

Pension Board (Moved from 1 July 2021)

Supplemental Agenda

Date: Thursday 8 July 2021

9. **Review of Pension Fund Committee Meetings (24 March and 24 June 2021) (Pages 1 - 3)**
Report of the Director of Finance and Assurance.

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PENSION BOARD 8 JULY 2021 – Late Material

Agenda Item 9 – Review of Pension Fund Committee Meeting 24 June 2021

The decisions of the Pension Fund Committee were unavailable at the time the agenda for this meeting was published. They are summarised below in **Bold** type .

Report	Comments
Part I	
Draft Pension Fund Accounts for 2020-21	<p>The Committee was recommended to approve the draft accounts for submission to the external auditor. They are reported elsewhere on the agenda for this meeting.</p> <p>After asking a number of questions, the Committee approved the draft accounts for submission to the auditor.</p>
Review of Internal Controls at Investment managers	<p>The Committee was asked to note the position and ask questions as necessary. The report appears elsewhere on the agenda for this meeting.</p> <p>After asking a number of questions the Committee noted the report. Officers agreed to request further information about when audits are to be carried out from those managers which had provided bridging letters covering the whole of 2020-21.</p>
Review of Pension Fund Risk register	<p>The Committee was asked to note and approve the changes to the Risk Register. The report appears elsewhere on the agenda for this meeting.</p> <p>The updated risk register was noted and approved.</p>
Performance Dashboard and Update on Regular items	<p>The Committee considered the report, which summarises the position of the Fund at the end of Q1 2021 (31 March 2021), and the Investment Valuation at 30 April 2021, and to agree the draft work programme for the Committee for the rest of the 2021-22 municipal year.</p>

	<p>After asking a number of questions, including some “manager specific ones” in respect of the exempt enclosures in Part II, the Committee noted the report, approved the draft work programme for the remainder of 2021-22 with the addition of a “manager day” to be arranged for a suitable date in November 2021. Officers were also asked to liaise with LCIV regarding reporting on the carbon intensity of the investment portfolio.</p>
<p>Part II</p>	
<p>Investment Strategy Review</p>	<p>The Committee considered a confidential report by the Director of Finance and Assurance, with Appendices prepared by Aon, on the next stages of the Investment Strategy Review, and was asked approve recommendations to progress the Review further.</p> <p>After detailed discussions, the Committee approved the following</p> <ul style="list-style-type: none"> (i) In regard to the LCIV MAC Fund, to advise the London CIV that the Committee’s preference, should the option be available, is to move to the LCIV Alternative Credit Fund rather than remain in the LCIV MAC Fund with the addition of a second manager – the concerns being the impact of the proposed second manager on the duration characteristics of the MAC Fund, and the potential overlap with the LCIV Global Bond Fund. (ii) The allocation of 5% of the Fund’s assets (£50million) to the LCIV Renewables Fund to be funded from the overweight position in the DGF managed by Insight

	<p>(iii) To advise LCIV that in regard to the LCIV Global Equity Focus Fund, that the Committee remained supportive of retaining Longview as manager, and that should the CIV's current review result in a replacement manager, that any replacement would need to have a similar strategic fit with the rest of the Fund's equity portfolio, and that the Committee would not be supportive of a performance fee arrangement with any manager.</p> <p>(iv) Officers and Aon should continue the dialogue with LPPI / Berkshire in regard to the LaSalle Property Fund.</p>
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