



Pensions Advisory Panel

MINUTES of the OPEN section of the Pensions Advisory Panel held on Monday 26 February 2024 at 1.00 pm at Meeting Room 225 - 160 Tooley Street, London SE1 2QH

PRESENT

Councillor Stephanie Cryan (Chair)
Councillor Rachel Bentley
Councillor Emily Hickson
Clive Palfreyman
Caroline Watson
Tracy Milner
Roger Stocker
Spandan Shah
Mike Ellsmore
Colin Cartwright
David Cullinan
Andrew Weir

1. APOLOGIES

Apologies were received from Barry Berkengoff and Helen Laker.

2. CONFIRMATION OF VOTING MEMBERS

Councillor Stephanie Cryan, Councillor Emily Hickson, Councillor Rachel Bentley and Caroline Watson were confirmed as voting members.

3. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

There were none.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

The voting members confirmed their interest in the actuarial funding item.

5. MINUTES

RESOLVED:

That the minutes of the meeting held on 17 July 2023 be agreed as a correct record.

6. EQUALITIES, DIVERSITY AND INCLUSION ORAL UPDATE

Spandan Shah, Interim ESG Manager, Finance and Governance, provide a short verbal update on the topic of equalities, diversity and inclusion (EDI).

He advised that he had reached out to the head of diversity (EDI) within the council in order to align with the wider council on EDI.

RESOLVED:

That the EDI oral update be noted.

7. UPDATE ON THE LOCAL PENSION BOARD

Mike Ellsmore, Chair of the Local Pension Board, updated the pensions advisory panel on the last meeting of the local pension board.

There was a brief discussion, particularly about training for members and staff representatives.

RESOLVED:

That the update from the local pension board (LPB) meeting of 24 January 2024 be noted.

8. PENSION SERVICES – ADMINISTRATION FUNCTION UPDATE

Barry Berkengoff, the Pensions Manager, sent apologies and was therefore not at the meeting to present the report.

The Strategic Director of Finance advised that there were no more members in the pensions team.

There was a brief discussion regarding the rebranding of the pension fund website and expanded content.

RESOLVED:

That the update on the pensions administration function be noted.

9. ASSET ALLOCATION AND NET ZERO STRATEGY UPDATE - DECEMBER 2023

Caroline Watson, Senior Finance Manager, Treasury and Pensions, introduced the report.

There were questions on the report and a discussion.

RESOLVED:

That the fund's asset allocation at 31 December 2023, overall performance and other matters considered by the officers and advisers of the fund during the six months to the end of December and post quarter end, be noted.

10. GLENMONT CLEAN ENERGY FUND IV

Tracey Milner, Interim Pension Investments Manager presented the report.

There were questions on the report and a discussion.

RESOLVED:

1. That it be noted that, in line with the governance arrangements for new investments, voting members of the pensions advisory panel made an offline recommendation to the Strategic Director of Finance to progress a commitment in the Glenmont Clean Energy Fund IV.
2. That the decision to progress the commitment to Glenmont Clean Energy Fund IV be ratified.

11. ADVISERS' UPDATES - QUARTER TO DECEMBER 2023

David Cullinan presented his report and updated the panel.

Colin Cartwright from Aon presented his report and updated the panel.

There were questions and a discussion on the reports.

It was agreed that Newton would be invited to one of the upcoming advisory panel meetings.

RESOLVED:

That the quarterly investment updates be noted.

12. MULTI-ASSET CREDIT

Tracey Milner, Interim Pension Investments Manager presented the report.

There were questions on the report and a discussion.

RESOLVED:

3. That the progress in evaluating the market for multi-asset credit managers be noted.
4. That the officer proposal to invite managers and LCIV to attend a meeting for voting members of the pensions advisory panel on 4 March be agreed.

13. CARBON FOOTPRINT UPDATE - 31 DECEMBER 2023

Spandan Shah, Interim ESG Manager, Finance and Governance, presented the report.

There were questions on the report and a discussion.

RESOLVED:

That the fund's carbon footprint at 31 December 2023 be noted.

14. UPDATE ON APPROACH TO ENGAGEMENT AND VOTING

Spandan Shah, Interim ESG Manager, Finance and Governance, presented the report.

There were questions on the report and a discussion.

RESOLVED:

That the update on the engagement and voting activity for the underlying investments of the fund be noted.

15. ACTUARIAL FUNDING UPDATE - DECEMBER 2023

Caroline Watson, Senior Finance Manager, Treasury and Pensions, introduced the report.

There were no questions on the report

RESOLVED:

1. That the updated funding position at 31 December 2023 be noted.
2. That the amended funding strategy statement attached at Appendix 1 to the report be noted.

EXCLUSION OF THE PRESS AND PUBLIC

That the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in category 3 of paragraph 10.4 of the access to information procedure rules of the Southwark Constitution.

The following is a summary of the decisions taken in the closed part of the meeting.

16. GLENMONT CLEAN ENERGY FUND IV

The voting members of the pensions advisory panel considered the closed information relating to this item. Please see item 10 for the decision.

17. QUARTERLY INVESTMENT UPDATE - AON

The voting members of the pensions advisory panel considered the closed information relating to the Aon presentation section of this item. Please see item 11 for the decision.

18. MULTI-ASSET CREDIT

The voting members of the pensions advisory panel considered the closed information relating to this item. Please see item 12 for the decision.

19. ACTUARIAL FUNDING UPDATE - DECEMBER 2023

The voting members of the pensions advisory panel considered the closed information relating to this item. Please see item 15 for the decision.

The meeting ended at 2.32pm.

CHAIR:

DATED: