fees being charged to Enfield

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ACTION: Ravi Lakhani, Interim Head of Pensions Investments

It was also **AGREED** that due to the Budget report being omitted from this meeting it would be brought to the first meeting of the next municipal year.

ACTION: Ravi Lakhani, Interim Head of Pensions Investments

8. LAPFF QUARTERLY ENGAGEMENT UPDATE FOR DEC 2022

Ravi Lakhani, Interim Head of Pension Investments highlighted key points from the report.

The purpose of the report is the exercise of voting rights and engagement with investee companies are a key part of the Fund's role as a long-term steward of assets. Ensuring good corporate governance and the adoption of sustainable business models at the companies in which the Fund invests should over the longer term ensure that they are able to deliver superior returns to the Fund.

The Fund currently delegates the exercise of its voting rights to its external equity managers, who are asked to comply as far as possible with the Fund's voting policies. The move to a pooled structure over the medium term would significantly impact this arrangement as voting rights would need to be exercised at pool level rather than fund level.

The report was **NOTED**.

9. PENSION POLICY & INVESTMENT COMMITTEE MINUTES

The minutes of the Pension Policy and Investment Committee which was held on 18 January 2023 were **NOTED**.

10. DATES OF FUTURE MEETINGS

It was **AGREED** that the meeting due to be held on Wednesday 12 April 2023 at 10am is to be cancelled.

Future meeting dates had been previously provided by Bola Tobun and the following dates were **AGREED** by the Chair and the Board which is subject to approval at Annual Council on Wednesday 10 May 2023.

Wednesday 28 June 2023 – 10am
Wednesday 13 September 2023 – 10am
Wednesday 13 December 2023 – 10am
Wednesday 13 March 2023 – 10am

11. EXCLUSION OF THE PRESS AND PUBLIC

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12. PART TWO ITEMS - CONTAINING EXEMPT INFORMATION

13. LCIV QUARTERLY UPDATE

Following the Part 2 discussion, the confidential report was **NOTED**.

14. THANKS

The Chair extended thanks to Bola for all her help and support and wished her all the best in the future at Harrow Council.