



CITY OF WESTMINSTER

MINUTES

Pension Board

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Pension Board** held on **Tuesday 16th June, 2020**.
This meeting took place virtually.

Members Present: Councillor Tim Mitchell (Chairman and Employer Representative), Terry Neville (Vice-Chairman and Scheme Member Representative), Councillor Guthrie McKie (Employer Representative), Chris Smith (Scheme Member Representative) and Chris Walker (Scheme Member Representative).

Martin Colwell attended as an observer in his capacity as a Scheme Member Representative.

Apologies for Absence: Marie Holmes (Employer Representative).

Officers Present: Phil Triggs (Tri-Borough Director of Treasury and Pensions), Mathew Dawson (Senior Finance Manager, Tri-Borough Treasury and Pensions), Sarah Hay (Senior Pensions and Payroll Officer), Eleanor Dennis (Lead Pensions Specialist) and Toby Howes (Senior Committee and Governance Officer).

1 ELECTION OF CHAIRMAN AND VICE-CHAIRMAN/MEMBERSHIP

1.1 There were no changes to the membership.

1.2 RESOLVED:

1. That Councillor Tim Mitchell be appointed as Chairman of the Board for the 2020-2021 municipal year.
2. That Terry Neville be appointed as Vice-Chairman of the Board for the 2020-2021 municipal year.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 MINUTES

3.1 RESOLVED:

That the minutes of the meeting held on 3 March 2020 be signed by the Chairman as a correct record of proceedings.

4 PENSION ADMINISTRATION UPDATE

4.1 Sarah Hay (Senior Pensions and Payroll Adviser) presented the report and advised that the Pension Administration Service had coped well in the midst of the COVID-19 pandemic. The death rate had been lower than expected and there had only been a few incidences of late payments. The key performance indicators were also holding up and Western Union were due to commence a new project in respect of overseas pensioners.

4.2 The Board welcomed the ability of pension administration staff to be able to carry out their functions from a home setting.

5 PENSION DATA QUALITY ISSUES

5.1 Eleanor Dennis (Lead Pensions Specialist) presented the report and updated the Board in respect of stage 2 cases, data tracing and the peer review exercise.

5.2 The Board emphasised the need to ensure that the data quality was consistent and sound. It was agreed that the new Pension Fund Manager at Surrey County Council, the administering provider, attend the next meeting to answer questions from the Board about the pension administration service.

6 PENSION FUND PERFORMANCE TO 31 MARCH 2020 AND RISK MONITORING

6.1 Phil Triggs (Tri-Borough Director of Treasury and Pensions) presented the report and advised that the Fund had made a recovery following the initial impact of the COVID-19 pandemic. Additional risks had been included in the Risk Register.

6.2 The Board noted that the London Collective Investment Vehicle had appointed a new Chief Investment Officer.

6.3 RESOLVED:

1. That the performance of the Fund's investments to 31 March 2020; be noted.
2. That the risk registers for the Pension Fund, as updated in May 2020, be noted.

7 STRATEGIC INVESTMENT STRATEGY REVIEW

- 7.1 Phil Triggs presented the report and advised that the Strategic Investment Review needed to take into context the current COVID-19 pandemic and the resulting effects that it was having on markets, investments and funds. He added that the Pension Fund Committee had deferred a decision on this matter until the Committee's next meeting on 25 June, following additional training for Members.
- 7.2 The Board emphasised the importance of the need for the Pension Fund Committee to take a decision on this matter in view of the impact on the Fund.
- 7.3 The Chairman confirmed that he would contact the Chairman of the Pension Fund Committee to put forward the Board's views on this matter.

7.4 RESOLVED:

That the revised Investment Strategy review, including the following options presented to the Pension Fund Committee, be noted:

- a) Reduce the equity allocation by 10% to 55%, with 5% invested within fixed income and 5% in an illiquid alternative asset class.
- b) Review the current equity portfolio and agree to the addition of a new actively managed equity mandate to complement the existing portfolio.
- c) Select renewable infrastructure as a new illiquid alternative asset class.
- d) Consider the placing of an additional 5% in fixed Income across the existing portfolios or to allocate to a new mandate, for example, direct lending.
- e) Consider whether residential property would offer greater diversification than the existing long lease and core mandates.

8 ANY OTHER BUSINESS THE CHAIRMAN CONSIDERS URGENT

- 8.1 There was no other business.

The Meeting ended at 9.02 am

CHAIRMAN: _____

DATE _____