

Pension Board Submission to the Pensions Committee

To: Pensions Committee

From: John Jones Independent Chair Tower Hamlets Pension Board

Date: 25th March 2024

1. The Pensions Board held a hybrid meeting on Monday 11th March. The meeting was much shorter than usual. The main items on the agenda were a presentation from Hymans Robertson on the Pension regulator's (TPR) new Code of Practice (CoP); an update on the current position in Pensions administration; and consideration of the work plan for 2024/25 and training needs for Board Members. The meeting was well attended with all 7 members present in the room or online.
2. The presentation from Hymans Robertson was very well received by the Board. The new CoP is effective from 27th March. It builds on the existing framework but also introduces new requirements for cyber security and prevention of scams. The key issues raised cover internal controls; conflicts of interest; knowledge and understanding; and cyber controls. Underlying these issues is the importance of data quality and monitoring, and a subject that the Board has been focussed on for several years now.
3. The new framework builds on the current code of practice and will require much work and an action plan with clear objectives and target dates in order to implement the new recommendations over the next 12 months or so. Progress will need to be monitored at each Board and Committee meeting. The recommendation from the Board is that the Committee should also receive the same training session from Hymans Roberson, and that an update on progress with the new CoP is included to each Board and Committee meeting.
4. The Board reviewed the proposed work plan for 2024/25 and also agreed to identify the training and development needs of Board members so that these can be addressed during the next year. The Board received assurances that there is sufficient capacity to deliver the planned work programme. I would encourage the Committee to

also consider their individual training requirements for the coming year, particularly as the TPr is placing emphasis on knowledge and skills training for Committee members.

5. The quarterly report on the updated risk register was not available in time for the meeting. The register has been the subject of detailed discussion at previous meetings given the number of red and amber risks identified. Because this is a key control document, it was agreed to arrange another meeting to enable the register to be reviewed in detail. Similarly, a report on the financial position and performance of the Fund was not available and will also be considered at this additional meeting.

6. The Board were also updated on the LGPS consultation on next steps in investment including proposals in respect of investing in private equity and knowledge and skills training for Committee members. A question was raised about reports of potential mergers of smaller LGPS Funds that could impact on London funds although there is nothing substantive at present.

7. The Board considered the update on pensions administration and noted the generally good progress being made, albeit there were mixed performance figures reported. In order to address backlogs of work and improve performance, it is very important that the team has a full complement of staff with the right skills. This is an issue that the Board monitors on a regular basis.

John Jones
15th March 2024