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DATE: 12 July 2024

To: Members of the
LOCAL PENSION BOARD

Employer Representatives
Emma Downie
David Kellond (Chairperson)

Member Representatives
Lesley Rickards
Gill Slater

A virtual meeting of the Local Pension Board will be held via Microsoft Teams on
MONDAY 22 JULY 2024 AT 3.00 PM

PLEASE NOTE: Members of the press and public can view the meeting by contacting the Clerk (details above) to request joining details for the virtual meeting.

TASNIM SHAWKAT
Director of Corporate Services & Governance

Copies of the documents referred to below can be obtained from
http://cds.bromley.gov.uk/

AGENDA

1 **APOLOGIES FOR ABSENCE**

2 **DECLARATIONS OF INTEREST**

3 **MINUTES OF THE MEETING HELD ON 29 FEBRUARY 2024** (Pages 1 - 4)

4 **MINUTES OF THE PENSIONS COMMITTEE MEETINGS HELD ON 21 FEBRUARY AND 23 MAY 2024** (Pages 5 - 20)

5 **REPORT FROM THE PENSION FUND COMMITTEE** (Pages 21 - 56)

6 **LOCAL PENSION BOARD ANNUAL REPORT** (Pages 57 - 70)

7 **PERFORMANCE MONITORING REPORT 2023-24 FULL YEAR AND 2024-25 YEAR TO 31 MAY 2024** (Pages 71 - 102)

8 **COMMUNICATION WITH SCHEME MEMBERS** (Pages 103 - 108)

9 **ANY OTHER BUSINESS**

10 **DATE OF NEXT MEETING**

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

The Chairman to move that the Press and public be excluded during consideration of the items of business listed 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
12	**PART 2 (EXEMPT) MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 23 MAY 2024** (Pages 109 - 112)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
13	**REPORT FROM THE PENSION FUND COMMITTEE - APP. 1: PART 2 (EXEMPT) COMMENTARY** (Pages 113 - 114)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

LOCAL PENSION BOARD

Minutes of the meeting held at 3.00 pm on 29 February 2024

Present:

David Kellond (Chairperson)
Emma Downie, Lesley Rickards and Gill Slater

Also Present:

Carrie Adubofour, Martin Doyle, Dan Parsons and Kerry Nicholls

24 APPOINTMENT OF CHAIRPERSON

The Board appointed David Kellond as Chairperson.

RESOLVED: That the Local Pension Board appoint David Kellond as Chairperson.

25 APOLOGIES FOR ABSENCE

There were no apologies for absence.

26 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

27 MINUTES OF THE MEETING HELD ON 25 OCTOBER 2023

RESOLVED: That the minutes of the meeting held on 25 October 2023 be agreed.

28 MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 14 DECEMBER 2023

With regard to Minute 33: Pension Fund Performance Q2 2023/24, the Senior Accountant: Pensions explained that whilst the Pensions Committee had identified a concern around the number of staff choosing to opt-out of the Bromley Pension Scheme, it had subsequently been confirmed that there had been no increase in opt-outs over the past year. A Board Member asked that further work be undertaken to identify the proportion of opt-outs over the past five years across each salary band and this would be reported to a future meeting of the Local Pension Board.

RESOLVED: That the minutes of the meeting of the Pensions Committee held on 14 December 2023 be noted.

29 REPORT FROM THE PENSIONS COMMITTEE
Report CSD24034

The Board considered a report presenting reports reviewed at the meeting of the Pensions Committee on 14 December 2023 including appendices on pension fund performance, the Apex Q2 2023/24 report, key developments in the Local Government Pension Scheme, and the Actuarial Climate Change Analysis Report from Mercers.

In considering the update, a Board Member underlined the need for assurance that the Pensions Committee had a full understanding of risk in making investment decisions, including in emerging areas such as climate risk.

RESOLVED: That the Local Pension Board note the reports considered at the meeting of the Pensions Committee held on 14 December 2023.

30 PERFORMANCE MONITORING REPORT 2023/24 TO JANUARY 2024
Report CSD24033

The Board considered the Performance Monitoring Report for the 2023/24 financial year to 31 January 2023 which provided necessary information for the Local Pension Board to assess whether the Bromley Pension Fund was complying with the Pension Regulator’s Code of Practice on Governance and Administration of public service pension schemes.

RESOLVED: That the Local Pension Board note:

- **The Pensions Regulator Code of Practice ‘Governance and administration of public service pension schemes’ as a guide to good governance;**

- **The procedures and policies in place to monitor Liberata’s performance; and,**

- **Liberata’s current performance levels.**

31 PENSIONS ADMINISTRATION STRATEGY REPORT
Report CSD24032

The Board considered the draft Pensions Administration Strategy prior to consultation with scheme employers and approval by the Pensions Committee.

In response to a question from a Board Member on communications, the Senior Accountant: Pensions outlined the challenges of engaging Scheme Members with the Bromley Pensions Scheme, including communicating the benefits of joining the pension scheme, and the Board agreed to revisit the important issue of communications at a future meeting of the Board. Another Board Member queried the effectiveness of the Charging Schedule in the event that Scheme Employers did not meet their responsibilities. The Head of the Pensions Shared Service clarified that in the event of a breach, Scheme Employers would be charged on a monthly basis until breaches were resolved and that this had proved an effective tool in ensuring that Scheme Employers met their responsibilities.

RESOLVED: That the Local Pension Board note the draft Pensions Administration Strategy prior to consultation with scheme employers and approval by the Pensions Committee.

32 LOCAL PENSION BOARD - VERBAL UPDATE ON LATEST LGPS MATTERS

The Board received a presentation from the Head of the Pensions Shared Service on the latest matters related to the Local Government Pension Scheme.

In response to a question from a Board Member on delays to the Pensions Dashboards Programme that would allow individuals to access their pensions information online, securely and all in one place, the Head of the Pensions Shared Service explained that a key area of challenge was ensuring that people were able connect to the right information. Variable factors such as names and addresses could make this difficult and the Government was reluctant to use National Insurance numbers as an identifying factor due to inputting errors. The Senior Accountant: Pensions gave reassurance by clarifying that that whilst this was a high-risk area from a data protection standpoint, the Local Authority was aligned with Heywood, one of the largest pension service providers. The London Borough of Bromley was a member of The Class Group of 20-30 other pension providers which provided a high degree of quality assurance at a relatively low cost.

RESOLVED: That the update be noted.

33 ANY OTHER BUSINESS

The Senior Accountant: Pensions advised that the meeting of the Pensions Committee currently scheduled for 23 July 2024 was likely to be moved to September 2024 to better fit with quarterly reporting and that the new date would be provided to Board Members once agreed.

34 DATE OF NEXT MEETING

The Committee agreed that a further Board meeting be scheduled for June 2024.

35 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE 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 PART 2 (EXEMPT) MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 14 DECEMBER 2023

The Part 2 (Exempt) minutes of the meeting of the Pensions Committee held on 14 December 2023 were noted.

The Meeting ended at 3.54 pm

Chairman

PENSIONS COMMITTEE

Minutes of the meeting held at 7.00 pm on 21 February 2024

Present:

Councillor Keith Onslow (Chairman)
Councillor Kira Gabbert (Vice-Chairman)
Councillors Josh Coldspring-White, Simon Fawthrop, Simon Jeal, David Jefferys, Christopher Marlow and Sam Webber

Also Present:

John Arthur, Apex Group Ltd

39 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Ruth McGregor.

40 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

41 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING

One question for oral reply and one question for written reply were received at the meeting. A copy of those questions together with the Chairman's response can be viewed at Appendix A to these Minutes.

In light of the question asked on Net Zero, a Committee Member underlined the importance of ensuring that the Committee took account of climate risk within its decision-making processes. The Chairman outlined the arrangements in place for the Committee's regular scrutiny of fund managers in the area of Environmental, Social and Governance and noted that the London Collective Investment Vehicle would be giving a presentation on responsible investment later in the meeting. Another Member advocated the benefits of stability in long-term investment which should not be undermined by rapidly changing trends.

42 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 14 DECEMBER 2023, EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

RESOLVED: That the minutes of the meeting held on 14 December 2023 be approved.

43 MATTERS OUTSTANDING FROM PREVIOUS MEETINGS

RESOLVED: That matters outstanding be noted.

44 PRESENTATION FROM SCHRODERS

The Committee received a presentation from Schroders representatives, Dorian Carrell, Head of Multi-Asset Income and Russell Smith, Client Director, UK Institutional providing an investment update on the London Borough of Bromley Fund.

In considering current performance against the benchmark, a Member asked whether a fixed income fund could offer a better return in the short- to medium-term. The Head of Multi-Asset Income clarified that the Fund was anticipated to have an average annual yield of 5.25% over the next three years, whilst preserving capital, but that this was based on a conservative estimate on the performance of equities and that the anticipated return would also likely benefit from capital growth. The Portfolio had a barbell-like structure in which investment in high-growth US companies was paired with valuation opportunities in the US and European markets. Consideration was also being given to incorporating a small-cap strategy that could capitalise on the greater growth potential of undervalued smaller companies.

A Member was concerned that the investment performance in the medium-term had reduced the buying power of the fund and the Head of Multi-Asset Income responded that the COVID-19 pandemic and the rapid rise of interest rates had put unprecedented stress on the financial markets, but the investment climate was now improving with stronger returns over the past 12-months. Going forward, the Portfolio would be reviewed in line with the Committee’s stated investment objectives of securing income with a degree of capital growth. The Member asked a more general question about excess cash generated by the investment of the Bromley Fund and the Senior Advisor: Apex Group Ltd explained that distributions from the two Multi-Asset Income funds were fed back into the fund as income but that there was also the option to move these funds into a fixed interest portfolio. Another Member spoke about the collapse of Credit Suisse and asked why hybrids had a zero allocation in the fund despite sizeable returns in some asset classes. The Head of Multi-Asset Income responded that following regulatory clarifications in Germany, France and Switzerland, the new bonds in this area offered reasonably attractive opportunities at Tiers 1 and 2 but that there were better opportunities available in the US market.

A Member queried the overview of Corporate Climate metrics given in the presentation. The Head of Multi-Asset Income clarified that whilst significant work was undertaken to provide a sense of the carbon position of the Portfolio, the quoted figures reflected the position relative to the benchmark rather than an actual carbon reduction. Work was ongoing to improve the quality of reporting in this increasingly important area. Another Member asked whether it would be possible to design a fund which limited carbon emissions to 1.5 degrees. The Head of Multi-Asset Income confirmed that this would be possible as some areas of the market had a direct impact on temperature change; however, a specific focus on investment type would likely have a substantial impact on investment income. In response to a final question from a Member, the Client Director, UK Institutional stated that Schroders was an inclusive organisation which encouraged open debate but that he was not aware of a formal Free Speech policy having been agreed.

The Chairman thanked the representatives of Schroders for their excellent presentation.

RESOLVED: That the presentation from Schroders be noted.

45 PRESENTATION FROM LONDON COLLECTIVE INVESTMENT VEHICLE ON RESPONSIBLE INVESTMENT

The Committee received a presentation from London Collective Investment Vehicle (LCIV) representatives, Dean Bowden, Chief Executive Officer, Jacqueline Jackson, Chief Sustainability Officer and Stephanie Aymes, Client Relations Manager on responsible investment.

