

## Decisions of the Pension Fund Committee

1 February 2024

Cabinet Members:-

Cllr Simon Radford (Chair)  
Cllr Anne Hutton (Vice-Chair)

Councillor Andreas Ioannidis      Councillor Liron Woodcock-Velleman  
Cllr Mark Shooter  
Councillor Peter Zinkin (substituting for Cllr Elliot Simberg)

Apologies for Absence

Councillor Elliot Simberg

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

**RESOLVED** that the minutes of the meeting held on 11 January 2024 be agreed as a correct record.

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

None.

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

Councillor Simon Radford declared a non-pecuniary interest by virtue of the fact that he had investments in Pensions which may be discussed by the Committee as part of the Investment strategy. The same declarations were made by all Members of the Committee.

Councillor Radford declared an ongoing interest in that his employer receives donations from many financial firms which may be relevant to the Pension Fund, however he does not work in a business development role.

Councillor Radford declared a non-pecuniary interest in Items 7 and 8 by virtue of the fact that he had a working relationship with several Schools within the Borough. He advised that schools listed in the report included those which were being considered for a family member to attend.

Councillor Anne Hutton declared a non-pecuniary interest in Items 7 and 8 by virtue of the fact that she was a school governor at one of the schools in Barnet. Councillor Liron Woodcock-Velleman made the same declaration.

Councillor Peter Zinkin declared a non-pecuniary interest in Items 7 and 8 by virtue of the fact that his wife was a school governor at Wessex Gardens Primary School.

Councillor Andreas Ioannidis declared a non-pecuniary interest in Items 7 and 8 by virtue of the fact that he was employed as a staff administrator at Middlesex University.

**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. CONTRIBUTION REVIEW POLICY (Agenda Item 7):**

The Head of Pensions and Treasury presented his report which sought approval of the amendments made to the Contribution Review Policy and for its adoption. The Committee were reminded that their Contribution Review Policy had been revised to clarify and enable the actions which were permitted under regulation 64 of the Local Government Pension Scheme Regulations 2013, which permits a 'Tax raising body' to review contribution rates for Pension Funds.

There was an extensive consultation period which involved all the interested parties and advice was sought from Legal Services and a specialist legal firm regarding proposed changes to the Policy. Officers advised that an employer's meeting had been used to promote the consultation and an email was also sent to all employers to launch its start. Employers were able to respond directly regarding revisions and there was a meeting held with the Finance Director from Middlesex University. A maintained school provided feedback and was satisfied with the proposed revisions.

The Chair thanked the Committee for their contributions and input with the revision of the Contribution Review Policy.

**RESOLVED**

That the proposed changes to the Contribution Review Policy (set out in Appendix A) be formally adopted.

**8. CONTRIBUTION REVIEW (Agenda Item 8):**

The Head of Pensions and Treasury presented his report which requested the Committee to consider the Council's request to change the Rates and Adjustment Certificate.

The Committee was circulated papers which contained the most recent financial information regarding budgets and was provided an update from the S151 Officer on this area.. The Fund Actuary provided an update to the Committee during the meeting information on how the contribution rate adjustment was calculated.

The Committee agreed that the conditions set out in the new Contributions Review Policy for an application to review Pensions Deficit contributions had been met. Members noted that the Committee had agreed to several conditions in relation to reducing the contributions and these included that the contribution rate increased after a two-year period, that there be regular reviews undertaken about funding rate and appropriate

actions be taken following changes to market conditions. The Committee requested that an action plan be devised which would ensure that the mentioned conditions are implemented, and they receive update on its contents (**ACTION**). The Section 151 Officer suggested that the over the period to 31 March 2026 that Committee be given the same information as the Overview and Scrutiny Committee on how the Council was performing on delivering savings (**ACTION**).

The Committee agreed that schools should be made aware that Pensions Deficit Contributions was for a two-year period only and that their budgets would need to be adjusted following this period. (**ACTION**)

The Chair thanked Counsel, Officers, and the Committee for their contribution in reviewing the Contributions Review Policy and considering the request to amend the Rates and Adjustment Certificate for the Council.

## **RESOLVED**

Having considered the financial situation of the Council (as presented by the Head of Paid Services and through discussions within the Council more generally), legal advice, the Fund's revised Policy on contribution reviews and actuarial advice, the Committee agreed that:-

Subject to the changes to the Contribution Review Policy being agreed by the Committee (proposal to amend the Policy is being considered as a separate item ahead of this paper) it is recommended to change the Fund's Rates and Adjustment Certificate so that the London Borough of Barnet's employer contribution rate is amended as per Table 2 – i.e. an 8% reduction in contribution rate during 24/25 and 25/26. To be clear, this is a profile that the Actuary would have been able to certify for the 31 March 2022 valuation without relying on post-valuation experience.

This recommendation is also subject to the Council agreeing to implement the mitigations suggested in Table 3 of the cover report for this item.

## **9. EXTERNAL AUDIT AND ACCOUNTS UPDATE (Agenda Item 9):**

The Finance Manager presented his report which sought approval of the 2022/23 Draft Annual Report and confirmation on whether it would be appropriate to publish the Report based on current audit status. The Committee was advised that legal advice was sought on which Member of the Committee should sign the Annual Fund Report and Annual Accounts and were informed there were no regulations in relation to this area. The Committee were advised that it would be good practice for the sitting Chair to sign these documents.

The Committee noted that their Investment Policy would be superseded and agreed that this be reflected in their Annual report (**ACTION**)

## **RESOLVED**

1. That the Pension Fund Committee approved the 2022/23 Draft Annual Report.
2. The Pension Fund Committee approved the publishing of the 2022/23 Draft Annual Report.

**10. MOTION TO EXCLUDE PRESS AND PUBLIC (Agenda Item 10):**

None.

**11. ANY ITEM(S) THAT THE CHAIRMAN DECIDES IS URGENT (Agenda Item 11):**

None.

The meeting finished at 7.40 pm