

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE PENSIONS COMMITTEE

HELD AT 6.30 P.M. ON MONDAY, 13 MARCH 2023

COUNCIL CHAMBER - TOWN HALL, WHITECHAPEL

Members Present in Person:

Councillor Bellal Uddin
Councillor Iqbal Hossain
Councillor Ayas Miah
Councillor Abdal Ullah

Members In Attendance Virtually:

Councillor Abdul Mannan
Councillor Rachel Blake

Apologies:

Kehinde Akintunde GMB Union Representative

Others Present in Person:

Sandeep Chandarana	Mercer
Barry Dodds	Actuary
John Jones	Independent Chair, Pensions Board
Colin Robertson	Independent Investment Advisor (Pensions Committee)
Steve Turner	Mercers - Senior Investment Consultant

Officers Present in Person:

Miriam Adams	Interim Head of Pensions and Treasury
Carole S Bowes	(Employment Lawyer, Legal Services, Directorate Law, Probity and Governance)
Thomas French	Democratic Services Officer (Committees)

Officers In Attendance Virtually:

Nisar Visram (Director of Finance, Procurement & Audit)

1. DECLARATIONS OF INTERESTS

There were no pecuniary declarations of interest declared at the meeting by members.

2. UNRESTRICTED MINUTES OF THE PREVIOUS MEETING(S)

The unrestricted minutes of the meeting of 12 January 2023 were agreed to be an accurate record of the meeting and were approved by the Committee.

3. PETITIONS

No Petitions relating to the matters for which the Pensions Committee is responsible had been received by the Officer.

4. SUBMISSIONS / REFERRALS FROM PENSION BOARD

Mr John Jones, Chair of the Pensions Board presented his report on behalf of the Pensions Board.

Mr Jones highlighted the agenda at the last Pensions Board meeting, including a presentation from Barry Dodds, the Fund's Actuary.

He informed members around the risk register and the importance of keeping the data up to date. Members should continue to raise this issue.

The Chair thanked Mr Jones for attending the meeting.

5. REPORTS FOR CONSIDERATION

5.1 Draft 2022 Triennial Valuation Results

Mr Barry Dodds, Actuary presented the 2022 Triennial Valuation Draft Results to the Committee and highlighted the Contribution rates and the Funding position contained within the Report, and the Rates and Adjustments Certificate.

Members raised the following comments and questions:

- Members raised the timeline for completion of the Draft Rates and Adjustment Certificate, and asked if completion should be deferred given the uncertainty in financial markets? Mr Dodds confirmed that sign off would be by the end of March 2023. He said the impact of the market is always analysed and taken into account and that contribution rates can be revisited.
- Members enquired as to why some employer contribution rates were much higher than others at around or over 60%? Mr Dodds described what is referred to as closed employers and why the funding target is higher for them.

The Chair thanked Mr Dodds for attending the meeting.

RESOLVED:

Members noted the draft results.

5.2 Risk Register Quarterly Update December 2022

Ms Miriam Adams introduced the report on the Risk Register Quarterly Update December 2022. Ms Adams highlighted risks for members to be aware of and those which have been downgraded. There was a discussion about the revised Risk Register ratings and some amendments were made.

Members raised the following comments and questions:

- Members asked about pension provision for those within the scheme that have died and how this is monitored, locally and abroad. Ms Adams detailed how this is monitored and how this is escalated when communications are not answered.
- The effects of the Covid -19 pandemic are still being felt by some employers. How are they being supported and how is this recorded? Ms Adams detailed the policies that are still in place from the pandemic, saying that there are dedicated members of staff who are reviewing these financial concerns. Currently no employer has come forward to say they need additional support due to the pandemic.

RESOLVED:

Members noted the Risk Register.

5.3 ESG, VOTING, ENGAGEMENT AND STEWARDSHIP UPDATE

Ms Miriam Adams introduced the report on ESG, Voting, Engagement and Stewardship Update.

Members of the Committee had no questions for Ms Adams relating to the update.

RESOLVED:

Members noted the update.

5.4 PENSION ADMINISTRATION AND LGPS QUARTERLY UPDATE

Ms Miriam Adams introduced the report on the Pensions Administration and LGPS Quarterly Update.

Members of the Committee had no questions for Ms Adams relating to the update.

RESOLVED:

Members noted the update.

6. BUSINESS PLAN

The chair informed the committee that the item had been withdrawn.

7. TRAINING EVENTS

Nil Items.

8. PENSIONS COMMITTEE WORK PLAN

RESOLVED:

Members noted the workplan.

9. ANY OTHER BUSINESS CONSIDERED TO BE URGENT

There was no other business to be discussed.

10. EXCLUSION OF PRESS AND PUBLIC

The Chair **MOVED** and it was

RESOLVED

“That, under the provisions of Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985, the press and public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contains information defined as Exempt in Part 1 of Schedule 12A to the Local Government Act, 1972.”

11. RESTRICTED MINUTES OF THE PREVIOUS MEETING(S)

The restricted minutes from the 12 January 2023 meeting were agreed to be an accurate record of the meeting and were approved by the Committee.

12. ASSET ALLOCATION TRAINING

Mr Steve Turner, Mercer, and Mr Colin Robertson, Independent Adviser, presented the training on Asset Allocation Training, highlighting the importance of understanding investment strategy and market conditions.

The Chair thanked Mr Robertson and Mr Turner for delivering the training.

12.1 Quarterly Performance Review

This item was adjourned to the re-scheduled meeting of 22nd March 2023.

12.2 Update on Investment Changes: LCIV UK Housing Fund Due Diligence

This item was adjourned to the re-scheduled meeting of 22nd March 2023.

12.3 Investment Strategy Statement

This item was adjourned to the re-scheduled meeting of 22nd March 2023.

13. RESTRICTED MINUTES OF THE PREVIOUS MEETING(S) - MEMBERS ONLY

This item was adjourned to the re-scheduled meeting of 22nd March 2023.

The meeting ended at 8.07 p.m.

Chair, Councillor Bellal Uddin
Pensions Committee

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