In considering the presentation, the Chairman welcomed the expertise that the LCIV brought to this emerging area, including for the reporting requirements of the Task Force on Climate-Related Financial Disclosures that was formed of the core elements of Governance, Strategy, Risk Management and Metrics and Targets. The LCIV focus was very much in the area of Metrics and Targets with a view to producing consistent and audited data that would assist the Local Authority in meeting the reporting requirements for the Bromley Pension Fund. The Chairman highlighted that the Task Force on Climate-Related Financial Disclosures was not yet a statutory requirement but that the Local Authority was taking a proactive approach in preparing to meet the new requirements. With regard to climate analytics, a Member was surprised to note that the best performers in Net-Zero Alignment included a manufacturer of building materials whilst the worst performers included a company in the health sector which was notable as the NHS had recently set a target to reach Net Zero for direct emissions by 2040. The Chief Sustainability Officer advised that there was increasing UK Government regulation around the sustainability agenda. This included carbon mandatory reporting for British companies over a certain size, which had led to improvements in data collection and reporting that would help inform future investment.

Another Member noted that the LCIV had committed to achieving Net Zero GHG emissions by 2040 and asked how this would be delivered given the LCIV's role was primarily one of stewardship. The Chief Sustainability Officer advised that LCIV currently offered two funds that were aligned to the Paris Agreement. It was recognised that the diverse investment funds and philosophies of its clients would have different trajectories to Net Zero and the LCIV would shortly be publishing its Net Zero 2024-30 Strategy as well as a Climate Policy that would set out its objectives and targets at each fund level. It was crucial that LCIV did not act as a barrier to its clients in setting ambitious targets for responsible investment and would be engaging closely with its clients and individual fund managers in support of its Net Zero target, including consideration being given to split voting mechanisms. A Member observed the difficulties inherent to fulfilling the Committee's fiduciary responsibility to maximise investment returns for Pension Scheme members with responsible investment moving forward.

In response to a question from a Member around the LCIV's approach to investment, the Client Relations Manager explained that the LCIV undertook extensive research on its clients, including actively seeking feedback, and also reviewed peer activity and best practice in developing its investment philosophy. The Chairman added that the LCIV was very receptive to the views of its clients but had to take account of the beliefs of 32 London Boroughs and if this was a concern for Members, it could be considered in more depth at a future meeting of the Committee. The Member expressed a concern that responsible investment could be too focused on avoiding risk or mitigating actions, such as investment in renewable or nature capital, and underlined the need to embrace risk and emphasise the opportunities arising from change. The Chairman suggested that this could form part of the Committee's future discussions with its Fund Managers around Environmental, Social and Governance. The Member also queried the approach of LCIV to free speech and the Chief Executive Officer responded that there was no formal Free Speech Policy in place but that employees were encouraged to express themselves freely.

The Chairman thanked the representatives of the LCIV for their excellent presentation.

RESOLVED: That the presentation from LCIV be noted.

46 PENSION FUND PERFORMANCE Q3 2023/24
Report FSD24018

The report provided a summary of the investment performance of Bromley's Pension fund in Quarter 3 of the 2023/24 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.

The Committee received an update from the Senior Advisor: Apex Group Ltd who advised that inflation continued to fall but could briefly rally, particularly with stubborn wage inflation, and that further interest rate cuts were anticipated in the UK, US and Europe in the coming months. Whilst the UK was emerging from recession, the growth outlook was not positive and 5-7 year and 20-year forecasts by BCA Research of returns for the areas of Private Equity, Private Debt, Property and Hedge Fund suggested that it could be advisable to consider allocating funds to Direct Lending. With better yields available in most Government Bond markets at present, consideration might also be given to increasing the diversification of the two Multi-Asset Income portfolios to combine a good yield with some prospect of capital growth with stronger downside protection. In response to a question from a Member about Baillie Gifford's Global High Alpha Equity Portfolio, the Senior Advisor: Apex Group Ltd explained that performance had varied considerably since the establishment of the Portfolio which partly reflected the challenging economic climate and that this would continue to be closely monitored.

RESOLVED: That the contents of the report and appendices be noted including:

- **Appendix 5 which provided quarterly performance monitoring;**
- **Appendix 6 which set out the key developments in the Local Government Pension Fund expected during the next five years; and,**
- **Appendix 7 which comprised a presentation by the London Collective Investment Vehicle (LCIV) on responsible investment.**

47 UPDATES FROM THE CHAIRMAN/DIRECTOR OF FINANCE/PENSIONS INVESTMENT ADVISOR

A Part 1 (Public) update was provided to the Committee on recent developments relating to pensions.

The Chairman advised that he had met with William Bourne, Independent Investment and Governance Advisor to the Local Government Pension Scheme to discuss the ramifications of the 'Mansion House' pension reforms. Whilst it was not anticipated that any action would be taken in the short-term, the continued direction of travel for local government pension funds was towards larger collective investment vehicles and increased Government involvement.

The Chairman thanked Members, Officers and the Senior Advisor: Apex Group Ltd for their excellent contribution to the work of the Pensions Committee during the 2023/24 municipal year.

RESOLVED: That discussions under the Part 1 (Public) update be noted.

48 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**

49 CONFIRMATION OF EXEMPT MINUTES - 14 DECEMBER 2023

The Part 2 (Exempt) minutes of the meeting held on 14 December 2023 were approved.

50 PRESENTATION FROM LONDON COLLECTIVE INVESTMENT VEHICLE ON RESPONSIBLE INVESTMENT (PART 2) EXEMPT)

The Committee considered Part 2 (Exempt) information for Item 7: Presentation from London Collective Investment Vehicle on Responsible Investment.

51 UPDATES FROM THE CHAIRMAN/DIRECTOR OF FINANCE/PENSIONS INVESTMENT ADVISOR (PART 2)

No Part 2 (Exempt) update was given.

The Meeting ended at 9.46 pm

Chairman

APPENDIX A

PENSIONS COMMITTEE
21 FEBRUARY 2024

QUESTIONS FOR ORAL REPLY

1. From Gill Slater, Local Pension Board Member

Regarding Item 7: Presentation from LCIV on Responsible Investment:

The agenda notes LBB funds are committed to Net Zero, seeking to limit heating to 1.5°C, [MFS* by 2050, LCIV**by 2040]. Heating is accelerating significantly faster than anticipated and 1.5°C is / will soon be breeched***. Will the Committee urgently reappraise the timeframe for funds to reach Net Zero?

** MFS commitment (Pg 4 mins 14.12.23)*
***LCIV TCFD Report 2023 (strategy pg 10) – recognising that faster CO2 reductions increase the probability of limiting warming to 1.5°C*
****12 month running average (Copernicus Agency) / Paris agreement long term average*

Reply: *You raise a very topical question and certainly an important one. Bromley acknowledges the climate change issue and is making good progress on this. We continue to investigate, in partnership with our Investment Managers, the best way to comply with Net Zero. We have invited Jacqueline Jackson, Head of Responsible Investment of the London Collective Investment Vehicle to present on responsible investment to our Pensions Committee this evening. This will be public record and minuted. Secondly, Bromley Pensions Committee does not rush into anything with regards to investments as this is the worst thing you can do, particularly without adequate scrutiny. It is unlikely that the Pensions Committee will urgently reappraise its investments but does undertake a process of constant reappraisal in light of the mixed reports and scientific evidence published on climate change. However, this is a pensions investment committee, so investment must remain the primary focus of the committee. I would be happy to attend a future meeting of the Local Pension Board to discuss this in further detail if that is felt useful or necessary by the Board Members.*

Supplementary Question: Accelerating towards Net zero should also involve investment in ‘climate related opportunities’ – part of the TCFD reporting noted throughout the LCIV documentation (Item 7). The Quarterly Investment Report (Item 8 Appendix 5) suggests consideration of an allocation to Direct Lending. Could subsequent reports also outline consideration of ‘climate related opportunities’ either through direct lending or fund management?

Reply: *That is an interesting question. As a matter of principle, some green funds have turned out not to be as ‘green’ as we think they are. I saw a report recently that suggested that a flight from green funds by private sector investment is mainly due to* *the fact that they don't think that the opportunities for investment returns are where they should be, but also due to a fair amount of 'green washing' by some companies. The Pensions Committee needs to be confident that it is investing in what it thinks it is investing in and undertakes a process of asset allocation review via a three-year cycle. This helps ensure stability of investment but does not mean that minor adjustments cannot be made when it is felt appropriate or necessary. Part of the role of the Senior Advisor: Apex Group Ltd is to put forward ideas regarding investment returns and at present, Direct Lending is an area of interest. The comments made tonight will be taken on board and considered as part of the asset allocation review cycle but it should be noted that whilst areas such as low carbon can be explored for investment, the Committee does not make forced decisions for its fund managers to invest in a particular area.*

QUESTIONS FOR WRITTEN REPLY

1. From Daniel Sillman, Local Resident to the Pensions Committee

The ICJ has found South Africa's case against Israel meets jurisdiction requiring Israel take measures to prevent 'irreparable prejudice' against Palestinians of Gaza. How will Bromley respond to these interim measures, and prevent complicity in what may legally be ruled genocide, considering pension investments in Israeli weapons and aerospace companies?"

<u>Reply:</u> *Bromley is deeply concerned with the situation in Gaza and would very much like to see peace in this situation and an end to hostilities. There are very strict rules on how pension funds can invest, and Bromley ensures it complies with all rules and regulations.*

PENSIONS COMMITTEE

Minutes of the meeting held at 7.00 pm on 23 May 2024

Present:

Councillor Keith Onslow (Chairman)
Councillor Christopher Marlow (Vice-Chairman)
Councillors Kira Gabbert, Dr Sunil Gupta FRCP FRCPath, Simon Jeal, Jonathan Laidlaw, Ruth McGregor and Sam Webber

Also Present:

John Arthur, Apex Group Ltd

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Rebecca Wiffen and Councillor Ruth McGregor attended as her substitute. Apologies for absence were also received from Councillor Shaun Slator.

Apologies for lateness were received from Councillor Kira Gabbert and Councillor Sam Webber.

The Chairman led the Committee in welcoming Councillor Dr Sunil Gupta FRCP FRCPath who had joined the Committee and Councillor Jonathan Laidlaw who had rejoined the Committee.

2 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

3 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING

Two questions for written reply were received at the meeting. A copy of those questions, together with the Chairman's response can be viewed at Appendix A to these Minutes.

In light of the question asked on the Task Force on Climate-related Financial Disclosures, a Member underlined the importance of ensuring that the Committee and the Local Pension Board received all necessary training to fully understand their responsibilities in this emerging area. This was supported by the Chairman who emphasised the Committee's role in determining targets that would underpin climate-related risk reporting for Pension Fund investments. The Director of Finance advised that the Government had recently indicated that it would be consulting stakeholders on the new regulations from late June 2024, and this was expected to include the issue of training. The Chairman asked that a further update on progress in this area be provided to the next meeting of the Committee on 27 August 2024.

4 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 21 FEBRUARY 2024, EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

RESOLVED: That the minutes of the meeting held on 21 February 2024 be approved.

5 MATTERS OUTSTANDING FROM PREVIOUS MEETINGS

In response to a question from a Member, the Chairman confirmed that the next meeting of the Committee had been rescheduled to 27 August 2024 to better fit with the quarterly financial reporting schedule.

