

London Borough of Islington

Pensions Board - 23 March 2021

Minutes of the meeting of the Pensions Board held virtually via Zoom on 23 March 2021 at 6.00 pm.

Present: Alan Begg, Valerie Easmon-George, Maggie Elliott (Vice-Chair) and Councillor Richard Watts (Chair)

Observers: Councillor Paul Convery

Councillor Richard Watts in the Chair

1 APOLOGIES FOR ABSENCE (Item A1)

Received from George Sharkey and Councillor Satnam Gill.

2 DECLARATION OF INTERESTS (Item A2)

Councillors Watts and Convery declared an interest in items on the agenda as members of the Pension Fund.

3 NOTES OF THE PREVIOUS MEETING (Item A3)

RESOLVED:

That the recommendations made at the informal meeting of the Board held on 8 December 2020 be confirmed.

4 PENSION ADMINISTRATION PERFORMANCE (Item B1)

As part of his introduction to the report, the Deputy Pensions Manager outlined the possible consequences of the impact of the McCloud/Sargeant Judgment resulting in significant additional work and staff resource pressures on the Council's Pensions Team. He hoped to report to the Board in June on the scope of the work involved to comply with requirements.

The Deputy Pensions Manager noted that, due to software issues, it would not be possible to introduce pension increases in April 2021 and that they would be delayed until May 2021. Members were hopeful that there would be no recurrence of a delay such as this in the future.

RESOLVED:

That the contents of the report of the Corporate Director of Resources detailing: the number of members auto-enrolled into the Local Government Pension Scheme during the relevant period: the information in respect of the Internal Dispute Resolution Procedure, compliments and complaints: the impact of the McCloud/Sargeant judgement on Local Government Pension Administration: the revocation of the public-sector exit payment cap by HM Treasury; the High Court

ruling on equalising past GMP transfers: and Government plans to increase the minimum pension age from 55 to 57, be noted.

5 PENSION FUND ADMINISTRATION COST 3-YEAR FORECAST AND CASHFLOW (Item B2)

The Board noted that there could be substantial costs associated with the McCloud/Sargeant issue which had not been reflected in the Pension Fund budget.

RESOLVED:

That the Fund's 2021/22 cashflow forecast and 3 year budget of administration cost for the period covering 2021/22 to 2023/24, as detailed in the report of the Corporate Director of Resources, be noted.

6 SCHEME ADVISORY BOARD -LGPS GOOD GOVERNANCE REVIEW RECOMMENDATIONS (Item B3)

The Chair suggested that it would be helpful for members of the Pensions Board and Sub-Committee hold an informal meeting before September to consider all of the recommendations proposed by the Scheme Advisory Board and whether any should be adopted into Islington's Fund. It would also provide an opportunity for the Board to reflect more generally on its operations, vacancies etc.

RESOLVED:

(a) That the Good Governance Review published by the Scheme Advisory Board (SAB) be noted.

(b) That the action plan also prepared by SAB and sent to MHCLG to support best practice governance building on the recommendations of the review, attached as Appendix 1 to the report of the Corporate Director of Resources, be noted.

(c) That a further report be submitted to the Board in September to consider some of the recommendations in the SAB report and its implementation for Islington's Fund.

(d) That members of the Pensions Board and Sub-Committee meet in advance of September to consider which of the SAB recommendations should be adopted by Islington's Fund.

7 PENSIONS BOARD - FORWARD PLAN 2020/21 (Item B4)

RESOLVED:

(a) That the contents of the report of the Corporate Director of Resources, comprising information on forthcoming business for the Board, be noted.

(b) That an item on "Implications for the Pensions Board of the McCloud/Sargeant judgement" be added to the list for consideration at the June 2021 Board meeting.

(c) That the LGPS "Current Issues – January 2021", attached as Appendix B to the report, be noted.

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The meeting ended at 6.40 pm

CHAIR