

## Decisions of the Pension Fund Committee

11 July 2022

Cllr Anne Hutton (Chair)  
Cllr Andreas Ioannidis (Vice-Chair)

Zahra Beg  
Linda Lusingu  
Dean Cohen (substitute)

Simon Radford  
Danny Rich

Mark Shooter  
Elliot Simberg

### 1. **MINUTES (Agenda Item 1):**

Before the minutes of the meeting were signed the Chair welcomed everyone that was in attendance. She requested that everyone introduce themselves which they duly did.

RESOLVED that the minutes of the meeting held on 23 February 2022 be agreed as a correct record.

### 2. **ABSENCE OF MEMBERS (Agenda Item 2):**

The Pension Fund Committee noted the apologies for absence from Councillor Michael Mire, he was substituted by Councillor Dean Cohen.

At 7:55pm Councillor Zahra Beg gave her apologies and left the meeting.

### 3. **DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS (Agenda Item 3):**

Councillor Zahra Beg made a declaration, she noted that she received a Barnet Pension. Councillor Beg took part in the consideration of all items before leaving at 7:55pm.

Councillor Dean Cohen declared an interest in relation to item 12, he noted that he was a Governor of one of the schools listed in the report. Councillor Cohen took part in the consideration and determination of the item.

### 4. **PUBLIC QUESTION AND COMMENTS (IF ANY) (Agenda Item 4):**

None.

### 5. **REPORT OF THE MONITORING OFFICER (IF ANY) (Agenda Item 5):**

None.

### 6. **MEMBERS' ITEMS (IF ANY) (Agenda Item 6):**

None.

**7. ADMINISTRATION REPORT (Agenda Item 7):**

The Pensions Manager introduced this report. He provided an update on the current performance in relation to the administration of the Barnet Pension Fund by West Yorkshire Pension Fund, along with other issues affecting the administration.

Having considered the report, the Committee:

**Resolved**

The Pension Fund Committee noted the current performance levels and updates on Annual Benefit Statements, GMP reconciliation project, Pensions Dashboard and McCloud judgement.

**8. DATA IMPROVEMENT PLAN AND HISTORICAL LEAVERS REPORT (Agenda Item 8):**

The Pensions Manager introduced this report. He outlined that the paper and provided the Pension Fund Committee with an update on the data improvement plan and historical leaver exercise, together with details of the data preparation for the 2022 triennial valuation.

Having considered the report, the Committee:

**Resolved**

The Pension Fund Committee noted the progress on the correcting of the member data and the historical leaver exercise.

**9. TRIENNIAL VALUATION UPDATE (Agenda Item 9):**

The Head of Pensions and Treasury introduced the report. He noted the funding position of the pension scheme and rate of contributions paid by employers is assessed every three years by the Scheme Actuary. The triennial valuation as at 31 March 2022 is commencing.

The Chair welcomed Gemma Sefton from Hymans Robertson, the Fund's Scheme Actuary, and requested that she make a representation which she duly did. The Chair thanked her for a detailed update that was in relation to the training that had been delivered before the meeting and the content documented in the appendix to the report.

Mr Kennedy from Middlesex University welcomed the intention to consult with employers relatively early in the process and also requested that consideration be given to any change of contributions arising from the process to take effect from 1 August 2023 to reflect the University's financial year.

A question was raised around whether the proposal for a limited allowance for the impacts of Covid on long-term life expectancy was overly cautious. The Scheme Actuary explained that there was still very limited data on the long-term impacts on Covid and that therefore taking a view on its impact from a Funding perspective would be imprudent. The Head of Pensions and Treasury noted that, given the limited data, the

assumptions being proposed were likely to be in line with what other Local Government Pension Schemes would be adopting for the 2022 valuation..

The chair noted that in relation to recommendation 2 that it was problematic in arranging an additional meeting in September. The attending Governance Officer noted that there were a number of meetings due to take place in September that led to a number of member clashes, he added that there were also party group conferences and Jewish festival(s) in the month. He noted as a solution it may be possible that the Committee consider resolving to provide the Chief Officer with the delegated power to begin the consultation and provide feedback to the Committee in November.

Members had the opportunity to raise questions and give comments.

**Resolved:**

That the Pension Fund Committee:

- (1) Approved the proposed assumption in Appendix A for the Barnet Pool;
- (2) Delegated the consultation of the Funding Strategy Statement during October to the Chief Officer and report back an update to the November meeting.

**10. KNOWLEDGE AND UNDERSTANDING (Agenda Item 10):**

The Head of Pensions and Treasury introduced the report. He noted that it was a priority of the new Chair to ensure that the Pension Fund Committee members have access to sufficient training opportunities so that they can meet their duties.

Members welcomed the report and agreed that training was an important aspect of the Committee. Members requested that the Pension Regulator Toolkit be sent to the Committee membership for their information and optional completion.

It was agreed that Members should target 31 December 2022 for completing Hymans' LOLA training portal. The Head of Pensions and Treasury agreed to circulate joining instructions for the portal.

Members had the opportunity to raise questions and give comments.

**Resolved:**

- That the Pension Fund Committee noted the report
- That the Pension Fund Committee agreed that the membership should take part in mandatory training and take part in all other recommended training.

