

PUBLIC MINUTES OF MEETING PENSIONS COMMITTEE AND BOARD HELD ON MONDAY, 20TH JANUARY, 2020, 19:00 – 21:00

PRESENT: Councillor Matt White (Chair), Councillor John Bevan (Vice-Chair), Councillor Paul Dennison, Councillor Viv Ross, Councillor Noah Tucker, Ishmael Owarish and Keith Brown.

331. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein.

332. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor James Chiriyankandath and Randy Plowright.

Apologies for lateness received from Councillor Tucker.

333. URGENT BUSINESS

There were no items of urgent business.

334. DECLARATIONS OF INTEREST AND CONFLICTS OF INTEREST

No declarations of interest were made.

335. RECORD OF TRAINING UNDERTAKEN SINCE LAST MEETING

Cllr White, Cllr Ross, Cllr Bevan, Cllr Dennison, Keith Brown and Ishmael Owarish attended a training session delivered by the Head of Pensions on 'Custody', and the Fund's Independent Advisor on the 'Good Governance' project – 20/01/2020.

Further notification of training received prior to the meeting had been submitted as follows:

Councillor Bevan:

- LBH Pension training 19/11/19;
- Local Authority Pension Fund Forum, 04/12/2019 – 06/12/2019;
- SPS Annual Bond Investment Strategies 09/01/20; and
- Local Authority Responsible Investment Seminar 15/01/20.

336. MINUTES

RESOLVED

That the minutes of the meeting held on the 19th November 2019 be approved as a correct record of the meeting.

337. PENSIONS ADMINISTRATION REPORT

The Pensions Manager, Janet Richards, introduced this report which detailed: the number of visits made to the Haringey Pension Fund website; the McCloud ruling and the implications for Haringey; and the employers forum meeting held in December which discussed the draft valuation and employers' contribution result. The Pensions Committee and Board (PCB) were taken through the report as set out at pages 9 to 13.

In response to questions on the report, the following information was provided:

- Six employers' attended the Employers' Forum. Regarding the vacant employer representative position on the Pensions Committee and Board, Officers noted there had been interest expressed from certain employers wanting to know more but no individual had directly nominated themselves. Officers would attempt to engage individuals they think might be suited to the position when the position is advertised imminently.
- Officers noted that the employer's who did not attend the Employer's Forum were those tended to not have many employees' in the scheme. For the employers' where there was concern over their funded position, Officers encouraged them to attend the meeting but would meet with them individually if they did fail to attend.
- Officers informed that up until 2014, an individual's pension entitlement was calculated on final salary. Following 2014, an individual's pension entitlement was calculated on career average. If a person had worked before and after 2014, then part of their pension would be calculated on final salary before 2014 and then career average after 2014.
- Officers noted that the vast majority of individuals will be better off under the new career average calculation.
- Regarding the number of visits to Haringey's Pensions website, Officers informed that, despite one of the four months not showing an increase, there was an increase overall from the previous year.
- If there was to be an increase in the level of work amongst the Pensions team following the McCloud judgement, then temporary staff would likely be employed.

RESOLVED

1. To note the update regarding the McCloud case and implications for Haringey.
2. To note the information provided regarding the employers' forum.
3. To note the number of visits made to the Haringey pension fund website.

338. FUND INVESTMENT STRATEGY REVIEW

The Head of Pensions, Thomas Skeen, introduced this report which provided information on a review of the Fund's Investment Strategy following the completion of the 2019 triennial valuation of the Fund, and proposed that the PCB agree a change

to the Fund's Index Linked Gilts portfolio. The PCB were taken through the report as set out at pages 15 to 17.

(The PCB further discussed this item in the exempt session.)

Following discussion in private, the PCB agreed that it would make a change to the Fund's current Investment Strategy, to switch its current Index Linked Gilts portfolio to a Fixed Interest Gilts portfolio of broadly the same duration.

RESOLVED

1. That the Committee and Board note the information provided regarding the review of the Fund's Investment Strategy, including verbal updates provided by Officers, the Independent Advisor and Investment Consultant in the meeting.
2. That the Committee and Board approve a change to the Fund's current Investment Strategy, to switch its current Index Linked Gilts portfolio to a Fixed Interest Gilts portfolio of broadly the same duration.
3. That the Committee and Board delegate authority to the Head of Pensions, Treasury and Chief Accountant to take all steps necessary to effect this change, including updating the Fund's Investment Strategy Statement.

339. LOCAL GOVERNMENT PENSION SCHEME GOVERNANCE UPDATE FROM INDEPENDENT ADVISOR

The Fund's Independent Advisor, John Raisin, introduced this item which provided information to members of the Pensions Committee and Board regarding various changes underway within the Local Government Pension Scheme (LGPS). The PCB were taken through Appendix 1, '*LGPS Update - A paper by the Independent Advisor, January 2020*' at pages 21 to 40.

In response to questions on the report, the following information was provided:

- Responding to a query on succession arrangements should the Head of Pensions or Pensions Manager leave the Council, Officers confirmed no such arrangements were in place. They confirmed they would look to ensure that, wherever possible, no role would be uniquely carried out by one member of the team without another colleague being able to cover that role if required.
- Officers confirmed the Council's IT staff carried out penetration testing. Once a year, a member of the Pensions Team would be contacted by the IT staff and requested to log onto a separate server to test that the team are still able to access the admin software from the temporary setup in the eventuality where the Council's servers are inaccessible.
- Officers confirmed that more than two officers at the Council were required to make one payment.

RESOLVED

The Committee and Board note the contents of this report, and any other verbal updates provided by officers and the fund's Independent Advisor in the meeting.

340. FORWARD PLAN

The Head of Pensions invited the PCB to note this report on the Forward Plan, which detailed the topics that would be brought to the attention of the PCB over the next 12 months. The report also sought Members' input into future agenda items.

RESOLVED

That the Committee and Board note the update on member training attached at Appendix 3.

341. RISK REGISTER

The Head of Pensions introduced this report on the Risk Register. This was a standard item on the agenda and the PCB had a legal duty to review internal controls and the management of risks. The PCB were informed of the main changes to the Risk Register, as shown in Appendix 1.

RESOLVED

1. That the Committee and Board note the risk register.
2. That the Committee and Board note the area of focus for this review at the meeting is 'Governance' and 'Legislation' risks.

342. PENSION FUND QUARTERLY UPDATE

The Head of Pensions, Thomas Skeen, introduced this report which requested Members' note the funding position as updated on 30 September 2019.

(The PCB further discussed this item in the exempt session.)

RESOLVED

That the information provided in respect of the funding position updated to 30 September 2019 be noted.

343. NEW ITEMS OF URGENT BUSINESS

N/A.

344. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting for consideration of item 15 and 16 as they contains exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); para 3; Page 6 namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

345. FUND INVESTMENT STRATEGY REVIEW

As per item 338.

346. PENSION FUND QUARTERLY UPDATE

As per item 342.

347. EXEMPT MINUTES

As per the exempt minutes.

RESOLVED

That the exempt minutes of the meeting held on the 19th November 2019 be approved as a correct record of the meeting.

CHAIR: Councillor Matt White

Signed by Chair

Date