MINUTES OF THE PENSION BOARD
Held as an online meeting on Monday 23 March 2026 at 6.00 pm

PRESENT: (In remote attendance): Mr David Ewart (Independent Chair), Councillor Tazi Smith (Employer Representatives) & Chris Bala (Pension Scheme Member Representative)

Also Present (in remote attendance): Emma Hebblethwaite (Head of Member Services, LPPA), Emily Booth (Client Relationship Manager, LPPA) and Councillor Mili Patel (Deputy Leader and Cabinet Member Finance & Resources).

1. **Apologies for absence**

Apologies for absence were received from Councillor Kabir (who was reported to be unwell) and from Robert Wheeler (Member Representative – GMB) & Bola George (Member Representative – Unison).

Given the apologies for absence submitted members noted that the meeting was not technically quorate but agreed to proceed on the basis that there were no specific items requiring a formal decision on the agenda and with any actions agreed being subject to ratification at the next meeting.

2. **Declarations of Interests**

David Ewart (as Independent Chair) declared a personal interest as a member of CIPFA.

No further declarations were made during the meeting.

3. **Minutes of the previous meeting**

The minutes of the previous meeting held on Thursday 6 November 2025 were **AGREED** as an accurate record, subject to the following amendment:

Min 9: Investment Monitoring Report - Q2 2025

1st bullet point - the valuation of the Fund listed to be amended from £1.36 million and £1.32million to £1.36 billion and £1.32 billion respectively.

4. **Matters arising**

None.

5. **Deputations (if any)**

None.

6. **Pensions Administration Update**

John Smith (Pensions Manager, Brent Council) introduced the report from the Corporate Director Finance & Resources outlining the performance of the Local Pensions Partnership Administration (LPPA) against the Service Level Agreement's (SLA's) during the period 1 October 2025 to 31 December 2025. In introducing the report, he highlighted the following key points before inviting Emma Hebblethwaite (Head of Member Services, LPPA) to provide a more detailed update:

- Performance figures had improved across the board, with none of the processes falling below the 95% SLA threshold. The position was described as generally stable.

- Helpdesk performance had improved, with 87.8% of calls answered within three minutes, an improvement on the previous quarter, albeit noted as seasonal in nature.

- Data quality continued to improve incrementally, with common data advancing to 96.6% and conditional data to 87%.

- The McCloud remedy project remained flagged amber, with further validation taking place and LPPA working on a path towards green. This included a focus on eligibility ahead of processing bulk calculations and payments along with processes being refined benefits in payment and transfers being prioritised. Progress was noted in continuing to deliver remedy payments and UPM functionality, notwithstanding some recent technical developments that had complicated the position. The latest data indicated that Brent's pension fund was on track to include underpinned data for all affected members in the 2025–26 Annual Benefit Statements.

- The Pensions Dashboard project was flagged green, with LPPA having successfully connected to the ecosystem in December 2025. Project planning for stage two was underway.

- An employer forum had been held on 18 November 2025, which had been well received. Highlights included the actuary's presentation of employer contribution rates and along with a presentation from LPPA's employer engagement team. A range of training courses were being made available to employers and officers, including LPPA's own training suite, courses run by Affinity Connect, and internally run pension training sessions, which had proved particularly popular, with 82 and 56 attendees at the last two sessions respectively.

Following introduction of the report, the Chair welcomed Emma Hebblethwaite (Head of Member Services, LPPA) accompanied by Emily Booth (recently appointed as a Client Relationship Manager at LPPA) as the Council's administration service provider, who provided further detailed updates regarding recent pensions administration performance, summarised below:

- SLA performance had remained consistently above 95% across all key processes throughout Q3, maintaining the positive position seen in Q2.

- Helpdesk wait times and satisfaction scores continued to be strong, with average call wait times remaining below the four-minute target. Satisfaction feedback was used as part of quality assurance and staff development within the contact centre.