**11. DEVELOPING THE FUND'S RESPONSIBLE INVESTMENT STRATEGY (Agenda Item 11):**

Before the start of the item Councillor Beg noted that she had to leave the meeting and gave her apologies.

The Head of Pensions and Treasury introduced the report and noted that it provided the Pension Fund Committee with an update on matters relating to Responsible Investing ("RI") with a view to further progressing the Fund's strategy in this area, particularly with

the setting of targets around reducing the Fund's carbon emissions. The Head of Pensions and Treasury also noted that analysis by Hymans confirmed that one of the Fund's investment vehicles, the RAFI Fund, contributed a disproportionate amount of Carbon relative to the rest of the portfolio. The Head of Pensions and Investment also noted that the RAFI Fund provided important diversification benefits to the overall portfolio. However, given an objective to consider overall emissions, the recommendation from Officers was that the Fund's RAFI investment allocation should be reviewed.

The Chair welcomed Independent Advisors from Hymans Robertson and requested that they make verbal representations which they duly did. The Chair gave thanks for all the contributions and, given the complexity of the topic, requested that the Committee devoted a time towards a Strategy Day to allow the progress to be made in this area.. Before making this commitment members requested that Officers provide further detail of what the Strategy Day may involve.

The Committee agreed a motion to exclude the press and public in order to consider the exempt information.

Members had the opportunity to raise questions and give comments.

**Resolved:**

- The Pension Fund Committee requested that the Chief Officer provide members with further details of what would be included within the Strategy Day, including date options with a view to confirm a training day(s)
- That the Pension Fund Committee agreed that a training session and workshop to be held with the purpose of establishing a Net Zero strategy, and (2) to review the RAFI fund against possible low emission alternatives
- That the exempt information be noted

**12. ADMITTED BODY AND BOND STATUS (Agenda Item 12):**

The Pension Fund Manager outlined the progress on outstanding admitted body and bond agreements, including bond renewals and cessation valuations.

During the consideration of the item Councillor Danny Rich and the Chair Councillor Anne Hutton noted therefore concerns in relation to the process of how admitted Body and Bonds are approved. They also noted concerns in relation to 1.8 of the report in connection with the approval of the admission of the contract Signature Dining has at Queens Road Kosher CPU. Councillor Rich noted that as a responsible Member he wanted to note his concerns.

Having considered the report:

**Resolved:**

That the Pension Fund Committee noted the progress on outstanding admitted body and bond agreements, including bond renewals and cessation valuations and that the Pension Fund Committee approved the admission into the Fund of Signature Dining in respect of four contracts at Queens Road Kosher CPU as listed in 1.8.

Councillor Danny Rich requested his abstention and concern to the approval of the admission into the Fund of Signature Dining in respect of four contracts at Queens Road Kosher CPU as listed in 1.8 be recorded.

**13. BARNET COUNCIL PENSION FUND – VALUATION, TRANSACTIONS AND PERFORMANCE (Agenda Item 13):**

The Head of Pensions and Treasury introduced the report and provided an update on investment valuations, transactions and performance in the 3 months to 31 March 2022 with an updated valuation to 31 May 2022.

The Chair welcomed the Independent Advisors from Hymans Robertsons and requested that they make verbal representations which they duly did.

The Committee agreed a motion to exclude the press and public in order to consider the exempt information.

**Resolved:**

- That the Pension Fund Committee note the investment activities and performance of the Pension Fund for the quarter to 31 March 2022.
- That the exempt information be noted

**14. CESSATION REFUND RECOMMENDATIONS (Agenda Item 14):**

The Head of Pensions and Treasury introduced the report.

The Committee agreed to move a motion to exclude the press and public. During the exempt session, Officers introduced the exempt information. The Committee had the opportunity to ask questions and make comments, this included in relation to the exempt appendix.

Having considered the report:

**Resolved:**

- That the Pension Fund Committee agreed the level of refund that should be provided to Fremantle Trust and Hartwig
- That the exempt information be noted.

**15. PENSION SCHEME COSTS (Agenda Item 15):**

The Head of Pensions and Treasury introduced the report.

The Committee agreed to move a motion to exclude the press and public.

The committee considered the exempt information.

**Resolved:**

- That the Committee note the scheme costs for the year 2021/22.
- That the exempt information be noted.

**16. WORK PROGRAMME (Agenda Item 16):**

It was noted that any work scheduled for the proposed September meeting be deferred to later meetings

**Resolved:**

That the Work Programme be noted

**17. REVIEW OF PERFORMANCE OF ADVISORS - EXEMPT (Agenda Item 22):**

Before the consideration of the item the Committee agreed a motion to exclude the press and public in order to consider the exempt information.

The Head of Pensions and Treasury introduced the report. He informed the Committee that the Pension Fund was supported by external advisors and service providers. Members noted that appointments are periodically renewed. The Committee were requested to consider the report and provide feedback on the performance on the advisors.

**Resolved:**

That the level of fees be carefully monitored, particularly against any commitments made during the procurement process.

**18. ANY ITEM(S) THAT THE CHAIRMAN DECIDES IS URGENT (Agenda Item 23):**

None.

The meeting finished at 21:15