RESOLVED: That matters outstanding be noted.

6 PRESENTATION FROM FIDELITY INTERNATIONAL

The Committee received a presentation from Fidelity International representatives, Tom Jeffery, Co-Head European Institutional and Talib Sheikh, Portfolio Manager – Multi Asset providing an update on the investments of the London Borough of Bromley Pension Fund.

The Chairman asked the Fidelity International representatives for their view of the ‘Mansion House’ pension reforms which indicated a move to increased investment in UK-held equities. The Portfolio Manager – Multi Asset responded that while UK large-cap had done relatively well in the short to medium-term, mid-cap stocks had been slower, and that Fidelity tended to take a global perspective in equities, including some exposure to global champions. Another Member asked about investment in tobacco stocks for equity and fixed income and the Co-Head European Institutional advised that although these stocks were cheap, the valuation gap was unlikely to change, and Fidelity tended to leave this area of the market to specialist investors. A Member noted that gross figures were reported in the presentation and asked that net figures be included going forward to support the Committee’s understanding of actual investment performance. The Member expressed concern at any proposal for increased investment in equities as this portfolio was intended to diversify the Bromley Pension Fund investments away from equities to mitigate risk and the Strategic Asset Allocation Benchmark also remained overweight in this area. The Co-Head European Institutional responded that Fidelity took an agnostic approach to its diversified investment portfolio and that equities offered a valuation cushion and attractive yield as part of a mix of assets that would help achieve the portfolio’s long-term objectives.

In discussion, a Member observed that the presentation suggested that there would be a reduction in interest rates in the short to medium-term. The Co-Head European Institutional said that this was the likely direction of travel now that inflation rates had reduced, but that further uncertainty had been caused by the UK General Election on 4 July 2024. The Chairman asked about emerging markets and the Co-Head European Institutional suggested that developed equity markets were the main focus for investment at present but that opportunities may arise in emerging markets in the medium to long-term, including in the area of debt. The Senior Advisor: Apex Group Ltd queried a reduction in investment in alternatives and the Co-Head European Institutional explained that this area of investment had struggled in recent months for a number of reasons, including changes to the disclosure regulations, but that alternatives would continue to be an attractive investment option moving forward.

The Chairman thanked the representatives of Fidelity International for their excellent presentation.

RESOLVED: That the presentation from Fidelity International be noted.

7 PENSION FUND PERFORMANCE Q4 2023/24
Report FSD24031

The report provided a summary of the investment performance of Bromley's Pension Fund in Quarter 4 of the 2023/24 financial year and included information on general financial and membership trends of the Pension Fund was well as details of key developments in the Local Government Pension Fund (LGPS) expected during the next five years.

The Committee received an update from the Senior Advisor: Apex Group Ltd who was pleased to advise that the Bromley Pension Fund had risen by 5% in the first quarter of 2024 to a value of over £1.4B. This was close to its all-time high of Autumn 2021 and demonstrated the resilience of a diversified investment portfolio. The Fidelity International representatives had suggested there was less synchronisation in the global economy and there had indeed been a variation in GDP growth between the US and the UK, European and Japanese economies, with the US economy seemingly better able to adapt to various economic crises than the more structured UK, European and Japanese economies. While inflation had come down across all these economies, it was for varying reasons, and it was the Senior Advisor's view that the UK and Europe would lead on interest rates cuts in the short to medium-term. With regard to the Task Force on Climate-related Financial Disclosures (TCFD), incoming reporting requirements would focus on the potential impact of climate-related risks and opportunities and the Committee would be required to agree metrics to measure the impact against two climate scenarios. In preparation for this, Members were recommended to review the Pensions Regulator Review 2023 and two TCFD reports from Smart Pensions Master Trust and Oxfordshire LGPS which provided further information and examples as to what would be required. The Chairman agreed this approach and requested that a TCFD session be held at the meeting of the Pensions Committee on 14 November 2024.

RESOLVED: That the contents of the report and appendices be noted including:

- **Appendix 4 which provided quarterly performance monitoring; and,**

- **Appendix 5 which set out the key developments expected in the Local Government Pension Scheme during the next five years.**

8 UPDATES FROM THE CHAIRMAN/DIRECTOR OF FINANCE/PENSIONS INVESTMENT ADVISOR

The Chairman, Director of Finance and Pensions Investment Advisor provided a Part 1 (Public) update to the Committee on recent developments relating to pensions.

The Director of Finance advised that Chief Financial (Section 151) Officers had received a letter from Simon Hoare MP, Minister for Local Government asking for information on current approaches to efficiencies in the management, governance and administration of LGPS funds and asset pools that referred to the pooling of all listed assets by March 2025. This timeframe was in opposition to the outcome of previous consultations which had flagged that the proposed March 2025 date would not fit with existing timescales for Actuarial Valuation and Strategic Asset Allocation and would likely create additional costs related to the unnecessary movement of funds. Concerns had also been raised around proposals for the merging of funds which would be made yet more difficult by pooling. The Chairman reported that he had raised a number of these points at a meeting with the Department for Levelling Up, Housing and Communities where he had stressed any merging of funds would be incompatible with the Committee’s fiduciary duty to the Bromley Pension Scheme as these were not public funds but belonged to the Scheme Members. He had also raised concerns around Government engagement with Collective Investment Vehicles when it was Local Authorities that were responsible for managing LGPS funds. A Member observed that the upcoming General Election may create new opportunities for changes to future LGPS arrangements and suggested that the Committee engage with other stakeholders such as trade unions and this approach was supported by the Chairman.

RESOLVED: That discussions under the Part 1 (Public) update be noted.

9 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

10 PENSION FUND PERFORMANCE Q4 2023/24 - APPENDIX 1 (PART 2) EXEMPT COMMENTARY

The Committee considered a Part 2 (Exempt) Appendix to the Pension Fund Performance Q4 2023/24 report.

11 UPDATES FROM THE CHAIRMAN/DIRECTOR OF FINANCE/PENSIONS INVESTMENT ADVISOR (PART 2)

No Part 2 (Exempt) update was given.

The Meeting ended at 9.27 pm

Chairman

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APPENDIX A

PENSIONS COMMITTEE
23 MAY 2024

QUESTIONS FOR WRITTEN REPLY

1. From Gill Slater, Local Pension Board Member

Regarding Item 7: Pension Fund Performance Q4 2023/24 (Taskforce for Climate Related Financial Disclosure):

The Report notes the need for the Committee to '*spend time deciding how to respond to the four* [TCFD] *headings'*. The Regulator highlights good practice, with Committee Member training on climate change giving '*confidence the trustees are maintaining up-to-date knowledge and understanding**. Will the Committee undertake training on Climate?

*Review of climate-related disclosures by occupational pension schemes: Year 2 | The Pensions Regulator

Reply: *Any training requirements will be assessed alongside other requirements to ensure compliance with the awaited regulations and will explore options that may be developed by the London CIV for example.*

2. From Daniel Sillman, Local Resident

Regarding the response given to the question put to the previous meeting of the Pensions Committee re: investments in Israeli weapons and aerospace companies (Appendix A):

Please elaborate specifically on the strict rules and regulations that compel the Bromley Pension Fund Committee to implicate all pension fund members in the indiscriminate killing of Palestinian Civilians including 15,000+ children by investing in said companies?

Reply: *We are an investment committee and not the United Nations. Our investments are within the current legislation and government requirements for pension investments. The legislation and the requirements are public and published.*

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Report No.
CSD24079

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	**LOCAL PENSION BOARD**
Date:	**22 July 2024**
Decision Type:	Non-Urgent Non-Executive Non-Key
Title:	**REPORT FROM THE PENSION FUND COMMITTEE**
Contact Officer:	Martin Doyle – Head of Pensions Shared Service Tel No: 020 8871 6522 E-mail: martin.doyle@richmondandwandsworth.gov.uk
Chief Officer:	Director of Finance
Ward:	Borough Wide

1. Reason for report

1.1 The Local Pension Board are recommended to review the minutes and selected appendices from the meetings of the Pensions Committee held on 21 February and 23 May 2024 and report any comments or concerns to the Pensions Committee's next meeting.

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2. RECOMMENDATIONS

2.1 Members of the Local Pension Board are asked to note:

1) **Minutes of the meetings of the Pensions Committee on 21 February and 23 May 2024 (see Agenda Items 4 and 12); and,**

2) **Extracts from the agends of the Pensions Committee meeting on 23 May 2024 including the Apex report on Pensions Fund Performance Q1 2024/25 and Key Developments in LGPS (Appendix A with additional Part 2 (Exempt) commentary).**

Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A

Corporate Policy

1. Policy Status: Existing Policy. The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
2. BBB Priority: Excellent Council

Financial

1. Cost of proposal: No Cost
2. Ongoing costs: TBC
3. Budget head/performance centre: Pension Fund
4. Total current budget for this head: TBC
5. Source of funding: Contributions to Pension Fund

Personnel

1. Number of staff (current and additional): The Local Pension Board comprises of 2 Employer Representatives and two Member Representatives. The Board is supported by the Head of Pensions Shared Service.
2. If from existing staff resources, number of staff hours: N/A

Legal

1. Legal Requirement: Statutory Requirement Local Government Pension Scheme Regulations 2013 (as amended).
2. Call-in: Not Applicable: No Executive decision.

Procurement

1. Summary of Procurement Implications: N/A

Customer Impact

1 Estimated number of users/beneficiaries (current and projected): 6,526 current employees; 6,064 pensioners; 9089 deferred pensioners as at 31st March 2024 (for all employers in the Fund).

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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Reviewing these documents will assist the scheme manager in ensuring the efficient governance and administration of the Scheme. With regard to any comments that the Local Pension Board may have on any other papers on this agenda, it is proposed that these be notified to the next Pensions Committee.

3.2 Reviewing the Pensions Committee documents will ensure that the Board is fulfilling its oversight function.

3. POLICY IMPLICATIONS

3.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

4. FINANCIAL IMPLICATIONS

4.1 None arising from directly from this report.

5. LEGAL IMPLICATIONS

5.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014.

Non-Applicable Sections:	Procurement Implications Impact on Vulnerable Adults and Children Personnel Implications Procurement Implications
Background Documents: (Access via Contact Officer)	Public Service Pensions Act 2013; Local Government Pension Scheme Regulations 2013 (as amended); Code of Practice 'Governance and Administration of Public Service Pension Schemes' The Pensions Regulator Engagement Report "Governance and administration risks in public service pension schemes"

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APPENDIX A

Report No. FSD24031

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker:	**PENSIONS COMMITTEE**
Date:	**23rd May 2024**
Decision Type:	Non-Urgent Non-Executive Non-Key
Title:	**PENSION FUND PERFORMANCE Q4 2023/24**
Contact Officer:	James Mullender, Head of Corporate Finance & Accounting Tel: 020 8313 4196 E-mail: james.mullender@bromley.gov.uk
Chief Officer:	Peter Turner, Director of Finance Tel: 020 8313 4668 Email: peter.turner@bromley.gov.uk
Ward:	Borough Wide

1. Reason for report

1.1 This report provides a summary of the investment performance of Bromley's Pension Fund in the fourth quarter of 2023/24. The report also contains information on general financial and membership trends of the Pension Fund and summarised information on early retirements.

1.2 The report also includes key developments in the Local Government Pension Fund (LGPS) expected during the next 5 years.

