

**MINUTES OF A MEETING OF THE
PENSIONS COMMITTEE
Town Hall, Main Road, Romford
17 September 2019 (7.00 - 9.30 pm)**

Present:

COUNCILLORS

Conservative Group	John Crowder (Chairman), Osman Dervish and Jason Frost
Residents' Group	Stephanie Nunn
Labour Group	Keith Darvill
North Havering Residents' Group	Martin Goode

Apologies were received for the absence of Councillors Hampshire and Ron Ower.

All decisions were taken with no votes against.

The Chairman reminded Members of the action to be taken in an emergency.

121 DISCLOSURE OF INTERESTS

There were no declarations of interest.

122 MINUTES OF THE MEETING

The minutes of the meeting of the Pensions Committee held on 24th July, 2019 were agreed and signed by the Chair as an accurate record of the same.

123 MINUTES OF THE LOCAL PENSION BOARD

The minutes of the Local Pensions Board held on 24th July, 2019 were agreed and signed by the Chair as an accurate record of the same.

124 INTERNAL CASH MANAGEMENT POLICY REVIEW

The Cash Management Policy Review was presented to the Pensions Committee by

Appendix A of the report was exempt from publication. The proposed policy to be adopted was outlined to the Committee

125 **GOOD GOVERNANCE IN THE LGPS**

Consideration was given by the Pensions Committee to the Good Governance in the Local Government Pension Scheme report presented by

This report detailed the Good Governance Report in the LGPS produced by Hymans for the Committee to note. The full report dated July 2019 was available at page 31 of the agenda pack.

The report was prepared for the Scheme Advisory Board (SAB).

A summary of the proposals was outlined as follows:

1. 'Outcomes based' approach to LGPS governance with minimum standards rather than a prescribed governance structure.
2. Critical features of the model to include:
 - a) Robust conflict management including clarity on roles and responsibilities for decision making
 - b) Assurance on sufficiency of administration and other resources (quantity and competence) and appropriate budget
 - c) Explanation of policy on employer and scheme member engagement and representation in governance
 - d) Regular independent review of governance – this should be based on an enhanced governance compliance statement which should explain how the required outcomes are delivered.
3. Enhanced training requirements for s151 officers and s101 committee members
4. Update relevant guidance and better sign posting.

The SAB took into account the recommendations in the report and the project will be taken back to the SAB in November 2019 with an implementation plan.

Following discussion the Committee:

- NOTED the report.

126 **INVESTMENT STRATEGY UPDATE - ALLOCATION TO MULTI ASSET CREDIT**

The Investment Strategy Update – Allocation to Multi Asset Credit was presented to the Pensions Committee by

Appendix A of the report was exempt from publication. The report has been produced by the Fund's Investment Advisor (Hymans) to consider the allocation to a multi-asset credit (MAC) product.

Following discussion, the Pension Committee:

- **AGREED** the recommendations as set out in the report prepared by Hymans.

127 LOCAL PENSION BOARD ANNUAL REPORT- YEAR ENDED 31 MARCH 2019

The Committee noted the Annual report from the Local Pension Board. Members noted the expenses incurred by the Local Pension Board for the year 18/19.

The Committee agreed to have Annual Report published electronically.

128 THE PENSIONS REGULATOR IN DEPTH ENGAGEMENT UPDATE

The report presented to the Committee informed it of the Pensions regulator conducting and in depth review of Havering as part of a nationwide review of the governance and administration of the Local Government Pension Scheme. The members noted that the Pensions regulator had found areas of good practice in the Havering Scheme. The Pensions Regulator will publish a report in autumn covering key learnings and good practice.

The Committee noted the report and the suggested actions by the Pensions Regulator.

129 EXCLUSION OF THE PUBLIC

130 PENSION FUND PERFORMANCE MONITORING FOR THE QUARTER ENDED JUNE 2019

The Committee noted the report on the Pension Fund Performance for the quarter ending in June. The report outlined the performance of the Havering Pension Fund, the Fund Manager Monitoring and any relevant Local Government Pension Scheme for the quarter ending 30th June 2019.

The Committee agreed all recommendations listed in the report.

131 LONDON CIV - REMUNERATION POLICY REVIEW

The Committee was advised of the London CIV Board's proposal regarding the London CIV Pension Scheme. Members of the committee noted the Board's proposals following the 8th July 2019 meeting as set out below:

- recognise that continuing with the status quo is unlikely to be appropriate in the longer term
- keep the LGPS for existing staff and close it to new hires
- recognise that to make the package competitive to new hires (given our current remuneration package) we will need to offer higher

salaries (or a combination of a Defined Contribution (DC) scheme and higher salary)

- explore the options for an appropriate DC scheme in more detail, bearing in mind that the current DC scheme is a “basic” NEST auto-enrolment scheme.

That the Committee agreed the London CIV Board’s preferred position: to retain the LGPS for existing staff and close it to new hires.

Chairman