

London Borough of Islington

Pensions Board - 13 March 2017

Minutes of the meeting of the Pensions Board held at Town Hall, Upper Street, London N1 2UD on 13 March 2017 at 6.00 pm.

Present: Mike Calvert, Thelma Harvey, Marion Oliver, Councillor David Poyser (Vice-Chair) and David Bennett

Also Present: **Councillors (observers):** Richard Greening and Paul Smith
Jonathan Perera (Mercer- Actuary)

Councillor David Poyser (Vice-Chair) in the Chair

25 APOLOGIES FOR ABSENCE (Item A1)

Received from Maggie Elliot.

26 DECLARATION OF INTERESTS (Item A2)

None.

27 MINUTES OF THE PREVIOUS MEETING (Item A3)

RESOLVED:

That the minutes of the Board meeting held on 21 September 2016 be confirmed as a correct record and the Chair be authorised to sign them.

Matters arising:

Chair of the Pensions Board – It was reported that Vaughan West, the former Chair of the Board, had left Islington to take up a new position with the GMB. The Trades Unions had nominated Mr George Sharkey as a replacement Scheme Member representative. It was agreed that a letter be sent to Vaughan West thanking him for his services as Chair of the Board and also for his services as a non-voting adviser on the Pensions Sub-Committee over many years.

The Democratic Services Officer undertook to consult the Constitution of the Board to clarify which body was responsible for the appointment of a new Chair of the Board and to progress Mr Sharkey's appointment to the Board.

Communications strategy

The Pensions Manager confirmed that the Strategy had been updated and published on Izzi and on Islington's external website. The Board's comments at the previous meeting relating to the inclusion of Frequently Asked Questions, how to encourage people to save more money in their pensions and figures on auto-enrolment, in next year's pension statements, were being addressed. Workshops were being arranged with the Prudential. He undertook to provide information at the next meeting on progress on auto-enrolment.

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

The Pensions Manager reported that overall performance had improved slightly, to 89.64%, compared to the target of 95%. He stated that this suite of key performance indicators had been agreed by all London boroughs. The reduced performance was attributed to a lack of resources and he expected to recruit a new member of staff to drive up performance on the targets to 95%. It was noted that the costs of the recruitment of a full-time member of staff to the Pensions Team would be taken from the Fund.

RESOLVED:

(a) That the Pensions Sub-Committee be requested to consider the funding of a full-time post in the Pensions Team to assist with administrative work to assist the Team in achieving its performance targets.

(b) That the fact that there had been an increase of approximately 200 active members to the Fund be welcomed.

(b) That the performance against key performance indicators for the period from 1 September 2016 to 31 January 2017, including statistics regarding the internal dispute resolution procedure, complaints and compliments, as detailed in the report of the Director of Governance and Human Resources, be noted.

29 **FUNDING STRATEGY STATEMENT AND CONSULTATION RESULTS (Item B2)**

The Head of the Pension Fund and Treasury Management introduced her report, explaining that the Strategy set out a funding and recovery plan for the employers admitted to the Fund.

Members of the Fund noted the position of "Volunteering Matters", which showed a deficit recovery contribution of £318,300 in 2017/18 and queried how sustainable it was to retain them in the Fund. Officers explained that the organisation had been admitted to the Fund in 1973 as their headquarters were in Islington and they provided a service to residents. In the past, the organisation had sold properties to cover a part of their deficit. They were due to sell a property in the near future and it was expected that a lump sum would be paid in to the Fund to lower their deficit.

A member of the Board asked for information on the basis of the determination of the overall discount rate of 4.5%. The Head of the Pension Fund and Treasury Management reminded the Board that the assumptions had been explained at the last meeting. She undertook to circulate the presentation from that meeting to the Board members, highlighting the slides relating to the discount rate.

RESOLVED:

That the views of the Pensions Board set out below be relayed to the Pensions Sub-Committee to inform their discussion on the Funding Strategy Statement.

30 **OTHER BUSINESS**

The Director of Financial Management highlighted the fact that members of the Board were not covered by the Council's insurance policy.

It was agreed that a report would be submitted to the next meeting of the Board on indemnification for Pension Board members.

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The meeting ended at 7.05 pm

CHAIR