2. RECOMMENDATIONS

2.1 The Pensions Committee is asked to note the contents of the report and information contained in the related appendices.

2.2 The Pensions Committee is asked to note:

a) Appendix 4, quarterly performance reporting; and

b) Appendix 5, which sets out the key developments in LGPS expected during the next 5 years.

Corporate Policy

1. Policy Status: Existing policy. The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) allow local authorities to use all the established categories of investments, e.g. equities, bonds, property etc, and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.

2. Making Bromley Even Better Priority: To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

Financial

1. Cost of proposal: No cost

2. Ongoing costs: Recurring cost. Total administration costs estimated at £5.9m (includes fund manager/actuary/adviser fees, Liberata charge and officer time)

3. Budget head/performance centre: Pension Fund

4. Total current budget for this head: £49.6m expenditure (pensions, lump sums, etc); £57.6m income (contributions, investment income, etc); £1,401m total fund market value at 31st March 2024

5. Source of funding: Contributions to Pension Fund

Staff

1. Number of staff (current and additional): 1 FTE

2. If from existing staff resources, number of staff hours: 36 hours per week

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Legal

1. Legal Requirement: Statutory requirement. Local Government Pension Scheme (LGPS) Regulations 2013 (as amended), LGPS (Management and Investment of Funds) Regulations 2016

2. Call-in: Call-in is not applicable.

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,526 current employees; 6,139 pensioners; 6,666 deferred pensioners as at 31st March 2024

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.

2. Summary of Ward Councillors comments: N/A

3. COMMMENTARY

3.1 Fund Value

3.1.1 The market value of the Fund ended the March quarter at £1,440.6m, an increase of £107.6m from 31st December. The comparable value as at 31st March 2023 was £1,269.6m. Historic data on the value of the Fund are shown in a table and in graph form in Appendix 1.

3.2 Performance Targets and Investment Strategy

3.2.1 Historically, the Fund's investment strategy was broadly based on a high level 80%/20% split between growth seeking assets (representing the long-term return generating part of the Fund's assets) and protection assets (aimed at providing returns to match the future growth of the Fund's liabilities). Between 1998 and 2012, Baillie Gifford and Fidelity managed balanced mandates along these lines, and, a comprehensive review of the Fund's investment strategy in 2012 confirmed this high-level strategy. It concluded that the growth element would, in future, comprise a 10% allocation to Diversified Growth Funds (DGF) and a 70% allocation to global equities, with a 20% protection element remaining in place for investment in corporate bonds and gilts.

3.2.2 The asset allocation strategy was reviewed again during 2016/17, mainly to address the projected cash flow shortfall in future years, and a revised strategy was agreed on 5th April 2017. The revised strategy introduced allocations to Multi Asset Income Funds (20%) and Property Funds (5%), removed Diversified Growth Funds, and reduced the allocations to Global Equities (to 60%) and Fixed Income (to 15%). In order to implement the revised strategy, it was agreed to sell all of the Diversified Growth Funds and the Blackrock Global Equities assets.

3.2.3 At the meetings on 21st November and 14th December 2017 the Committee appointed Schroders (60%) and Fidelity (40%) to manage the MAI fund mandates and Fidelity to manage a UK pooled property fund mandate. The Fidelity MAI and initial drawdown of the property fund were completed in February 2018 and the Schroders MAI investment completed in May 2018. A further drawdown of the Fidelity property fund was completed in August 2018. The final drawdown of the Fidelity property was completed in December 2018. The sale of the balance of the Blackrock fund was completed in May 2019 and transferred to Fidelity's MAI Fund, as agreed by this Committee at its meeting held on 15th May 2019.

3.2.4 The asset allocation strategy was reviewed again during 2019/20, and a revised strategy has been finalised. The revised strategy has amended the allocations as follows: Equities (58%), Multi Asset Income Funds (20%), Fixed Income (13%), UK Real Estate (4%) and International Property (5%).

3.2.5 In February 2023, the portfolio was rebalanced. The Committee agreed to sell £70m of the Baillie Gifford Global Equity Fund to purchase £20m of the Fidelity Fixed Interest Fund, £15m each of the Fidelity and Schroders Multi-Asset Income Funds and put £20m into the US Dollar account awaiting drawdown into the Morgan Stanley International Property Fund.

3.2.6 The Committee voted to pool the remaining Baillie Gifford Global Equity Fund with the London Collective Investment Vehicle. An in-specie transfer finalised on 22nd May 2023 and a new quarterly report on performance (Q3) is available from London CIV and has been included in the agenda pack.

3.2.7 In September 2023, the Committee agreed to sell a further £65m of Baillie Gifford and transfer to a new Fidelity Short Term Bond Fund. This occurred at the end of October 2023.

3.3 **Summary of Fund Performance**

3.3.1 Performance data for 2023/24 (short-term)

A detailed report on fund manager performance in the quarter ended 31st March 2024 is provided by the fund's external adviser, Apex in Appendix 4. The total fund return for the fourth quarter was 5.02% against the benchmark of 5.56%. Further details of individual fund manager performance against their benchmarks for the quarter, year to date, 1, 3 and 5 years and since inception are provided in Appendix 2.

3.3.2 Medium and long-term performance data

The Fund's medium and long-term returns have remained strong overall, although for 2023/24 it underperformed the benchmark, with a return of 11.08% against the benchmark of 13.37%. In 2022/23 there was a return of -3.72% against a benchmark of -2.59%. In 2021/22 there was a return of 0.7% against a benchmark of 8.7%. There was a return of 34.1% against a benchmark of 23.6% in 2020/21.

The overall Fund ranked 63rd against the 63 funds in the PIRC LGPS universe for the year to 31st March 2023, 50th over 3 years, 20th over 5 years, second over 10 years and 20 years and first over 30 years. The figures for the years to 31st March 2024 were not available at the time of writing and will be included in a supplementary appendix in advance of the meeting.

The following table shows the Fund's long-term rankings in all financial years back to 2012/13 and shows the medium to long-term returns for periods ended 31st March. The medium to long-term results have been very good and have underlined the fact that the Fund's performance has been consistently strong over a long period.

Year	Whole Fund Return	Benchmark Return	Local Authority Average*	Whole Fund Ranking*
	%	%	%	
Financial year figures				
2023/24	***11.1***	***13.4***		
2022/23	-3.7	-2.6	-1.6	63
2021/22	0.7	8.7	8.6	60
2020/21	34.1	23.6	22.8	2
2019/20	-2.7	-1.8	-4.8	22
2018/19	8.0	8.3	6.6	11
2017/18	6.7	3.1	4.5	3
2016/17	26.8	24.6	21.4	1
2015/16	0.1	0.5	0.2	39
2014/15	18.5	16.4	13.2	7
2013/14	7.6	6.2	6.4	29
2012/13	16.8	14.0	13.8	4
3 year ave to 31/3/23	***9.1***	***9.4***	***9.5***	***50***
5 year ave to 31/3/23	***6.4***	***6.8***	***5.9***	***20***
10 year ave to 31/3/23	***8.9***	***n/a***	***7.3***	***2***
20 year ave to 31/3/23	***10.0***	***n/a***	***8.4***	***2***
30 year ave to 31/3/23	***8.5***	***n/a***	***7.7***	***1***

*The most recent LA averages and ranking as at 31/03/23 are based on the PIRC LA universe containing 63 of the 89 funds.

3.3.3 In addition to winning the LGPS Investment Performance of the Year in 2017, the LGPS Fund of the Year (assets under £2.5bn) in 2018, Bromley was also in the final shortlist for 2019 and 2020. Bromley also recently won the Pensions, Treasury and Asset Management Award at CIPFA's Public Finance Awards 2021, recognising the consistent high performance of the Fund.

3.3.4 Performance Measurement Service

As previously reported in April 2016, the Council was informed that WM Company (State Street) would cease providing performance measurement services to clients to whom they do not act as custodian with effect from June 2016. There are currently no providers offering a like for like service, so the Council is using its main custodian, BNY Mellon, to provide performance measurement information and the fourth quarter summary of manager performance is provided at Appendix 2. PIRC currently provide LA universe comparator data and, at the time of writing, has 63 of the 89 LGPS funds (71%) signed up to the service including the London Borough of Bromley.

3.4 **Early Retirements**

3.4.1 Details of early retirements by employees in the Fund are shown in Appendix 3.

3.5 **Fund Manager attendance at meetings**

3.5.1 Meeting dates have been set to March 2025. While Members reserve the right to request attendance at any time if any specific issues arise, the timetable for subsequent meetings is as follows although this may be subject to change.

Meeting 23 May 2024 – Fidelity
Meeting 27 Aug 2024 – Morgan Stanley
Meeting 14 Nov 2024 – MFS
Meeting 27 Feb 2025 – Baillie Gifford

4. POLICY IMPLICATIONS

4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) allow local authorities to use all the established categories of investments, e.g. equities, bonds, property etc, and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.

5. FINANCIAL IMPLICATIONS

5.1 Details of the outturn for the 2023/24 Pension Fund revenue account will be provided at the next meeting of the Committee.

6. LEGAL IMPLICATIONS

6.1 The statutory provisions relating to the administration of the Local Government Pension Scheme are contained in the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended). The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) set out the parameters for the investment of Pension Fund monies.

Non-Applicable Sections:	Personnel Implications, Impact on Vulnerable Adults and Children, Procurement Implications
Background Documents: (Access via Contact Officer)	Monthly and quarterly portfolio reports of Fidelity, London CIV, MFS, Morgan Stanley and Schroders.

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APPENDIX 1

MOVEMENTS IN PENSION FUND MARKET VALUE SINCE 2002

	Baillie Gifford					Fidelity							Blackrock	MFS		Schroders	CAAM	
Date	Balanced Mandate	DGF	Fixed Income	Global Equities	Total	Balanced Mandate	Fixed Income	MAI	Property	Sterling Bond	USD ILF	Total	Global Equities	Global Equities	DGF	MAI	LDI Investment	**GRAND TOTAL**
31/03/2002	113.3				113.3	112.9						112.9						226.2
31/03/2003	90.2				90.2	90.1						90.1						180.3
31/03/2004	113.1				113.1	112.9						112.9						226
31/03/2005	128.5				128.5	126.7						126.7						255.2
31/03/2006	172.2				172.2	164.1						164.1						336.3
31/03/2007	156				156	150.1						150.1					43.5	349.6
31/03/2008	162				162	151.3						151.3					44	357.3
31/03/2009	154.4				154.4	143						143						297.4
31/03/2010	235.4				235.4	210.9						210.9						446.3
31/03/2011	262.6				262.6	227						227						489.6
31/03/2012	269.7				269.7	229.6						229.6						499.3
31/03/2013#	315.3	26.5			341.8	215.4						215.4			26.1			583.3
31/03/2014@	15.1	26.8	45.2	207.8	294.9		58.4					58.4	122.1	123.1	27			625.5
31/03/2015		45.5	51.6	248.2	345.3		66.6					66.6	150.5	150.8	29.7			742.9
31/03/2016		44.8	51.8	247.9	344.5		67.4					67.4	145.5	159.2	28.3			744.9
31/03/2017		49.3	56.8	335.3	441.4		74.3					74.3	193.2	206.4	28.5			943.8
31/03/2018$&			58	380	438		75.6	79.2	15.9			170.7	155.2	206.8				970.7
31/03/2019			59.2	416.5	475.7		78.7	78.8	48.6			206.1	11.4	230.2		115.8		1,039.2
31/03/2020			60.9	411.85	472.7		83.5	80.6	47			211.1		220.3		96.1		1,000.3
31/03/2021/\				597.7	597.7		85.7	131.4	46.3	64.8		328.2		293.1		110.9		1,329.9

