

MINUTES

APPROVED

Meeting:	Minutes of the meeting of the Local Pension Board of the London Pension Fund Authority("LPB")	
Date:	Tuesday 13 February 2024	
Time:	10.00-12.30	
Location:	LPFA Offices, G.04, 169 Union Street, London SE1 0LL	
Present:	Andy Cunningham Mike Allen Stephen Boon James Cherry Luke Rigg Surendra Wanza** Natalie Watt	LPB Chair (Chair) Member Representative Employer Representative Member Representative Employer Representative Member Representative Member Representative
In Attendance:	Robert Branagh John Crowhurst Chris Dawson Ashley Durkan Anastasia Klimenko Alistair Peck Mala Visram	LPFA Chief Executive Officer LPPA Commercial Director LPPA Head of Engagement and Communications LPFA Governance Manager (Minutes) LPFA Chief of Staff LPFA Head of Comms and Engagement LPFA Pensions Technical Manager
Apologies:	Mark Anderson Michelle King Jasbir Sandhu Amy Sweeting*	LPFA Head of Compliance, Risk and Pensions LPFA Finance Director Employer Representative Member Representative

*Maternity Leave

**via MS Teams

1. LPB200 – Introductory Matters

Chairman's welcome, apologies, and declarations

- 1.1 The Chair welcomed those present and confirmed that the meeting was quorate. No new declarations of interest had been made ahead of the meeting and apologies had been received from Mark Anderson, Michelle King, and Amy Sweeting. It was noted that Jasbir Sandhu was absent from the meeting without providing prior apologies.

Minutes of the Meeting held on 21 November 2023

The Board **REVIEWED** and **APPROVED** the minutes of the last meeting held on 21 November 2023.

Action Points

- 1.2 The Board **NOTED** all other actions from previous meetings, the updates on how those actions were being addressed and those marked for closure.

2. LPB201 – LPFA CEO Business Update Report

- 2.1 The CEO presented an update on LPFA Board activities and membership changes. The report detailed the onboarding of two new members, who commenced their four-year term on 1st January following mayoral approval. Mandy Sadler, an independent professional trustee with legal expertise,

and Irshaad Ahmad, an investment professional with a notable career in asset management, were highlighted for their contributions to diversifying Board expertise. Additionally, the CEO mentioned the ongoing process to replace Christina Thompson, involving interviews with two nominees from the London Councils/Society of London Treasurers, with a panel interview planned for the end of February.

- 2.2 The CEO discussed the LPFA Strategic Policy Statement (SPS), focusing on Business As Usual (BAU) improvements and the LPFA's change/growth agenda. The strategy's emphasis on enhancing member experience, considering investment strategies for employers, and openness to collaboration and potential mergers with other funds was outlined. The report underscored the strategic pivot towards addressing the fund's cash-negative position and managing inflation and return pressures.
- 2.3 Engagement and consolidation efforts were elaborated upon, with the CEO sharing insights into discussions with the mayor's office regarding strategic and budgetary plans. Though formal approval was pending, optimism for further collaboration, particularly with London Boroughs and the London CIV, was expressed. The CEO also discussed exploring investment opportunities in London that aimed to generate returns while benefiting the community.
- 2.4 Updates on the LPP Shareholder Board and governance structure were presented. The CEO detailed the changes to the shareholders' agreement, done in collaboration with Lancashire County Council and LPP management, aiming for transparency in responsibilities and relationships. The conclusion of this agreement was anticipated by 31 March 2024.
- 2.5 During the open discussion, questions were raised regarding consolidation efforts and potential impacts on the LPFA's strategic presentation. The CEO emphasised the significance of collaboration and mutual support among Funds to navigate changes and improve practices.
- 2.6 The Chair of the Board concluded the agenda item by reflecting on the challenges and opportunities within the London/LGPS landscape, particularly highlighting the unique position of London Boroughs due to their smaller scale. The commitment to exploring innovative solutions for using pension assets to address local issues and to strategic collaboration was reaffirmed.
- 2.7 The Board **NOTED** the updates provided by the LPFA CEO.