- In relation to complaints, Emma Hebblethwaite outlined the approach taken through LPPA’s internal complaints board, which reviewed approximately 10% of all completed complaints across all clients on a root cause analysis basis, with senior representation in place to drive lessons learned and service improvements. One example given was an improvement to guidance around LPPA’s secure portal, Mimecast, following complaints from members who had mistaken communications for spam, which had effectively eliminated that category of complaint. For Brent specifically, 80% of complaints received in the last six months had been resolved within 30 days, which was considered a positive position. The remaining 20% generally reflected the complexity of the process involved, such as retirements or transfer cases dependent on third parties. The overall volume of complaints represented approximately 0.35% of SLA processes.

- Service improvement work had included significant automation across retirements, refunds and deferments, with approximately 50% of cases in those areas now processed automatically. This was enabling the team to focus greater capacity on complex cases. Examples of improved member experience included retirement quotes being delivered in as little as 45 seconds and pensions processed to payment within a working week of initial contact. An improved leaver form for employers had also been launched shortly before Christmas, which was already reducing the need to revert to employers for clarification.

- The Pensions Dashboard project was progressing well, with stage two planning underway. LPPA had a growing member panel of approximately 4,000 members across all clients, who were planned to be involved in testing ahead of go-live.

- On the McCloud remedy, LPPA remained on track to include underpinned data in the Annual Benefit Statements to 31 March 2026, with retrospective payment cases due to be picked up in Q1 (April to June 2026).

Following the update, the Chair invited comments from Board members, with questions and responses summarised below:

- A question was raised on the main causes of Brent-specific complaints and any lessons learned. Emma Hebblethwaite advised that whilst not have the specific data available at the meeting the general theme across LPPA’s complaints tended to relate to the management of member expectations, particularly around process timescales. John Smith advised that there had been 12 new complaint cases since the last Pension Board accruing at a rate of 4 per month with the number of complaints received during the quarter having been analysed by case type within section 3.3.8 of the report. Whilst this represented an increase compared to the previous quarter an assurance was provided that overall numbers remained relatively small.

- Referring to the customer satisfaction tables in the report, a member noted that across approximately 437 retirements there were 13 dissatisfaction scores, suggesting only around 3% of members were dissatisfied with the retirement process. Emma Hebblethwaite confirmed that satisfaction levels had been improving over the previous 12 to 18 months and that the survey response rate, while lower than total case volumes, was considered good by industry standards. It was noted that those who were dissatisfied were more likely to complete a survey, making the positive response rate all the more encouraging.

- A question was raised on whether dependant pension cases were captured in the retirement figures and how that process was measured. Emma Hebblethwaite confirmed that the retirement figures related solely to members moving from active or deferred status to pensioner in their own right and did not include dependants. She explained that the death and dependant process was among the most complex administered, potentially involving questions of next of kin, nomination forms, children from previous relationships, and whether notification had come from a family member or a returned bank payment. Customer satisfaction was not formally surveyed in this area given its sensitive nature, though the subject had been discussed. John Smith added that straightforward cases – for example where there was a clear nomination form, a will, and a surviving spouse – could be dealt with efficiently, but others could become very complex and occasionally left the fund to contend with insufficient evidence and or deep-seated family disagreements.

- A further observation was made that some member dissatisfaction arose not from errors in administration but from expectations exceeding entitlement. It was noted that where members felt their case had not been handled correctly, they retained the right to approach the Pensions Ombudsman, though very few cases reached that stage.

With no further questions raised the Chair thanked Emma Hebblethwaite and John Smith for the update and it was **RESOLVED** that the report be noted.