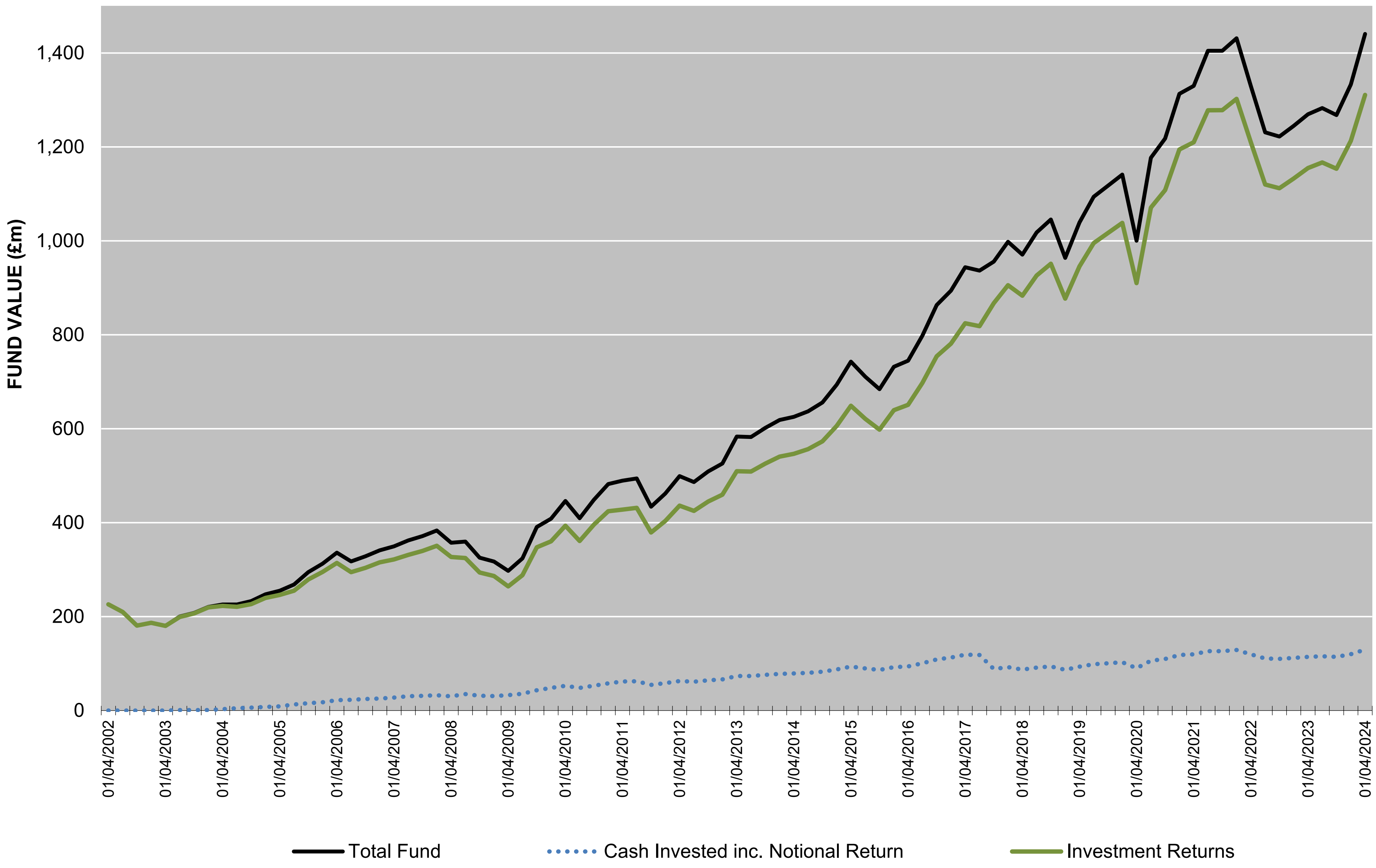
MOVEMENTS IN PENSION FUND MARKET VALUE SINCE 2002 CONTINUED

	Baillie Gifford	Fidelity							MFS	Schroders	MS	
Date	Global Equities (LCIV)	Fixed Income	MAI	Propert y	Sterling Bond	USD ILF	SD CB	Total	Global Equities	MAI	USD Property	**GRAND TOTAL**
31/03/2022*	527.8	81.2	125.5	77.9	61.2	14.8		360.6	332.9	108.7		1,330.1
31/03/2023[x]	438.3	78.6	124.4	65.1	63.5	20.5		352.1	350.2	114.8	14.2	1,269.6
30/06/2023[y]	454.7	74.6	120.7	63.9	61.8	20.2		341.2	359.4	113.3	14.1	1,282.7
30/09/2023	435.6	74.1	118.8	63.1	61.9	13.7		331.6	364.0	113.9	22.9	1,268.0
31/12/2023[z]	399.9	79.2	123.0	60.4	66.7	10.2	65.7	405.2	384.3	118.3	25.3	1,333.0
31/03/2024	433.1	78.6	123.7	59.9	65.5	14.5	66.1	408.3	412.4	122.0	24.8	1,400.6

N.B. Custodian valuations may differ to fund manager reports due to different valuation/return calculation methods and / or timing differences.

£50m Fidelity equities sold in Dec 2012 to fund Standard Life and Baillie Gifford DGF allocations.
@ Assets sold by Fidelity (£170m) and Baillie Gifford (£70m) in Dec 2013 to fund MFS and Blackrock global equities
$ £32m Blackrock global equities sold in July 2017 to pay group transfer value re Bromley College
& Assets sold by Baillie Gifford (£51m), Standard Life (£29m) and Blackrock (£19m) in Feb 2018 to fund Fidelity MAI and Property funds.
£ Assets sold by Blackrock (£120m) in May 2018 to fund Schroder MAI fund.
^ Assets sold by Blackrock (£20m) in August 2018 to fund Fidelity Property fund
* Assets sold by Blackrock (£13.7m) in December 2018 to fund Fidelity Property fund.
" Assets sold by Blackrock (£11.6m) in May 2019 to fund Fidelity MAI
/ Assets sold by Baillie Gifford (£41.2m) in Aug 2020 to fund Fidelity MAI fund
\ Assets sold by Baillie Gifford (£65.5m) in Oct 2020 to fund Fidelity Sterling Corporate Bond fund
*Assets sold by Baillie Gifford (£14.4m) in June 2021 to fund Fidelity Property fund
[x] Assets sold by Baillie Gifford (£70.0m) in Feb 2023 to rebalance the portfolio, and fund £20m of the Fidelity Fixed Interest Fund, £15m each of the Fidelity and Schroders Multi-Asset Income Funds and £20m into the US Dollar account awaiting drawdown into the Morgan Stanley International Property Fund.
[y] Assets transferred in-specie from Baillie Gifford (£444m) in May 2023 to Baillie Gifford LCIV Global Alpha Growth Fund.
[z] Assets sold by Baillie Gifford (£65.0m) in Oct 2023 to rebalance the portfolio, and fund £65m into the Fidelity Short Dated Bond Fund.

PENSION FUND - QUARTERLY VALUES SINCE 2002



PENSION FUND MANAGER PERFORMANCE TO MARCH 2024

Portfolio	Month %	3 Months %	YTD %	1 Year %	3 Years %	5 Years %	Since Inception %
Baillie Gifford Global Equity	(0.32)	(0.34)	3.53	3.53	(2.25)	7.69	8.43
Benchmark	3.33	9.31	21.18	21.18	10.67	12.15	8.56
Excess Return	(3.65)	(9.65)	(17.65)	(17.65)	(12.92)	(4.46)	(0.13)
Baillie Gifford LCIV GAG	2.13	8.87					15.39
Benchmark	3.33	9.31					21.38
Excess Return	(1.20)	(0.43)					(5.99)
Fidelity Fixed Income	2.57	(0.84)	1.83	1.83	(6.12)	(1.88)	4.90
Benchmark	1.74	(0.86)	2.74	2.74	(5.62)	(2.18)	4.19
Excess Return	0.83	0.01	(0.91)	(0.91)	(0.50)	0.30	0.70
Fidelity MAI	1.44	1.43	5.23	5.23	(1.60)	0.34	0.64
Benchmark	0.33	0.99	4.00	4.00	4.00	4.00	4.00
Excess Return	1.11	0.44	1.23	1.23	(5.60)	(3.66)	(3.36)
Fidelity Property	0.11	(0.86)	(8.05)	(8.05)	(0.94)	0.20	0.45
Benchmark	0.17	0.51	(0.70)	(0.70)	1.51	1.39	2.02
Excess Return	(0.06)	(1.38)	(7.36)	(7.36)	(2.45)	(1.19)	(1.58)
Fidelity Short Dated Bond	0.08	(0.32)					0.83
Benchmark	1.08	0.62					4.29
Excess Return	(1.00)	(0.94)					(3.46)
MFS Global Equity	4.73	7.32	17.78	17.78	11.98	12.35	12.66
Benchmark	3.28	9.19	20.60	20.60	10.15	11.61	11.58
Excess Return	1.45	(1.87)	(2.82)	(2.82)	1.83	0.74	1.07
Schroder MAI	2.59	3.16	9.62	9.62	1.76	1.93	1.68
Benchmark	0.41	1.23	5.00	5.00	5.00	5.00	5.00
Excess Return	2.18	1.94	4.62	4.62	(3.24)	(3.07)	(3.32)
Lon Borough Bromley USD	0.91	2.63	3.77	3.77			7.00
MS Northhaven	0.13	0.56	4.45	4.45			(4.94)
Total Fund	2.66	5.02	11.08	11.08	2.50	7.03	8.61
Benchmark	2.30	5.56	13.37	13.37	6.28	7.76	
Excess Return	0.36	(0.54)	(2.28)	(2.28)	(3.78)	(0.73)	

N.B. returns may differ to fund manager reports due to different valuation/return calculation methods

EARLY RETIREMENTS

A summary of early retirements and early release of pension on redundancy by employees in Bromley's Pension Fund in the current year and in previous years is shown in the table below. With regard to retirements on ill-health grounds, this allows a comparison to be made between their actual cost and the cost assumed by the actuary in the triennial valuation. If the actual cost of ill-health retirements significantly exceeds the assumed cost, the actuary will be required to consider whether the employer's contribution rate should be reviewed in advance of the next full valuation. In the last valuation of the Fund (as at 31st March 2022) the actuary assumed a figure of 0.4% of pay (approx. £0.5m p.a from 2023/24) compared to £1.4m in the 2019 valuation, £1.2m in the 2016 valuation, £1m in the 2013 valuation and £82k p.a. in the 2010 valuation. In 2018/19 there were five with a long-term cost of £698k,in 2019/20 there were three with a long-term cost of £173k, in 2020/21 there were six with a long-term cost of £520k, in 2021/22 there as 1 with a cost of £618k and in 2022/23 there were 3 with a cost of £316k. Provision has been made in the Council's budget for these costs and contributions have been and will be made to reimburse the Pension Fund as result of which the level of costs will have no impact on the employer contribution rate.

