

	<b>Pension Board</b> 25 July 2022
	<b>Report from the Independent Chair of the Pension Board</b>
<b>Annual Report for 2021/22</b>	

<b>Wards Affected:</b>	ALL
<b>Key or Non-Key Decision:</b>	Non-Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	David Ewart, Independent Chair of the Pension Board

## 1.0 Purpose of the Report

- 1.1 This is the Chair's Annual Report to the Board for 2021/22. It provides a summary of the work carried out by the Council's Pension Board during the 2021/22 municipal year.

## 2.0 Recommendation(s)

- 2.1 That the Board note the contents of the report.

## 3.0 Detail

### Board's Work during 2021/22

- 3.1 To begin, I would like to reflect on the size of the Brent Pension Fund and Scheme which held investments of £1,128m as at 31<sup>st</sup> March 2022, had 44 employer organisations with active members within the Fund and had 22,993 members, made up of 6,039 active members, 9,987 deferred members and 6,967 pensioner and dependant members. During the year to 31<sup>st</sup> March 2022 the Fund received £64.1m in contributions and paid out £46.8m in benefits.
- 3.2 The Board met three times during the year, in each case virtually (as the Board comes under different legislation to other Council Committees), despite

not being able to meet in person, the Board continued with its work and considered a large number of matters.

3.3 The first virtual meeting on 22<sup>nd</sup> July 2021 considered the following:

- a. The Chairs Annual Report 2020/21;
- b. The Pension Fund Administration Update, including the Pension Fund Performance Report;
- c. The Revised Brent Pension Fund Administration Strategy;
- d. An LGPS Update including updates on;
- e. The Brent Pension Fund Risk Register; and
- f. Items considered by the Sub Committee, including:
  - i. The Investment Management Update Report for Q1 2021;
  - ii. A Brent Pension Fund – Funding Update;
  - iii. The draft 2020/21 Statement of Accounts;
  - iv. An Actuarial Services Procurement Report;
  - v. The Local Authority Pension Fund Forum (LAPFF) Engagement Report.
  - vi. An update on the London CIV (a confidential item).

3.4 The second meeting of the year on 2<sup>nd</sup> November 2021 considered the following:

- a. The Pension Fund Administration Update, including the Q1 Fund Update, The Breaches Policy and a Project PACE Update;
- b. An LGPS Update including updates on;
- c. The Brent Pension Fund Risk Register; and
- d. Items considered by the Sub Committee, including:
  - i. The Investment Management Update Report for Q2 2022;
  - ii. The 2020/21 Annual Report and Statement of Accounts;
  - iii. A Property Allocation Report; and
  - iv. An update on the London CIV (a confidential item).

3.5 The third and final meeting on 24<sup>th</sup> March 2022 considered a slightly large agenda, which was as follows:

- a. The Pension Fund Administration Update, including the Q3 Fund Update, and a Project Pace Update;
- b. The Brent Pension Fund Risk Register; and
- c. Items considered by the Sub Committee, including:
  - i. The Investment Management Update Report for Q3 2022;
  - ii. A Net Zero Transition Roadmap Update; Service:
  - iii. A Summary Report the Actuarial Assumptions;
  - iv. The 2020/21 Pension Fund Annual Report;
  - v. A Report on the Procurement of Actuarial, Custodial and Investment Management Consultancy;
  - vi. A LAPFF Update Report; and
  - vii. An update on the London CIV (a confidential item).

3.6 In summary, as in previous years, the board continues to receive high quality reports and regular updates on all those matters which enable it to fulfil its role in assisting the Council as scheme manager in ensuring that the scheme complies with the relevant legislation, policies and guidance. In particular:

- The Pension Administration providers, LPP, have been invited to attend meetings regularly to discuss their performance, improvements to the member experience, progress in increasing the quality of data and other relevant items such as complaints, operational controls, risk and overall oversight.
- Regarding the quality of data, it should be noted that as a result of the additional investment in data cleansing, both the common and conditional data scores have improved considerably since the contract (with LPP) was let in 2018.
- The main focus in 2021/22 has been to ensure the board receives assurances that the transition to a new IT system was being properly managed.
- The Board was pleased to note at its November meeting that for active and deferred members Annual Benefits Statements (ABS) had been issued to all members identified on year end returns from employers by the deadline. There were only a small number of records where queries from year end returns had not been resolved in time for members to receive an ABS. The board noted these outstanding queries are being monitored by LPP and as soon as the queries are resolved an ABS will be issued.
- The Board has continued to receive an updated, detailed and separate tailored risk register at each of its meetings supplied together with a risk strategy. The Board was particularly grateful for this, as effective risk management is a key foundation for sound governance of the Scheme.
- The Board continues to receive updates on elements of the Pension Administration Strategy when appropriate.
- The Board continued to receive and review copies of the reports that had been considered by the Pensions Sub Committee.

3.7 I should like to end by thanking the other members of the Board for their continued support during the year and understanding with respect to challenging nature of virtual meetings.

3.8 I would also like to express my sincere thanks to the Council officers, particularly those from Finance and Democratic Services for their excellent support during a difficult year.

#### **4.0 Financial Implications**

4.1 This report is for noting, so there are no direct financial implications.

#### **5.0 Legal Implications**

5.1 Not applicable.

## **6.0 Equality Implications**

6.1 Not applicable.

## **7.0 Consultation with Ward Members and Stakeholders**

7.1 Not applicable.

## **8.0 Human Resources**

8.1 Not applicable.

### **Report sign off:**

***Minesh Patel***  
Director of Finance