7. **Local Government Pension Scheme Update**

John Smith (Pensions Manager, Brent Council) introduced the report from the Corporate Director Finance & Resources, providing an update on the latest developments within the LGPS regulatory environment listing during the quarter. The following key matters were highlighted

- Inheritance Tax and Death Benefits: Members were advised that the Budget had confirmed the Government's intention to proceed with its proposal to include certain unused pension funds and death benefits within the estate for inheritance tax (IHT) purposes for deaths after 5 April 2027. The key point for the LGPS was that transfers between spouses would not ordinarily be caught. For non-spousal beneficiaries who were affected, provision had been made for the pensions team to be directed to withhold 50% of benefits to address potential Inheritance Tax liability.

- Contribution Bands: The Board was advised of the employee contribution bands, which would be effective from 1 April 2026 (as set out within Table 1 of section 3.2.7 of the report). These had been calculated by increasing the 2025/26 employee contribution bands by the September CPI figure of 3.8% and then rounded down to the nearest £100.

- Access and Fairness Consultation – Death Grants: The Board was advised of a number of proposals which MHCLG had announced its intention to implement with effect from 1 April 2026. These included the age 75 limit on death grants having been removed, with effect from 1 April 2014 and the requirement to pay death grants to the estate after two years had elapsed from the date the fund could reasonably have known of a death being removed, which was welcomed as a helpful practical change for administrators, albeit not universally applicable. Other changes had involved Qualifying additional pension arrangements (QAPAs), the requirement for cohabiting partners to be formally nominated, introduced in 2018 but widely not adhered to on equality grounds, being formalised along with significant changes being made in relation to leave without pay. It was reported that where this involved periods of up to 14 days, contributions would be collected on normal pay with no requirement to buy back the period. For periods of more than 40 days, the cost of buying back would now be based on the member's actual pay and contributions. The election period had been extended from 30 days to one year and the existing three-year cap had been removed. These changes applied to breaks commencing after 31 March 2026. The changes were noted as forming part of a wider suite of measures aimed at addressing the gender pay gap, with the Secretary of State also introducing a requirement in the 2025 valuation to provide data on the gender gap, with more detailed measures anticipated from 2028.

- Access and Protections consultation: The Board were reminded of the Government consultation on LGPS (England and Wales): Scheme improvements (access and protections) which had commenced in October 2025 on which Brent's had responded in December 2025 (as detailed attached in Appendix 6 of the report). The government had issued a partial response to replies focusing on elected members in February 2026 (as detailed in Appendix 7 of the report), which had confirmed that the Government intended to offer mayors and councillors access to the LGPS. Rather than automatic enrolment, they would be required to opt in, and provisions such as the 50/50 scheme would apply in the same way as for other members. The implementation date had been delayed from April 2026 to 11 May 2026 given the proximity of local elections with it noted that software houses were unlikely to be able to reflect the change fully in Annual Benefit Statements until 2027.

The Chair thanked John Smith for a comprehensive and informative report and with no questions or comments raised by members it was **RESOLVED** to note the report and the recent developments outlined in relation to the LGPS.

8. Risk Register

Sawan Shah (Head of Finance, Pensions and Housing Companies) introduced a report from the Corporate Director Finance & Resources presenting the updated

Risk Register for the Brent Pension Fund Pensions Administration Service. The Board was reminded that the regulator expected the fund's risk register to be regularly reviewed alongside the Risk Strategy (attached as Appendix 2 to the report). In noting the updated Risk Register detailed within Appendix 1 of the report, the Board was advised of the following key changes since the previous update:

- General updates to reflect the successful progress on the McCloud remedy implementation, as discussed under the pensions administration update.

- Updates in the legislation and guidance section to reflect upcoming changes to the LGPS, including those relating to councillors' access to the scheme and other regulatory amendments as discussed under item 6.

- Updates reflecting the nearing completion of the triennial valuation report and the investment strategy review.

- A review of risk scores across all areas to ensure they remained appropriate. In particular, attention was drawn to risk 6.6 relating to inflation, which retained the highest likelihood score of five. It was noted that whilst recent UK inflation figures and Bank of England interest rate decisions had been relatively positive, the risk to inflation remained firmly on the upside given the current geopolitical environment, with market volatility in the commodity space a particular concern.

