

London Borough of Islington

**Pensions Board - 5 March 2018**

Notes of an informal meeting of the Pensions Board held at on 5 March 2018 at 6.00 pm.

**Present:** Maggie Elliott (Vice-Chair) and Councillor Dave Poyser (Chair), David Bennett (independent)

**Also Present:** **Councillor:** (observer) Richard Greening

There being no Scheme member representatives present, the meeting was declared inquorate. However, the members present decided to proceed to discuss the agenda items on an informal basis. Any items for decision would be submitted to the next Board meeting, as part of these notes, for ratification.

**37 APOLOGIES FOR ABSENCE (Item A1)**

Received from Mike Calvert, Marion Oliver, Thelma Harvey and George Sharkey.

**38 DECLARATION OF INTERESTS (Item A2)**

None.

**39 MINUTES OF THE PREVIOUS MEETING (Item A3)**

**Agreed to recommend:** that the minutes of the meeting held on 5 September 2017 be confirmed as a correct record of proceedings and the Chair be authorised to sign them.

Matter arising

Referring to minute 34 – “Pension Administration Performance”, the Deputy Pensions Manager reported that the Pensions Regulator had decided not to fine Islington Council for not providing scheme members with annual benefit statements in accordance with Regulations. New systems were in place to ensure that this would not be a problem going forward.

**40 PENSION ADMINISTRATION PERFORMANCE (Item B1)**

The Deputy Pensions Manager reported that staff were being recruited into the Pensions Team and the new staff would be targeting Preserved benefit calculations, one of the key performance indicators which was not being achieved.

**Agreed to recommend:**

That the performance against key performance indicators for the period from 1 August 2017 to 31 January 2018, including statistics regarding the internal dispute resolution procedure, complaints and compliments and the number of members auto-enrolled into the Local Government Pensions Scheme, as detailed in the report of the Director of Human Resources, be noted.

**41 BULK TRIVIAL COMMUTATION EXERCISE - FEASIBILITY STUDY (Item B2)**

A representative from Mercer outlined progress on work undertaken since the Board's last meeting to determine the potential numbers of members eligible for trivial commutation lump sums. If implemented, the exercise would realise efficiency savings for the Council.

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The Board expressed a wish that communications with eligible members would advise them of the need to seek independent financial advice before committing.

It was noted that there would be a presentation to the Pension Fund AGM in October 2018 on the subject of trivial commutation.

### **Agreed to recommend:**

- (a) That the contents of the exempt feasibility report from Mercer on "Islington Council Pension Fund – trivial commutation analysis" be noted.
- (b) That the Pensions Team undertake a bulk exercise to communicate the options to eligible members, with a small pension pot (less than £10k), in the first instance.
- (c) That the Pensions Team ensure that the exercise is undertaken in compliance with the Pensions Regulator guidance on good practice on incentive exercises.

### **42 LONDON CIV UPDATE - (Item B3)**

The Board noted that this report had been submitted to them for observations to be made to the Pensions Sub-Committee, which would be making a decision on the recommendations relating to the LCIV governance structure and strategy consultation in the report.

The following points were made during discussion:

- At the moment, the fund's global equities had been transferred to the CIV
- That there was a reluctance to transfer funds rapidly to the CIV and more clarity was needed on the offer.
- Transparency was an issue
- More diversity should be encouraged in the membership of the London CIV Board e.g. by the inclusion of 30% women
- That there would be further transaction costs if more funds were transferred to the CIV
- The Chair of the main Shareholder group should be independent (p.50 of the agenda)

### **43 BULK TRIVIAL COMMUTATION EXERCISE - FEASIBILITY STUDY - EXEMPT APPENDIX (Item E1)**

Noted.

### **44 LONDON CIV UPDATE - EXEMPT APPENDIX (Item E2)**

Noted.

### **45 COUNCILLOR RICHARD GREENING**

Councillor Poyser proposed a vote of thanks to Councillor Greening, the Chair of the Pensions Sub-Committee, who would be standing down as a councillor at this year's Election. He congratulated him on his experience and knowledge of pensions matters and his steering of decisions through the Sub-Committee, which had led to the current satisfactory funding position of the Fund.

The meeting ended at 7.20 pm

**CHAIR**