3. LPB202 - LPFA Compliance Oversight and Regulation

- 3.1 The CEO presented the compliance update, noting that Mark Anderson provided apologies due to illness. The report highlighted adherence to COP14, mentioning no breaches of material significance reported to TPR for the Q3 2023/24 period. With a new general Code expected to come into force on 27 March 2024, efforts are underway to align LPFA's governance framework with the new code's requirements. Employer Risk Contribution Monitoring was detailed, showing the reconciliation of employer contribution payments with a high percentage of timely payments and no actions required for late payments made within 30 days.
- 3.2 Further elaborating on SLA metrics and KPIs, the CEO noted improvements in SLA performances and a reduction in complaints, indicating positive trends in operational efficiencies. The emphasis was on the significant effort invested in embedding improvements across various processes, including retirement and death processing. Despite the occasional complaint, there was confidence in the accuracy of calculations and overall process integrity.

- 3.3 Addressing data quality, the CEO underscored the importance of ongoing strategic planning and analysis, particularly in preparation for the Pension Dashboard Programme. The suggestion was made for a dedicated session on data strategy at a future Board meeting to ensure a holistic understanding and approach to data management across various operational fronts.
ACTION: LPFA/LPPA
- 3.4 In the discussion on the broader implications of data quality and compliance, the Chair and CEO agreed on the importance of aligning LPFA's practices with the upcoming general code of practice from TPR, effective 27 March 2024. The conversation highlighted the need for a detailed analysis to ensure compliance and embrace best practices that benefit the fund's governance and operational efficiency.
ACTION: LPFA Governance Manager
- 3.5 Attention was drawn to cybersecurity and the robustness of LPPA's operational models in ensuring data security and resilience. The CEO assured of the Fund's preparedness and ongoing efforts to enhance cyber resilience, underscoring the importance of continuous awareness and improvement.
- 3.6 During the discussion, a Board Member highlighted concerns regarding the availability of the LPPA's online pension portal, specifically noting recent experiences where access issues had impacted members' ability to view their pension details. This feedback highlighted the importance of consistent portal uptime and the need for improved communication strategies from LPPA to notify Members and Employers proactively about any anticipated or sudden service disruptions.
- 3.7 The Board Member's observation led to a broader conversation on enhancing the user experience for Members, stressing the need for transparency and efficiency in digital interactions. The discussion acknowledged that timely and clear communication regarding portal status is essential for maintaining member trust and satisfaction. It was suggested that LPPA should implement a more robust notification system to inform users of downtime, thereby allowing members and employers to plan accordingly and avoid inconvenience.
- 3.8 The CEO concluded the updates with a commitment to ongoing improvement across all areas of operation, from compliance and performance to data management and cybersecurity. The Chair and Board Members expressed their agreement on the importance of strategic data management, effective communication with employers, and maintaining high standards of service delivery.
- 3.9 The Board **NOTED** the updates provided.

John Crowhurst and Chris Dawson joined the meeting.

4. LPB203 – LPPA Quarterly Report

- 4.1 The LPPA Commercial Director provided an update on various aspects LPPA activities, training sessions, and member engagement efforts. The Board was informed about the range of virtual employer visits conducted, focusing on topics like Absence and Ill Health, LGPS Scheme Essentials, and UPM employer portal usage. These sessions saw significant employer attendance, indicating a strong interest in understanding and complying with processes.
- 4.2 On PensionPoint registration, it was reported that 32% of LPFA members are now registered, showing consistent engagement with the platform. This update was accompanied by a detailed communications strategy aimed at both employers and members, highlighting the importance of timely monthly return submissions to facilitate accurate Annual Benefit Statement production.

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- 4.3 The performance report and McCloud update were discussed, noting good casework performance with specific mention of improvements in bereavement processing and help desk operations. The Board reviewed the progress in preparing for the McCloud remedy, emphasising the need for accurate member data collection from employers.
- 4.4 Retirement satisfaction surveys from Q3 2023/24 were analysed, identifying areas for improvement in providing updates and acknowledging the receipt of retirement forms. Efforts to enhance the retirement process include working more closely with employers and AVC providers to ensure timely and accurate information submission.
- 4.5 Employee turnover and stability were addressed, highlighting a positive trend towards reduced turnover rates. Discussions included strategies to enhance job satisfaction and staff development, especially within the help desk area, where high turnover rates have been a persistent challenge.
- 4.6 The Commercial Director emphasised the importance of system-driven processes for efficient operation. The necessity of accurate information submission by employers and timely processing by LPPA was underlined as key to improving retirement satisfaction and overall service delivery.
- 4.7 The Board concluded this agenda item with a discussion on the continuous improvement of training sessions for Employers and the strategic communication efforts aimed at supporting both Employers and Members more effectively. Acknowledgement was given to the ongoing efforts to address challenges within the pension administration process, with a commitment to monitor the impact of the strategies discussed on service improvement.
- 4.8 The agenda item highlighted the significance of engaging with both large and small employers to improve the flow of information and process efficiency. The LPFA's/LPPA's commitment to enhancing service delivery through targeted training, effective communications, and strategic engagement was reaffirmed, laying the groundwork for ongoing improvements in the pension administration process.
- 4.9 The Board **NOTED** the updates provided.