The Chair thanked those who had prepared the register and commended both its quality and the clarity of the presentation. No questions were raised, though the Chair noted that the risk scores around inflation and market volatility reflected the difficult environment in which the fund was currently operating.

As a result, the Board **RESOLVED** to note updated Risk Register, including the key changes set out in section 3.2.4 of the report.

9. **Training Update**

Manish Shah (Senior Finance Analyst, Pension Fund, Brent Council) introduced the report from the Corporate Director Finance & Resources providing an update on the progress in Board members having completed their required training modules as set out on the LOLA (LGPS Online Learning Academy) platform provided by Hymans Robertson. Members were thanked for their efforts in completion of all required modules with it confirmed that Hymans Robertson would be providing a refresher training course for any new or returning members, together with any further updates arising during the year to new members following the upcoming local elections.

The Chair thanked Manish Shah for the update and with no questions raised the Board **RESOLVED** to note the report and confirm its continued commitment to support the learning programme as outlined within the training timetable.

Before moving on to the remaining items on the agenda the Chair reminded Board members that agenda items 10, 11, 12, 13 and 17 were reports referred to the Pension Board for information following their consideration at the Brent Pension

Fund Sub Committee on 18 February 2026. As a number of these contained exempt appendices, members were advised that any detailed comments on issues within those exempt appendices would need to be dealt with during the closed session of the meeting. The Chair also noted that, while presenting the items, the officers doing so were neither investment analysts or actuary's and that the Board's role was to receive information and provide oversight rather than to determine.

10. **Investment Strategy Review**

Sawan Shah (Head of Finance, Pensions and Housing Companies) introduced the report from the Corporate Director Finance & Resources, which the Board was advised provided a review of the Fund's investment strategy, carried out by the Fund's investment advisors and undertaken in line with best practice at the end of the 2025 valuation cycle.

Members noted that the purpose of the review had been to assess whether the current investment strategy remained appropriate and to consider alternative strategies that might better meet the Fund's strategic objectives. The Board was advised that this was one of the most significant pieces of work considered by the Sub Committee, given that the vast majority of investment performance would be determined by the overall asset allocation rather than by which individual managers were appointed.

Key points from the report were summarised as follows:

- Given the improved funding level arising from the 2025 valuation, the Strategy had reflected the recommendation made at the October Pension Fund Sub Committee that the Fund should reduce its overall risk exposure. The broad allocation to three main areas – growth, income, and protection – was supported.

- Within the growth allocation, it had been recommended to reduce the long-term exposure to growth assets while introducing an allocation to private equity, partly in anticipation of the Government's Fit for the Future proposals requiring funds to allocate assets towards local investment.

- Within the income allocation, the strategy review recommended increasing the total allocation to 32.5%. Private debt allocation was broadly maintained, with property and infrastructure allocations both targeted at 10%. The multi-asset portfolio allocation was recommended to reduce to 5%, a change that could be implemented, in part, promptly.

- On the protection side, it was recommended to increase the allocation to both fixed interest gilts and the multi-asset credit fund to 20%, largely funded through the rebalancing of the multi-asset allocation.

- A significant difference from the previous strategy review was that, in light of the Government's Fit for Future reforms, the Fund would no longer implement the strategy directly. Under the requirements relating to pooling arrangements, responsibility for delivery and implementation of the new investment strategy would rest with the London CIV. Given that a number of the increases in allocation were to private market assets such as infrastructure, property and private debt, which take time to build up, the report proposed an interim target allocation to work towards in the meantime.

In response to a question from the Chair on whether the maturing nature of the Fund was influencing the strategy, the Board was advised that this was indeed a factor. As a sector, LGPS pension funds were better funded than at any previous valuation, meaning that most funds were seeing reductions to employer contribution rates and therefore did not need to take as much investment risk. Alongside this, as a maturing fund with more pensioner members drawing benefits than active members paying in, and with employer contributions reducing, there was a greater need to generate income from assets. The strategy therefore reflected a gradual move from growth assets towards income-generating assets with contractual income streams.