The actuary does not make any allowance for other (non-ill-health) early retirements or early release of pension, however, because it is the Council's policy to fund these in full by additional voluntary contributions. In 2018/19 there were eight with a long-term cost of £392k, in 2019/20 there were 14 with a long-term cost of £433k, in 2020/21 there were 14 with a long-term cost of £203k, none in 2021/22 and 1 with a cost of £25k in 2022/23. Provision has been made in the Council's budget for severance costs arising from LBB staff redundancies and contributions have been and will be made to the Pension Fund to offset these costs. The costs of non-LBB early retirements are recovered from the relevant employers.

Long-term cost of early retirements		**Ill-Health**		**Other**	
		No	£000	No	£000
Jan 24 – Mar 24	- LBB	0	0	0	0
	- Other	0	0	0	0
	- Total	0	0	0	0
2023/24 total	- LBB	2	540	0	0
	- Other	1	51	4	28
	- Total	3	591	4	28
Actuary's assumption	- 2019 to 2022		1,400 p.a.		N/a
	- 2016 to 2019		1,200 p.a.		N/a
	- 2013 to 2016		1,000 p.a.		N/a
	- 2010 to 2013		82 p.a.		N/a
Previous years	– 2022/23	3	316	1	25
	– 2021/22	1	618	0	0
	- 2020/21	10	549	23	270
	– 2019/20	3	173	14	433
	– 2018/19	5	698	8	392
	– 2017/18	5	537	10	245
	– 2016/17	6	235	22	574
	– 2015/16	9	1,126	14	734
	– 2014/15	7	452	19	272
	– 2013/14	6	330	26	548

APPENDIX 4

London Borough of Bromley

Quarterly Investment Report

Q1 2024

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Key Indicators at a Glance

	Index (Local Currency)	Q1 2024	Q1	2023
Equities			Total Return	
UK Large-Cap Equities	FTSE 100	7,953	3.98%	7.68%
UK All-Cap Equities	FTSE All-Share	4,338	3.56%	7.70%
US Equities	S&P 500	5,254	10.55%	26.26%
European Equities	EURO STOXX 50 Price EUR	5,083	12.94%	23.21%
Japanese Equities	Nikkei 225	40,369	21.43%	31.01%
EM Equities	MSCI Emerging Markets	1,043	2.41%	10.20%
Global Equities	MSCI World	3,438	9.01%	24.44%
Government Bonds				
UK Gilts	FTSE Actuaries UK Gilts TR All Stocks	3,079	-1.62%	3.69%
UK Gilts Over 15 Years	FTSE Actuaries Uk Gilts Over 15 Yr	3,621	-3.56%	1.65%
UK Index-Linked Gilts	FTSE Actuaries UK Index-Linked Gilts TR All Stocks	3,965	-1.81%	0.93%
UK Index-Linked Gilts Over 15 Years	FTSE Actuaries UK Index-Linked Gilts TR Over 15 Yr	4,218	-3.44%	-4.28%
Euro Gov Bonds	Bloomberg EU Govt All Bonds TR	222	-0.65%	7.12%
US Gov Bonds	Bloomberg US Treasuries TR Unhedged	2,255	-0.96%	4.05%
EM Gov Bonds (Local)	J.P. Morgan Government Bond Index Emerging Markets Core Index	134	-2.24%	10.91%
EM Gov Bonds (Hard/USD)	J.P. Morgan Emerging Markets Global Diversified Index	911	2.04%	11.09%
Bond Indices				
UK Corporate Investment Grade	S&P UK Investment Grade Corporate Bond Index TR	362	0.19%	9.63%
European Corporate Investment Grade	Bloomberg Pan-European Aggregate Corporate TR Unhedged	233	0.56%	8.84%
European Corporate High Yield	Bloomberg Pan-European HY TR Unhedged	447	1.81%	12.78%
US Corporate Investment Grade	Bloomberg US Corporate Investment Grade TR Unhedged	3,208	-0.40%	8.52%
US Corporate High Yield	Bloomberg US Corporate HY TR Unhedged	2,517	1.47%	13.45%
Commodities				
Brent Crude Oil	Generic 1st Crude Oil, Brent, USD/bbl	87	13.55%	-10.32%
Natural Gas (US)	Generic 1st Natural Gas, USD/MMBtu	1.76	-29.87%	-43.82%
Gold	Generic 1st Gold, USD/toz	2,217	7.03%	13.45%
Copper	Generic 1st Copper, USD/lb	401	2.99%	2.10%
Currencies				
GBP/EUR	GBPEUR Exchange Rate	1.17	1.40%	2.12%
GBP/USD	GBPUSD Exchange Rate	1.26	-0.85%	5.36%
EUR/USD	EURUSD Exchange Rate	1.08	-2.26%	3.12%
USD/JPY	USDJPY Exchange Rate	151	7.31%	7.57%
Dollar Index	Dollar Index Spot	104	3.11%	-2.11%
USD/CNY	USDCNY Exchange Rate	7.22	1.72%	2.92%
Alternatives				
Infrastructure	S&P Global Infrastructure Index	2,738	1.36%	6.82%
Private Equity	S&P Listed Private Equity Index	225	7.26%	40.75%
Hedge Funds	Hedge Fund Research HFRI Fund-Weighted Composite Index	19,823	5.53%	7.21%
Global Real Estate	FTSE EPRA Nareit Global Index TR GBP	3,704	-0.39%	3.59%
Volatility			Change in Volatility	
VIX	Chicago Board Options Exchange SPX Volatility Index	13	4.50%	-42.55%

Source: Bloomberg. All return figures quoted are total return, calculated with gross dividends/income reinvested and in local currency.

Performance

The Fund rose by 5.0% in the first quarter of 2024 to a value of over £1.4bn, close to its all-time high of autumn 2021. This was against a rise in the Fund's benchmark of 5.6% over the period. The Fund's underperformance of its benchmark over the quarter was driven by the two Global Equity portfolios, particularly MFS which returned 1.9% below its benchmark. The Multi-Asset Income portfolios outperformed their benchmark which is of a cash + X% style (which means the benchmark rises by a fixed amount over the return of cash in any given quarter irrespective of the movement of asset prices). Schroders returned 3.2% against Fidelity returning 1.4% over the quarter. This stronger performance by Schroders continues the trend of the recent past with the Schroders portfolio returning noticeably above Fidelity this year and now having returned 1.5% per annum over the Fidelity portfolio over the last 5-years. Schroders do have a higher return target and therefore take more risk. At the asset allocation level, the slight overweight in Bonds weighed on returns slightly over the quarter. The switch from equities to bonds in the third quarter of 2023 has, so far, reduced returns marginally but short-dated UK bonds remain my preferred asset class at the current time.

The Fund remains noticeably behind its benchmark over 1 and 3 years and marginally behind over 5 years but with returns of 8.67% per annum over the last 37 years being above the Fund's actuarial discount rate assumption for future investment returns, investment returns have driven the improvement in the funding ratio over the long-term. A further comment on Performance is made in appendix 1 to be taken in part 2 of this meeting.

Comment

Global Equity markets continued to rise in the first quarter of 2024 following on from the strong rally in Q4 2023. This was driven by the major central banks, led by the US Federal Reserve (US Fed), stating in September 2023 that inflation was now under control and that they expected the next move in interest rates to be down. By the end of 2023, markets were discounting 6 quarter percent cuts in US interest rates taking the headline interest rate from 5.5% to 4% over the course of 2024. This spurred both equity and bond returns in the fourth quarter of 2023.

As I noted in my last report, this speed of interest rate cuts seemed optimistic and, over the first quarter 2024, expectations have been scaled back as the US economy has continued to show solid economic growth and inflation has proved stickier than assumed. With the expectation of interest rate cuts being scaled back, government bond markets fell across the board over the first quarter 2024 although not precipitously with credit outperforming Government bonds and short-dated bonds out-performing those of a longer duration.

The table below shows annualised, seasonally adjusted, economic growth (GDP) after taking into account inflation for the major economies over the last few quarters.

Table 1: Annual Real GDP Growth

GDP growth	1Q 23	2Q 23	3Q 23	4Q 23	1Q24
US	2.2%	2.1%	4.9%	3.4%	1.6%
EU	1.2%	0.6%	0.1%	0.2%	0.8%*
UK	0.2%	0.0%	-0.1%	-0.3%	0.6%*
Japan	2.6%	2.3%	1.6%	1.2%	0.5%*

*Forecast

As can be seen in the table above, it is the US which has maintained strong economic growth through 2023 despite the rise in interest rates. This would seem to be driven by a number of factors:

1. repatriation of supply chains away from lower cost countries to a more home grown base for greater security;

2. a longer duration debt profile of both corporates and individuals with many US residential mortgages fixed for 25 year terms. This has slowed down the impact of raising interest rates;
3. the effect of high European gas prices in 2022 pushing a number of industries, particularly fertilised and chemical, away from the EU to the US due to cheaper feed stocks;
4. US domestic policy around the Inflation Reduction Act which encouraged corporates to reinvest back into the US leading to signs of higher corporate investment and improved productivity;
5. a higher natural immigration rate in the US boosting the supply of labour.

Whilst the US has continued to post strong economic growth numbers, the EU and UK have been much weaker with the UK in a technical recession (two consecutive quarters of negative economic growth in the second half of 2023.

In the US, it is the strong economic performance which is keeping employment rates high and wages rising thereby keeping inflation above expectations. If we assume that the potential non-inflationary US economic growth rate is around 2-2.5% per annum in real terms, any rate of economic growth above this will be inflationary and, for inflation to fall, economic growth will have to slow further. US GDP growth does appear to be on a downward projection at present although the figure reported for Q1 2024 may be revised up. Any sign that the US economy is not slowing as forecast will concern markets as it may then require even higher interest rates to slow the economy and bring inflation back to the US Fed's 2% target.

