



PUBLIC BOARD

MINUTES

Meeting:	London Pensions Fund Authority Board (Corporate & Strategy Session)	
Date:	Tuesday 24 October 2023	
Location:	Royal College of Obstetricians and Gynaecologists; 10-18 Union St, London SE1 1GH	
Time:	14:30 – 14:39	
Present:	John Preston	LPFA Chair and Chair of the Meeting
	Rita Bajaj	
	Cllr Ruth Dombey	
	Belinda Howell	
	Sophia Morrell	
	Tamlyn Nall	Chair of Investment Committee
	Cllr Richard Olszewski	
	Debbie Rees	
	Clare Scott	
	Christina Thompson	Chair of Audit and Risk Committee
In attendance:		
LPFA:	Robert Branagh	CEO
	Mark Anderson	Head of Compliance, Risk and Pensions
	Audrey Allen-Chitwa	Interim Deputy s151 Officer
	Anastasia Klimenko	Chief of Staff
	Paul Hewitt	Responsible Investment Manager
	Jason McKenzie	Interim Governance Manager (Minutes)
	Alistair Peck	Head of Communications and Engagement
	Lana Watson	Funding and Investment Director
LPPI:	Tom Richardson	Chief Risk Officer (Items 7-8)
LPPA:	Jo Darbyshire	Managing Director (Items 7-8)
Apologies:	Terence Jagger	LPFA SH/NED of Local Pensions Partnership (LPP)
	Michelle King	LPFA Finance Director
	Chris Rule	LPP/LPPI CEO
	Luke Webster	Greater London Authority (GLA)

1. PF2282 Introductory Matters

Chairman's welcome, apologies, and declarations

- 1.1. The Chair welcomed all attendees to the Public Board session. It was noted that feedback from the Board committees had already been received and discussed during the Corporate and Strategic session of the Board.
- 1.2. The Board noted that the structure of the Board meetings including the Public meeting will be reviewed once the incoming Governance Manager commences in post.

Apologies

- 1.3. Apologies received from Terence Jagger, Chris Rule (LPP/LPPI CEO) Luke Webster (GLA) and Michelle King (LPFA Finance Director).

Declarations of Interest

- 1.4. No declarations were received.

Minutes and action points of the 13 July 2023 meeting

- 1.5. The Board considered the minutes of the Board Only session held on 13 July 2023 and noted no decisions were made via email since that date.

Action points

- 1.6. The Board confirmed it was satisfied with the status of the remaining, completed, or ongoing action points from previous meetings.

Overview of decisions made in Private and Corporate and Strategic Sessions

- 1.7. The CEO provided a summary of the decisions made in the Private and Corporate and Strategic Sessions of the Board.

- 1.8. The Board ratified the decisions made out of session:

- a) **APPROVE** Audrey Allen-Chitwa as interim Deputy s151 Officer.
- b) **APPROVE** Local Pensions Partnership Written Special Resolution 26 September.
- c) **APPROVE** the 2022-23 Statement of Operational Accounts to 31 March 2023.
- d) **APPROVE** the 2022-23 Statement of Residual Liability Accounts to 31 March 2023.
- e) **APPROVE** the 2022-23 Statement of Pension Fund Accounts to 31 March 2023.
- f) **APPROVE** the 2023 Annual Governance Statement.
- g) **AUTHORISE** the LPFA CEO to sign the Form of Proxy and attend the LPP Annual General Meeting on 25 October 2023 and act on behalf of the Board.
- h) **APPROVE** the 2024-25 LPFA Priorities without alteration.
- i) **APPROVE** the Treasury Management Policy without alteration.
- j) **APPROVE** the Pension Fund Annual Report and Statement of Accounts 2022/23 and **DELEGATE AUTHORITY** to the CEO to make any minor editorial changes as required.
- k) **APPROVE** the Pension Administration Strategy subject to a minor edit on page 6.
- l) **APPROVE** the 2022-23 LPFA Annual Report Executive Summary and **DELEGATE AUTHORITY** to the CEO to make any minor editorial changes as required.
- m) **APPROVE** the 2022-23 LPFA Annual Report and **DELEGATE AUTHORITY** to the CEO to make any minor editorial changes as required.
- n) **APPROVE** the Responsible Investment Strategy subject to a minor editorial change.