In noting that the report had been subject to detailed review and approval at the Brent Pension Fund Sub Committee, the Board expressed support for the approach outlined and **RESOLVED** to note the report.

11. **Investment Monitoring Report - Q4 2025**

The Board received the Investment Monitoring Report covering the second half of 2025 (July to December 2025). It was acknowledged that, given the timing of the meeting, this data was now somewhat historic. Key highlights from the report were summarised as follows:

- The Fund had posted positive returns over the half-year period, ending with a valuation of £1.49 billion, up from £1.36 billion in June 2025.

- The market background had been a growth environment. Global equities had performed strongly, with UK and emerging market equities driving returns rather than the US, which represented something of a departure from recent years. Both the US and UK central banks had reduced interest rates over the period whilst the Eurozone held steady.

- Fixed income yields had been broadly stable over the half-year period, though significantly higher than a few years previously.

- The Fund’s passive global equity mandates were the principal contributors to positive returns, with UK and emerging markets equities particularly strong. Most asset classes finished in positive territory. Over the half-year period the Fund returned 9.4%, outperforming its benchmark by 0.5%. Yearly returns were also strong at 11.9%.

- A new allocation to the Legal & General Future World Index Fund had been implemented during the final quarter, providing an immediate reduction in the Fund’s carbon footprint and a built-in carbon transition pathway for future years.

No questions were raised by members. In noting that the report had been subject to detailed review at the Brent Pension Fund Sub Committee, the Board **RESOLVED** to note the contents of the report.

12. **2025 Triennial Valuation Results and Funding Strategy Statement**

The Board received a report setting out the results of the 2025 triennial valuation and the final version of the Funding Strategy Statement. The Board was reminded that the key headline results would be familiar from previous meetings during the year, as the whole-fund results and assumption-setting process had been presented at earlier stages. The following points were highlighted:

- The Fund's funding position had improved from 87% at the previous valuation to 113% as at 31 March 2025, described as a very significant improvement and a strong position for the Fund to be in, particularly noting that nine years ago the funding level had been as low as 55%.

- Employer contribution rates for the majority of employers in the Fund would be reduced from 30.5% to 23% from the start of April 2026. The Board was advised that an earlier indicative rate of 26% had been proposed in November, but that the final data had produced a further positive shift across most metrics, enabling a further reduction. The rate of 23% had been agreed with the actuary as appropriate, maintaining prudency and protecting the Fund's surplus while passing on the benefits of improved funding to employers whose budgets remained stretched.

- The prudency level had been increased from 70% in the last valuation to 80% at this valuation.

- Draft employer contribution schedules had been produced and communicated to all employers, and had been reviewed at the November 2025 employers' forum. The Funding Strategy Statement had been consulted upon with the local authority, academy and other schools, and for the first time with the Department for Education, over the winter period. The final version had been presented to the Sub Committee following consultation for approval.

- The final version of the valuation report from the actuary was expected within the days following the meeting, subject to completion of the remaining appendices.

Following the update, the Chair invited comments from Board members, with questions and responses summarised below:

- Regarding cash flow, it was noted that, based on the prior year's accounts, the Fund had received £73 million in contributions against £60 million paid out in pensions and lump sums, giving a headroom of approximately £13 million. Given that employer contributions were being reduced by approximately a quarter, and that deficit recovery contributions would no longer be needed, a query was raised as to whether this might result in the Fund moving into negative cash flow position. In seeking to provide assurance, the Board was advised was not considered a cause for concern. In the short term, the Fund held around £50 million in cash, providing ample capacity to pay pensions without issue. In addition, the deficit recovery rate would not be eliminated entirely given the stabilisation mechanism, which caps and collars contribution rate movements to avoid volatility between valuation cycles. The full picture on the cash flow position would not be known until contributions and payments had been running under the new rates for a month or two, likely in April or May. Longer term, most of the Fund's investments were currently set up to reinvest income rather than distribute it, and the most straightforward adjustment available, should further income be needed, would be to switch a portion of those investments to distribute income or dividends on a regular basis, as many funds were already operating in this way.