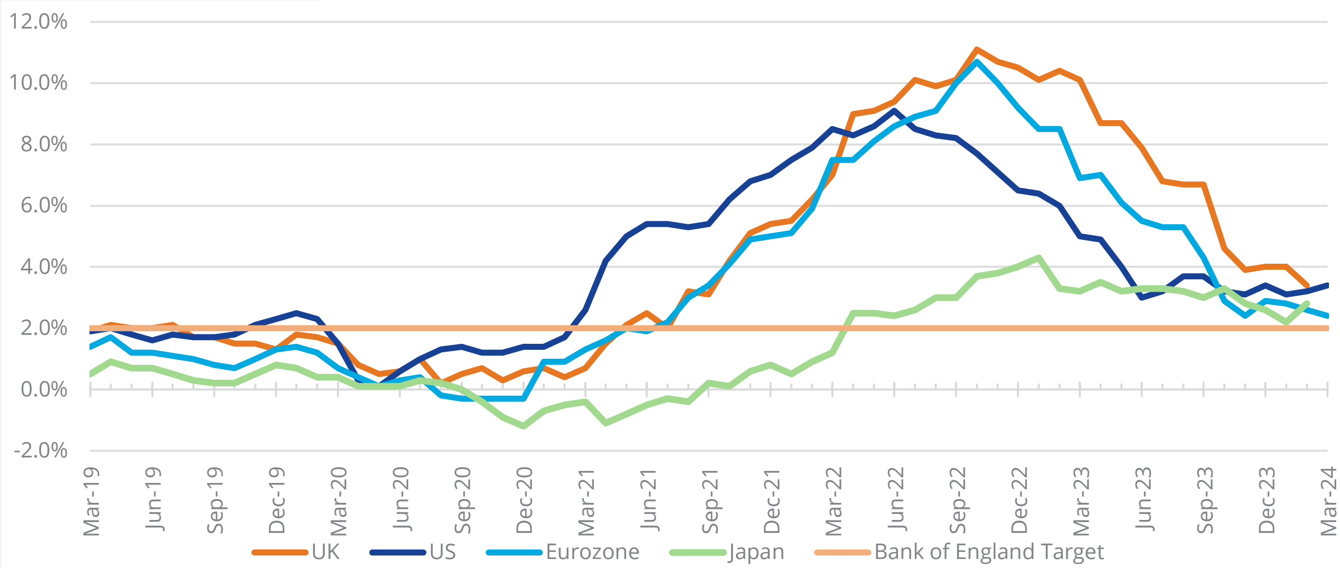
The situation in the EU and UK is different, inflation here is not being held up by strong economic growth but by rising costs and more structured labour markets. The transition mechanism by which higher interest rates impact the underlying economy remains effective in these regions with the availability of credit reducing and loan growth slowing. Inflation in the EU is expected to fall further with only service sector and wage inflation remaining above target but these are lagging indicators, especially in more structured European labour markets. The potential non-inflationary economic growth rate for the EU and UK is estimated to be below that of the US at around 1-1.5% due, in part, to lower immigration and very limited productivity gains in the recent past. The EU and UK economies are already growing below this figure and therefore the scope for interest rates to fall remains the central expectation for investors with the EU potentially cutting interest rates in the early summer 2024. This compares with the US now expected to cut interest rates no earlier than November 2024, in part due to the timing of the US presidential elections in October 2024. (Central banks are wary of cutting interest rates in the run up to elections due to the potential for this to be seen as politically motivated.)

Since the end of the first quarter, the economic data has become more confusing regarding the speed of any further slowdown with a number of leading indicators, particularly around the Purchasing Managers Index (PMI), rising in both the US and EU suggesting the potential for an economic recovery post the very muted slowdown experienced in the last few years. However, there are some signs of a weakening consumer, particularly around the budget and low price sector. The details and some corporate earnings reports suggest that those who have insecure jobs, being unable to maintain their wages in real terms and have no assets to benefit from higher interest rates, are struggling. The better off with stable employment and assets which benefit from rising markets continue to spend strongly and it is this sector which is keeping consumer spending strong and thereby the US economy (consumer spending accounts for 70% of GDP).

An economic acceleration from here is not a central market assumption and would lead to higher interest rates particularly in the US to contain any resultant surge in inflation. I would expect this to undermine investor sentiment. However, my central expectation is for a continued gentle slowdown in the US with inflation remaining stickier than expected and therefore interest rates higher for longer in the US but with scope for a gentle decline in the EU and UK.

One issue for the major central banks is that they all realise that an inflation target of 2% per annum is probably too low, it leaves open the prospect of undershooting this target and hitting deflation but also a focus on the 2% figure may lead interest rates to remain too high for too long to squeeze the last drops out of inflation and in doing so cause longer lasting damage to the underlying economy. I suspect that all the major central banks would like to move away from their 2% inflation target, settling for 2.5% or even 3% but feel constrained by how bond investors would take this and whether they would lose confidence in the central banks' commitment to controlling inflation and therefore push bond yields higher.

Chart 1: CPI – Annual rate of Inflation - Five Years to March 2024



Source: Bloomberg

Notes: UK: UK CPI EU Harmonised YoY NSA (Ticker: UKRPCJYR Index); US: US CPI Urban Consumer YoY NSA (Ticker: CPI YOY Index); Eurozone: Eurostat Eurozone MUICP All Items YoY Flash Estimate (Ticker: ECCPEST Index); Japan: Japan CPI Nationwide YOY (Ticker: JNCPIYOY Index)

As can be seen in the chart above, inflation, as measured by the Consumer Price Index (CPI), seems to have stopped falling over the last few quarters and we are seeing rising prices across a number of commodity markets form Oil (due to raised political tensions in Russia and the Middle East); Cocoa and a number of soft commodities (due to disrupted harvests from abnormal weather patterns); Gold (due to high investor demand as an inflation hedge) and Copper (due to supply shortages).

With US interest rates likely to remain higher for longer than those of the EU and UK, it would seem probable that the US Dollar continues to strengthen in the near term.

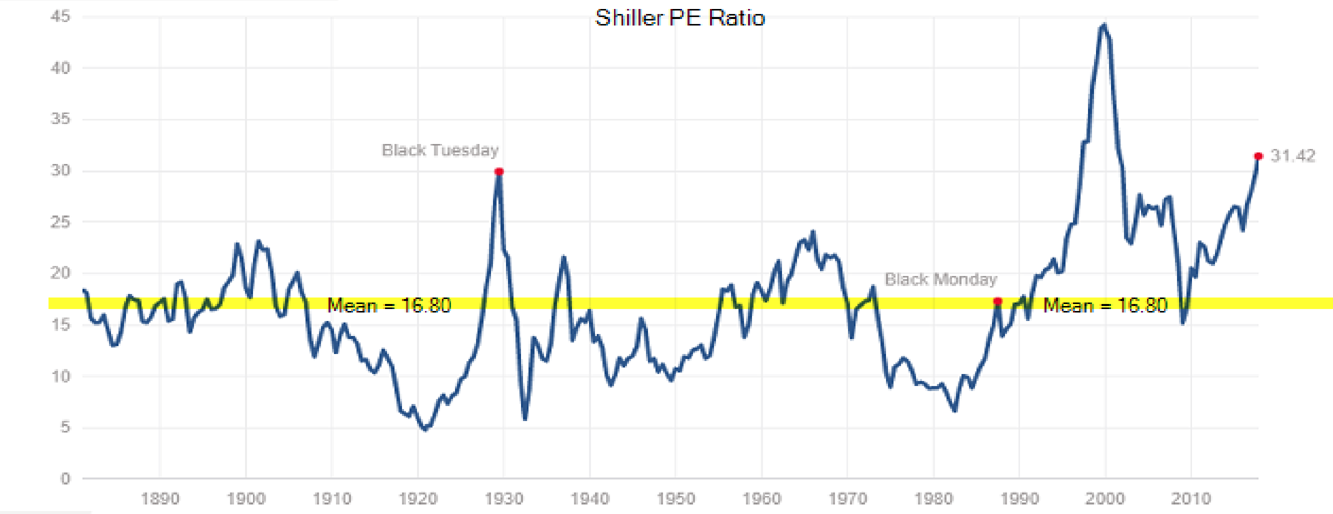
Given bond yields are now pricing in much slower interest rate cuts than three months ago, bond markets may have some scope for yields to fall as actual interest rate cuts come through in the UK and EU and then eventually in the US. This may provide support to equity markets but, given the recent strength in global equities, up 20% in the last 6 months, I would be surprised to see much further progress in the near term.

Much of the rise in equity markets over the last 6 months has been on the basis of better future growth, i.e. it has been the valuation of equities which has risen rather than higher current earnings. There are some exceptions to this and a number of the US mega tech companies continue to perform well, particularly Meta and Nvidia. However, Q1 did see a broadening out of the equity market rally from the 7 big US technology names. It does, however, feel to me that markets are purely extrapolating current trends rather than thinking through possible future outcomes at present.

The chart below shows a simple valuation measure of global equity markets against their long-term history using share prices divided by the average 10-year earnings per share.

There are several reasons why this chart can be a poor measure of current market valuations, but I do find the long-term comparison useful. It shows the climb in equity market valuations from 1980 through to 2008 as interest rates fell from cyclical highs to the near zero levels we became accustomed to during the early part of the 21st Century. In theory, the valuation of equity markets should fall as interest rates rise but that has not been the case so far and valuations are beginning to look stretched. Any further strength in the US economy and a realisation that US rates need to rise further rather than fall as forecast could lead to a sudden reappraisal of equity market valuations.

Chart 2: Shiller Price/Earnings ratio using average 10-year earnings per share



The outlook for alternative, less liquid asset classes remains linked to that of equity and bond markets. Private Equity has still not repriced to reflect current market conditions post the rise in interest rates and I would expect returns to lag those of the quoted markets for a few quarters yet, Private Debt continues to hold up well returning around 10-12% at present but competition in this area is increasing, Infrastructure has taken time to reflect the higher bond yields and, in addition, trading conditions for a number of the renewables sectors have been poor in the UK, especially around battery storage and wind. Commercial Property has also taken time to reflect higher bond yields but may now have over discounted a potential economic recession with scope for higher yields to drive returns from here.

Asset Allocation

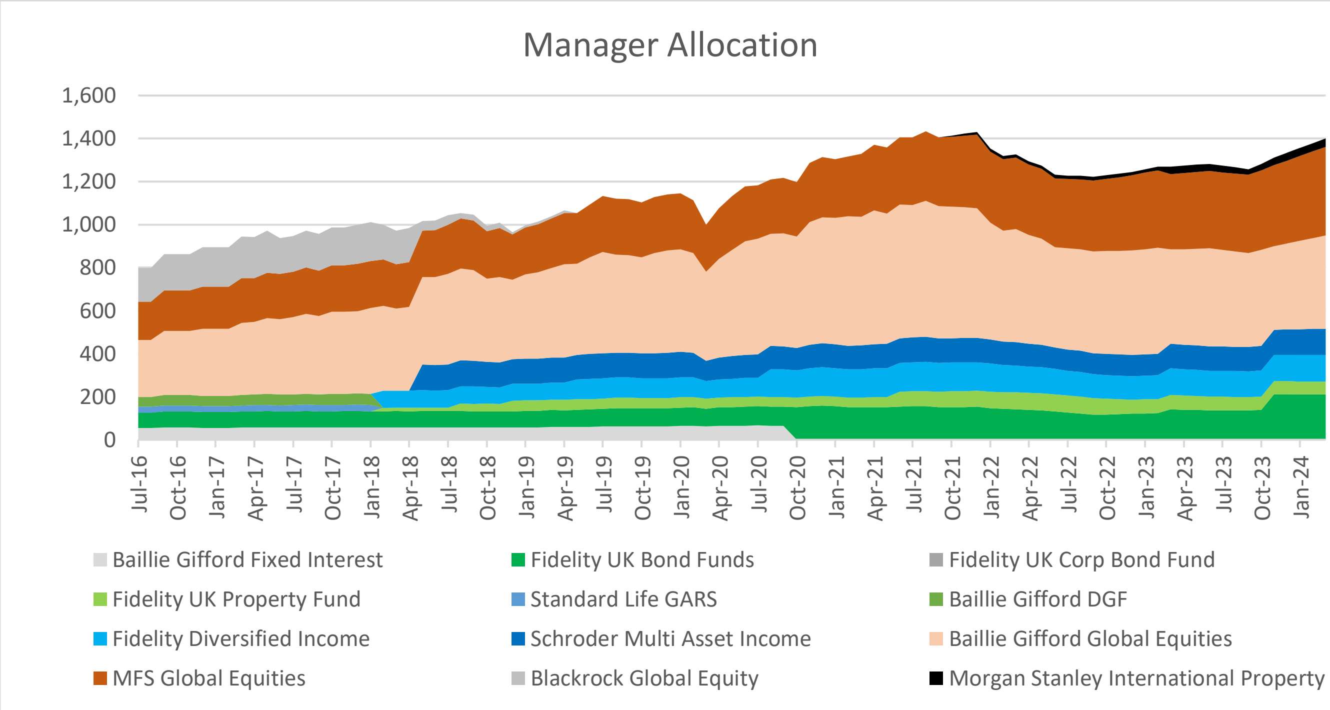
Table 2: The Fund's current asset allocation against the Strategic Benchmark