John Crowhurst and Chris Dawson left the meeting.

5. LPB204 - LPFA Risk Management

- 5.1 The LPFA Risk Register was presented, detailing the current status and updates as per Appendix 1 and 2. The CEO elaborated on the improvements made to the CAMMS Risk Register system, acknowledging that while the output now requires some manual intervention, it does not impede risk management within LPFA, only the reporting output. Board members reviewed the risk register, noting progress on outstanding actions and evaluating current and emerging risks. Key updates included a completed review for business succession planning, and a new review under the TPR General Code, among others.
- 5.2 Discussion moved to LPFA resourcing concerns, where it was acknowledged that LPFA is showing improvement, thus not posing a significant issue at the moment. The current risk is deemed accurate, reflecting pressures on existing capacity and skill sets, with recruitment efforts ongoing to alleviate these pressures. The LPFA Board has supported enhancing resilience, indicating a collective effort to address capacity concerns.

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- 5.3 On the topic of ABS, a "lessons learned" verbal update was shared, reflecting improvements and a candid acknowledgment of past challenges. Despite advancements, the risk of not achieving 100% compliance due to data and employer engagement issues remains. The detailed analysis and proactive approach to addressing these challenges were found reassuring by the Chair, underscoring the importance of being aware and responsive to issues to satisfy regulatory expectations.
- 5.4 Queries were raised regarding the accuracy of information in ABS statements, particularly concerning employments prior to 2014. The discussion highlighted the potential for McCloud remediation work to clarify historical employment records. Assurance was sought on addressing any inaccuracies, with a suggestion for LPPA to collate and respond to member queries effectively to ensure the reliability of ABS statements.
- 5.5 The Board **NOTED** the updates provided.

6. LPB205 - LPFA Corporate Communications Update

- 6.1 The Head of Communications and Engagement presented the report on LPFA's communication strategies, detailing progress and plans across various channels. The upcoming communication strategy, which will encompass member, employer, and corporate communications, was highlighted for its development based on feedback from the Member Survey.
- 6.2 The 2022-23 Annual Report was published ahead of the statutory deadline. The website restructure was mentioned, aiming to improve navigation and content accessibility for members and stakeholders, alongside efforts to boost the LPFA's LinkedIn profile to enhance connectivity and profile.
- 6.3 A new social media policy was introduced, emphasising responsible use and moderation of social platforms. The engagement with ESG Investor Magazine and the undertaking of media training for new LPFA spokespeople as part of risk management were noted.
- 6.4 Stakeholder engagement activities were reported, including preparations for the GLA Oversight Committee meeting and upcoming speaking engagements by Robert Branagh at industry conferences. The completion of the Good Economy project's data collection stage and the development of a microsite to visualize LPFA's impact were discussed.
- 6.5 The Investor Climate Action Plan's draft report was awaiting CEO approval, with notable progress made against the LPFA's climate targets. Details of the achievements in reducing emissions and aligning investments with the Paris Agreement were shared.
- 6.6 On Member Communications and Engagement, the review of LPPA letter communications for quality, the scheduling of the Fund Member Forum, and the publication of the Member Survey results were mentioned. Efforts to increase PensionPoint registration were expressed, including a pilot communication via Employers to encourage unregistered active members to sign up.
- 6.7 Employer communications were covered, including the LPFA Employer Forum's success and the positive feedback received. The session addressed the need for ongoing improvements in communication and engagement strategies to support members, employers, and stakeholders effectively.

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6.8 The report emphasised the commitment to enhancing LPFA's communication channels, from digital platforms to direct engagements, aiming to improve transparency, member engagement, and stakeholder relations in line with strategic objectives.

6.9 The Board **NOTED** the updates provided.

7. LPB206 - LPB Forward Planner

7.1 The Board **REVIEWED** and **NOTED** the forward plan of business and the updates provided.

7.2 The Board **NOTED** that its next meeting was scheduled to take place on 12 June 2024

7.3 There being no further business, the Chair declared the meeting closed.

Andy Cunningham, Chair

Date 12 June 2024