- Moving on to cover negative secondary rates, the Chair noted that certain employers within the Fund appeared in the schedules with a negative rather than a positive secondary contribution rate and sought clarification. The Board was advised that these tended to be standalone employers, generally either newly established rather than converter schools and therefore tracked independently, admitted contractors who had entered the fund for a specific period in connection with an outsourced contract, or smaller employers with a long-standing community link to the borough. Where those employers were well-funded in their own right, it was appropriate to apply a negative secondary rate as a way of effectively returning a proportion of the surplus to them through a reduced overall contribution.

In noting that the report had been subject to detailed review and approval at the Brent Pension Fund Sub Committee, the Board endorsed the approach outlined and **RESOLVED** to note the draft valuation report (as detailed within Appendix 1 of the report), proposed change in employer contribution rate and Funding Strategy Statement (FSS) as set out in section 3.5 and Appendix 2 of the report.

13. **LAPFF Update**

The Board noted the report providing an update on the engagement activity undertaken by the Local Authority Pension Fund Forum (LAPFF) on behalf of the Fund A along with the summary of key engagements made by LAPFF as reported in Appendix 1 of the report. In noting that the report had been subject to detailed review at the Brent Pension Fund Sub Committee in February 2026 the Board **RESOLVED** to note the report and update on LAPFF engagement activity, without further comment.

14. **Date of next meeting**

The Board noted the provisional dates identified for the meetings in the 2026–27 municipal year, as follows, which members were advised would be subject to final confirmation following Council's Annual Meeting in May 2026:

- Tuesday 21 July 2026 to be held at 6pm as an online meeting
- Thursday 5 November 2026 to be held at 6pm as an online meeting.
- Monday 22 March 2027 to be held at 6pm as an online meeting.

The Chair raised for members' consideration whether, if there were new members following the May elections, it might be appropriate to hold one meeting in person rather than entirely online, which it was agreed to explore in more detail at the first meeting in the new Municipal Year.

15. **Any other urgent business**

The Chair noted that this would be the last meeting of the current Council Administration and therefore took the opportunity to pay tribute and thank Councillor Kabir for her loyal and faithful service since the start of the Board's existence.

The Chair also extended his thanks to officers for their support and the high quality of information and advice provided throughout the year. The Board formally endorsed these thanks. The Chair additionally asked that the Board's thanks be passed on to the Local Pensions Partnership Administration (LPPA) for their support.

No further items were raised.

16. **Exclusion of the Press & Public**

At this stage in the proceedings, the Pension Board was asked to consider whether they wished to exclude the press and public for consideration in the final report on the agenda. Given that the following item had been submitted for information and could be considered without the need to disclose any information classified as exempt, it was **RESOLVED** not to exclude the press and public from the remainder of the meeting.

The meeting then continued in open session.

17. **London CIV update**

The Board received a brief update on the London CIV, providing the latest information on Brent Pension Fund investments held within the London CIV and recent developments in light of the Government's Fit for the Future plans.

The Board was advised that the London CIV would be assuming responsibility for the implementation of the Fund's investment strategy from April 2026. At the Sub Committee meeting, the London CIV had provided a presentation on how investments would be managed going forward, covering strategy advice, implementation, asset transitions, and local investment. In noting that the report and accompanying presentation from the London CIV had been subject to detailed review at the Brent Pension Fund Sub Committee in February 2026, the Board **RESOLVED** to note the report without further comment.

The meeting closed at: 7:18pm

MR. D EWART
Independent Chair