

LOCAL PENSION BOARD - 13.12.2023

MINUTES OF THE MEETING OF THE LOCAL PENSION BOARD HELD ON WEDNESDAY, 13TH DECEMBER, 2023

MEMBERS:

(Chair) Pauline Kettless (Employee Nominated Member) Cllr Ergin Erbil (Employer Side Nominated Member)
Cllr Chris Joannides (Employer Side Nominated Member)
Paul Bishop (Employee Nominated Member)
Tracey Adnan (Employee Nominated Member)
Alison Cannur (Employer Nominated Member)
Victor Ktorakis (Employee Nominated Member)

Officers:

Ravi Lakhani, (Head of Pension Investments), Tim O'Conner (Exchequer Manager, Pension) and Petra Stephenson (Governance Officer)

1. WELCOME & INTRODUCTION

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Cllr Guney Dogan and Julie Barker.

Apologies for lateness were received from Paul Bishop and Ravi Lakhani.

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 PREVIOUS MEETING

The minutes of the meeting held on 13 September 2023 were AGREED.

4. ENFIELD PENSION FUND QUARTERLY ADMINISTRATION REPORT

Tim O'Connor (Exchequer Manager Pension) provided an update on current pension issues, developments and performance highlighting the key points from the report.

The LGPS statistics for all the funds continue to increase, it's a very healthy position.

In April 2024 a 6.7% pension increase is expected.

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Approximately 5000+ members will be affected by the McCloud remedy, it's the biggest change in the scheme for the last 10 years.

As the McCloud disclosure article is a material change to the system officers need to communicate this to all members by the end of December. A newsletter will be sent out which will also champion the new website, AGM and a McCloud letter.

The Chair congratulated the member website for receiving accreditation from the Shaw Trust for accessibility.

Action: Tim O'Connor will provide an update at the next meeting in regard to AVCs being used to purchase additional pension.

The report was Noted.

5. PENSIONS ADMINISTRATION STRATEGY

Tim O'Connor presented the draft Pension Administration Strategy.

The Chair provided feedback; stating the document was excellent and very welcome. Members agreed that it was easy to read and understand.

The report was Noted.

6. COMMUNICATIONS POLICY REVIEW

Tim O'Connor (Pension Manager) presented the draft Enfield Pension Fund Communication Policy. The strategy will be reviewed again in 2 years' time.

Members were impressed with the policy.

In regard to epay Members expressed that it was difficult to logon even when technologically competent.

The improved member website has been developed along with the Communication Policy, so far, feedback on the improvements has been positive.

Action: Tim O'Connor will request feedback from payroll on accessing epay and report back at the next Local Pension Board.

Action: Tim O'Connor will send the link to the improved website to members. It is a work in progress so feedback will be appreciated.

The report was Noted.

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7. CONFLICT OF INTEREST POLICY REVIEW

Ravi Lakhani, Head of Pension Investments presented an overview of the draft Enfield Pension Fund Conflict of Interest Policy which is a requirement of the scheme code to ensure integrity.

Particular attention was drawn to whom this policy applies and the addition of paragraph I to cover relationships with Investment Advisors.

The report was Noted

8. ENFIELD PENSION FUND ANNUAL REPORT

Ravi Lakhani, Head of Pension Investments presented highlights from the report.

The key challenge facing the fund is the government's response to the consultation and the increased requirements on reporting. The requirements on reporting are rather onerous and mandates also conflict with the government's own policies.

A provisional date for the AGM has been set for the 5th March 2024. Pauline Kettless, Cllr Doug Taylor and Ravi Lakhani will review the format.

There have been a few additions to the Annual Report this year, namely 1.9 Financial Performance and 1.11 Asset Pooling, as statutory.

The main objective is to make an accessible, condensed version of the report, that will be read by members, ready for the AGM.

Action: Questions in relation to the report can be emailed to Ravi Lakhani.

The report was Noted.

9. LAPFF QUARTERLY ENGAGEMENT UPDATE FOR SEPTEMBER 2023

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

Cllr Doug Taylor attended the annual LAPFF conference which took place from 6-8 December 2023.

The report was NOTED.

10. MINUTES OF PPIC

Ravi Lakhani, Head of Pension Investments provided a verbal update from the Pension, Policy and Investment Committee held on 15th November.

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The Board noted the minutes of the Pension Policy and Investment Committee.

Action: Ravi Lakhani will provide the Local Pension Board with a part 2 summary from the PPIC meeting held 15th November.

11. AOB

Ravi Lakhani, Head of Pension Investments provided a summary of current pension issues.

The main issues discussed were the response to the Pooling of 10% into UK private Equity and LGPS schemes.

The Fund responded to the government with a letter explaining that it is not their prerogative to dictate where the funds are pooled.

The biggest outcome of the government's response is all assets should be Pooled by 2025.

The Fund is awaiting the governments formal detailed response. Currently the timescales are tight and without detail.

Ravi Lakhani explained that PPIC called in Fund Managers M&G Inflation Opportunities over their poor investment performance over the last 24 months. Income has continued to be received but a change has been made. The committee agreed that the income will no longer be reinvested into the fund instead the fund will take the income. An exit plan also needs to be in place.

12. DATES OF FUTURE MEETINGS

The Chair wished the committee a lovely Christmas.

Dates of the future meetings were noted:

Wednesday 13 March 2024