



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 3 March 2023

To: Members of the
PENSIONS COMMITTEE

Councillor Keith Onslow (Chairman)
Councillor Kira Gabbert (Vice-Chairman)
Councillors Simon Fawthrop, Simon Jeal, Jonathan Laidlaw, Christopher Marlow,
Ruth McGregor, Tony Owen and Sam Webber

A special meeting of the Pensions Committee will be held at Bromley Civic Centre on
MONDAY 13 MARCH 2023 AT 7.00 PM

Members of the Local Pension Board are also invited to attend this meeting

PLEASE NOTE: This meeting will be held in the Council Chamber at the Civic Centre, Stockwell Close, Bromley, BR1 3UH. Members of the public can attend the meeting – if you wish to attend please contact us, before the day of the meeting if possible, using our web-form:

<https://www.bromley.gov.uk/CouncilMeetingNoticeOfAttendanceForm>

Please be prepared to follow the social distancing guidance at the meeting, including wearing a face covering.

TASNIM SHAWKAT
Director of Corporate Services & Governance

Copies of the documents referred to below can be obtained from

<http://cds.bromley.gov.uk/>

A G E N D A

- 1 **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **CONFIRMATION OF MINUTES OF THE MEETING HELD ON 22 FEBRUARY 2023, EXCLUDING THOSE CONTAINING EXEMPT INFORMATION (Pages 3 - 6)**

4 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

5 CONFIRMATION OF EXEMPT MINUTES - 22 FEBRUARY 2023
(Pages 7 - 12)

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

6 POOLING MATTERS (TO FOLLOW)
(Pages 13 - 192)

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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PENSIONS COMMITTEE

Minutes of the meeting held at 7.00 pm on 22 February 2023

Present:

Councillor Keith Onslow (Chairman)
Councillor Kira Gabbert (Vice-Chairman)
Councillors Simon Fawthrop, Julie Ireland, Simon Jeal,
Jonathan Laidlaw, Christopher Marlow, Ruth McGregor and
Tony Owen

Also Present:

John Arthur, MJ Hudson

29 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Sam Webber and
Councillor Julie Ireland attended as his substitute.

30 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

31 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received.

32 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 1 DECEMBER 2022, EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

RESOLVED: That the minutes of the meeting held on 1 December 2022
be approved.

33 MATTERS OUTSTANDING FROM PREVIOUS MEETINGS

The Chairman observed that matters outstanding from previous meetings
would be considered within the discussions on other agenda items.

RESOLVED: That matters outstanding be noted.

34 PENSION FUND PERFORMANCE Q3 2022/23 Report FSD23020

The report provided a summary of the investment performance of Bromley's
Pension Fund in Quarter 3 of the 2022/23 financial year and included

information on general financial and membership trends of the Pension Fund as well as details of key developments in the Local Government Pension Fund (LGPS) expected during the next five years.

With regard to the Strategic Asset Allocation Review undertaken by MJ Hudson, a Member noted that it was proposed to reduce equity exposure and increase diversification within the Fund by investing £20M into both the US Dollar account and the Fidelity Fixed Interest portfolio now that fixed interest returns had increased, as well as £15m into both of the Fund's Multi-Asset Income portfolios. Whilst this would serve to bring the Fund more into line with the Strategic Benchmark, the Member expressed a preference for greater investment in Multi-Asset Income portfolios as a potentially more lucrative long-term investment option. The Chairman observed the proposed investment represented a minor change within overall fund and that the rebalancing would help ensure the Fund had sufficient liquidity in the short to medium-term. Another Member expressed a preference for Fixed Interest investments as Multi-Asset Income portfolios outsourced the Fund's investment choices.

Work had also been undertaken by MJ Hudson to explore a potential investment in the Local Authority's Meadowship Homes Scheme which had concluded that the proposed investment currently offered relatively poor value in comparison with other opportunities. The Chairman suggested the investment not be pursued at this time; however, another Member argued that the wider benefits of the investment should be taken into account, including its long-term security. Other Members supported this view and the Committee agreed that further work be undertaken to compare the Meadowship Homes Scheme with another social housing investment and presented to a future meeting of the Pensions Committee.

The Senior Advisor: MJ Hudson advised the Committee that the Founder and Chief Executive Officer of MJ Hudson had recently stepped down and the company would be sold. Whilst this was not anticipated to impact overall service provision, the situation would be kept under review with regular updates provided to the Local Authority.

RESOLVED: That:

- **The contents of the report and information contained in the related appendices be noted including:**
 - a) **Appendix 5 which detailed:**
 - **Bromley's Strategic Asset Allocation review by independent adviser MJ Hudson and proposed actions for rebalancing the portfolio;**
 - **Advice from MJ Hudson on the opportunity to rebalance and diversify into affordable housing in Bromley via a potential new phase in the Meadowship Homes project; and,**

- Advice from MJ Hudson around currency hedging.
- b) Appendix 8 which set out the key developments in the LGPS expected during the next 5 years; and,
- MJ Hudson's recommendation to rebalance the portfolio as outlined in Appendix 5 be agreed and funds transferred.

35 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summaries
refer to matters
involving exempt information**

36 CONFIRMATION OF EXEMPT MINUTES - 1 DECEMBER 2023

The Part 2 (Exempt) minutes of the meeting held on 1 December 2022 were approved.

37 PENSION FUND TRIENNIAL VALUATION

The Committee considered a Part 2 (Exempt) report on the Pension Fund Triennial Valuation.

38 PENSION FUND 2022 DRAFT FUNDING STRATEGY STATEMENT

The Committee considered a Part 2 (Exempt) report presenting the Pension Fund 2022 Draft Funding Strategy Statement.

39 POOLING MATTERS

The Committee considered a Part 2 (Exempt) report on Pooling Matters.

The Meeting ended at 10.45 pm

Chairman

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Agenda Item 5

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 6

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