- 1.9. The Board **RESOLVED** to:

- a) **APPROVE** the minutes of the Public Board session held on 13 July 2023 and **agree** for these to be signed as a true and accurate record; and
- b) **NOTE** the progress made on the action points and confirm that the Board is content with the status of the completed items or not due to action points from previous meetings.

Reports of the Minutes

2. PF2283 Audit and Risk Committee

- 2.1. The Chair of the Audit and Risk Committee provided an overview of the meeting held 20 September 2023.
- 2.2. The ARC Chair provided an overview of the September meeting. A private session with the external auditors Grant Thornton was held. Going forward such sessions will continue with the incoming auditors, Ernst & Young.
- 2.3. During the meeting, ARC **APPROVED** the following items:
 - a) 13 June 2023 ARC meeting minutes.
 - b) Treasury Management Policy.
 - c) Letters of Representation to the external auditors.
- 2.4. ARC **REVIWED** and **RECOMMENDED** the Board **APPROVE** the following items:
 - a) Local Pensions Partnership Written Special Resolution 26 September 2023. (Out of session).
 - b) 2022-23 Statement of Operational Accounts. (Out of session).
 - c) 2022-23 Statement of Residual Liability Accounts. (Out of session).
 - d) 2022-23 Statement of Pension Fund Accounts. (Out of session).
 - e) Annual Governance Statement. (Out of session).
 - f) 2022-23 LGPS Governance Compliance Statement. (Out of session).
- 2.5. The ARC Chair expressed concern regarding the necessity of submitting the Accounts and AGS, out of session. The Committee requested earlier timeframes going forward and amending the meeting schedule if possible.
- 2.6. The Board noted ARC approved the extension of the improvement in the internal management risk for implementing the UPM controls to 31 July 2024.
- 2.7. The Board noted client management continues to be an issue at LPPA, and the distribution of Annual Benefits Statements continues to be affected by some employers not submitting data on time.
- 2.8. The Board noted ARC were unable to review the risks in whole due to the reported CAMMS issue and substantial manual work was undertaken to produce the risk register for this meeting.
- 2.9. ARC held an informal discussion regarding committee effectiveness and will present an overview to the Board in December.

3. PF2262 Investment Committee

- 3.1. The IC Chair provided an overview of the October meeting.
- 3.2. The Board noted the discussion held regarding the Strategic Allocation Strategy challenges and LPPI are currently revising the proposal to encompass a trend following strategy in one fund as opposed to a more traditional diversifying strategy. IC have also requested clarity on how LPPI will appoint external fund managers, as well as further information on asset class selection. This will be reviewed by IC in November and, if approved, will be presented to the December Board to decide if a 2.5% increase warrants the associated administration to change.

- 3.3. The IC discussed the proposed Responsible Investment strategy and has since agreed that including biodiversity- although acknowledged as hugely important- would not be prioritised as an additional standalone key area at this time.
- 3.4. Redington presented the challenges in measuring Real Estate emissions for fixed income assets. This is largely due to the difficulty in applying pressure to obtain the individual asset emission data (especially where the manager was based outside the UK), and the importance for LPPI to monitor this was reiterated.
- 3.5. IC held a deep dive on external fund management selection and commended LPPI on their thorough approach to due diligence. The Board noted the IC will hold deep dives on every asset class on a rolling cycle following each committee meeting. Other Board members are invited to attend.

4. PF2263 Local Pensions Board

- 4.1. The CEO provided the Board with an overview of the September LPB meeting. This robust meeting focused on how LPPA processes retirement and bereavement cases.
- 4.2. The CEO provided assurance that the LPB are performing well, and the newly appointed chair and members are effectively and fully contributing. Clare Scott who attended this meeting as an observer agreed.

5. AOB

- 5.1. The Board **NOTED** the next meeting will be held on 12 December 2023 in Preston.
- 5.2. There being no other business the Chair closed the meeting at 14:39.

Signed as an accurate record of the meeting:

John Preston
LPFA Chair

Date: 12/12/2023