Asset class	Asset Allocation as at 31/12/2023	SAA Benchmark	Position against the benchmark	Cash over/under weight
Global Equities	60.3%	58%	+2.3%	-£32m
Fixed Interest	15.0%	13%	+2.0%	-£28m
UK Property	4.3%	4%	+0.3%	-£4m
Multi-Asset Income	17.5%	20%	-2.5%	£35m
Int'l Property +US$ cash	2.8%	5%	-2.2%	£30m

Figures may not add up due to rounding

The column on the right of this table shows the amount of money which would need to be moved from each asset class to bring it to an on-weight position against the Strategic Asset Allocation benchmark. I regard all of the current weightings as within acceptable tolerances, particularly as the money awaiting drawdown into the International Property portfolio is now, in essence, held in short-dated UK corporate bonds which will be much less volatile than Global Equities, thereby reducing the risk. I regard the overweight in Global Equities and the corresponding underweight in Multi-Asset Income as a tactical decision which reflects the committee's continuing commitment to a long-term holding in Equities and some elements of concern over the Multi-Asset Income portfolios at the current time..

Chart 5: Assets by manager/mandate.



With asset values moving back towards the Fund's peak valuation of autumn 2021 and bond yields having risen since then, there will have been limited change in the value of the Fund whilst the actuarial valuation of the Fund's liabilities will have fallen markedly since the last actuarial revaluation thereby further raising the funding ratio. Given my view of inflation remaining above historic levels going forward, I would expect the actuary to have to alter their long-term inflation expectations slightly at the next triennual valuation which may counter this to a small extent.

I would note that both the current government and the opposition party seem to be intent on engaging more directly with the LGPS sector at present. LGPS pensions is one of the very few pots of money that parties believe they can influence and hence wish to use it to enact policy, particularly as the current departmental budgets are quite probably unachievable so there will be no financial slack in the system going forward unless we see greater economic growth in the UK. I do not see Government involvement in the LGPS as a positive as they are not the ultimate beneficiaries of this money nor are they acting entirely in those beneficiaries' best interests.

Environmental, Social and Governance (ESG)

In my report for the committee for the third quarter of 2023, I set out the requirements for the **Taskforce for Climate Related Financial Disclosure (TCFD) reporting.** Since then the Fund Chair and officers have had further discussions with the LCIV about the Fund producing a TCFD report and how LCIV could feed into the process and assist in the provision of data

As a reminder:

The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit and insurance underwriting decisions and, in turn, enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks. The required reporting disclosure has four core elements:

- Governance: The organization's governance around climate-related risks and opportunities.
- Strategy: The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

- Risk Management: The processes used by the organization to identify, assess and manage climate-related risks.
- Metrics and Targets: The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Each of these sections will require the Committee to think through its current approach to climate change, how this will evolve into the future and what metrics and targets it will monitor to hold itself to account. In essence, it will need to describe and quantify its existing practice and understanding and think through how this might change into the future.

As I noted in my 2023 report 'TCFD reporting has already commenced for large, private sector pension schemes with the LGPS sector expected to follow using 2023/4 data. **I feel it is now best practice for LGPS Funds to complete TCFD reporting even if the current Government does not specifically mandate action on this point.'**

In order to achieve this, the committee will need to spend time deciding how to respond to the four headings for the report set out above, this needs to be done before the LCIV can help provide any data. In order for the Committee to think through what is required, I note below the web addresses of the latest review of TCFD reporting by the Pensions Regulator as well as a TCFD report for other funds which I think are well set out.

The Pension Regulator Review 2023

Review of climate-related disclosures by occupational pension schemes: Year 2 | The Pensions Regulator

Smart Pensions Master Trust TCFD report:

https://assets-global.website-files.com/5de10f93d41c9be073b7c9ce/65a00a7c6af7557599e24218_tcfd-report-june-2024.pdf

Oxfordshire LGPS TCFD report:

https://www.oxfordshire.gov.uk/sites/default/files/file/pensions/OxfordshireTCFDReport.pdf

Executive Summary

- Inflation (including core inflation) fell slightly in Q1, but less than expected, driven by persistent wage and services prices, causing central banks to revise the more dovish stances they took in Q4 2023. All major central banks held their current rates in Q1, though the prevailing direction is still downward, albeit at a slower pace. Generally, economic indicators proved more positive than expectations, reducing some fears of stagnating growth and recessionary risk, but the UK and Europe are still showing declining GDP growth (with the UK entering a technical recession). China, whilst beginning to recover, is doing so slowly and is still struggling with its property crisis. The US once again led the way with a resilient domestic job market (unemployment at 3.8%) and a healthy consumer market leading to steady GDP growth.
- Q1 was positive for most markets bar government bonds, in keeping with the largely positive trend of 2023. Global equities (MSCI World) rose sharply by 9.0% in local currency terms over the quarter, with Growth (+10.0%) rising more sharply than Value (+6.9%). Emerging Market and UK equities notably lagged behind other markets, with Emerging Markets returning 2.4% in local currency and UK equities returning 3.6%. Following a strong 2023, Japanese equities had a spectacular quarter (returning c.20%) as optimism over positive economic indicators and the Bank of Japan's (BoJ) monetary overhaul signalling a departure from negative rates drove foreign investment. UK equities suffered slightly from a value bias as well as the lack of rate cuts as the UK entered a technical recession. US equities performed strongly (+10.5%) as Q4 GDP growth was revised up and economic indicators improved. Bonds had weaker performance this quarter, as rate cuts were held across the major markets. Longer-dated Government Bonds (and index-Linked Bonds) showed the biggest fall,

particularly in the UK. Shorter-dated credit did better, with credit spreads tightening and investment grade credit underperformed high yield. Alternatives generally performed well, with private equity (+7.3%) as measured by the S&P Listed Private Equity Index showing the strong performance but real estate proving more mixed.

It is worth highlighting the following themes, impacting investment markets:

- **Core inflation continues stubbornly high – is c.4% rates the "new" normal?** Inflation generally fell slightly during the quarter but, particularly in the US, ticked up again towards the end of the quarter. Annual CPI fell to 3.4% in the UK (February) compared to 3.4% for the US and 2.4% for the Eurozone (March). But the fall in core inflation (excluding energy and food prices) has slowed and it remains uncomfortably high (3-5%), resulting in a more cautious reaction from central banks who mostly chose not to cut rates. Meanwhile, rising tension in the Middle East and continued strong growth (including a pick-up in China) have led oil back up over $90/bbl, up almost 15% year-to-date which will close the gap between CPI and core inflation. It is likely that rates may stay elevated through much of 2024, and central banks will need to see evidence of weakening demand (e.g. recession) to cut them, i.e. a traditional "cycle"!
- **"Higher for longer" interest rates may favour more defensive positioning.** High rates are a drag on businesses requiring funding and favour those businesses with strong free cash flows (FCF): this usually drives investors to favour large companies over smaller companies, cheaply valued equity over expensive (UK on 11x forward price/earnings ratio vs US on >20x), strong FCF yields (typically defensive business models, but also tech majors where cash generation is high; it penalizes leverage of all varieties (real estate, utilities etc) and also caveats higher yield fixed income; it increases cyclical risk, and, with credit spreads tight and US 10-year bonds yielding 4.6%, urges increased caution with credit risk. The accompanying inflationary pressure can benefit commodities (mining and energy equities are currently rallying). Having said all that, with expectations of interest rate cuts reset (fewer cuts now expected), it may be time to consider longer duration assets with some inflation characteristics (e.g. unlevered infrastructure, real estate).
- **Investment risk is higher and harder to diversify in inflationary environments.** In inflationary environments, where central banks have to balance taming inflation with causing recessions, equity/bond correlations tend to be positive: raising rates is mathematically bad for bond prices, but also increases recession risk, impacting equities. This means the traditionally stable assets (bonds), as well as being inherently more volatile, are also less likely to offset movements in risk assets (equities).

Global equities rose in Q1 on the back of good corporate earnings, positive economic data (particularly in the US) and increasing enthusiasm over AI. The VIX increased slightly over the quarter from 12 to 13, having fallen over the course of last year from the previous highs. Growth continued to outperform Value.

- In the US, the S&P 500 and NASDAQ rose by 10.6% and 8.7%, respectively. GDP growth for Q4 was revised up to 3.4%, above expectations, and Manufacturing PMI increased above 50 for the first time in over a year. Whilst this caused a positive reaction, the US Fed holding rates for the quarter tempered market sentiment. However, US Fed open markets committee still predicts three interest rate cuts this year.
- UK equities increased by 3.6% but continued to underperform global equities. Inflation continued to fall slightly to 3.4% but the Bank of England (BoE) held rates despite Britain entering a technical recession. Energy (excluding natural gas) and financial sectors, which the UK is biased to, performed well but the UK's value bias hindered performance.
- The Euro Stoxx 50 rose by 12.9%, with the IT sector leading returns over AI enthusiasm. Inflation and core inflation continued to fall, now both under 3% but the European Central Bank (ECB) was more cautious in commentary around rate cuts as it wants to avoid a reversal. Composite PMI hit 50 again showing business levels are almost at stable levels (although Manufacturing PMI still lags significantly).
- Japanese equities returned 20% in Q1 in local currency. Optimism over wage growth and positive economic indicators drove foreign investment with the Nikkei reaching 40,000 Yen for the first time. The BoJ's monetary overhaul (lifting negative interest rates, abandoning Yield Curve Control and the market purchase programme) led to further weakening of the Yen.
- Emerging market equities rose by 2.4% in Q1, with Asian Markets returning slightly better as China began to recover (although slowly), Indian Manufacturing grew due to relocations from China and Taiwan enjoying the AI boom. Outside of Asia markets saw mixed results as Turkey's more orthodox interest rate policy instilled confidence, but South Africa and Egypt suffered from political tensions and 35% currency devaluation respectively. Colombian and Peruvian markets

saw positive monetary policy developments but generally Latin American returns were low, in part due to sensitivity to US rates.

- Yields generally rose over the quarter, dovish stances taken by central banks last quarter were tempered, resulting in mildly negative performance for most government bonds. Japan's Central Bank raised its policy rate for the first time in 17 years. The inversion of US yield curve (10-year minus 2-year yields) increased slightly but remained around -40bps. In corporate bonds, credit spreads tightened as default rates remain low and recessionary fears further reduced over the quarter.
    - The US 10-year Treasury yield rose from 3.88% to 4.20%, while the 2-year yield rose from 4.25% to 4.62%. The US Fed policy rates remained the same, but the US Fed slightly reigned back dovish rhetoric and delayed rate cuts whilst still predicting three quarter of a percent cuts for 2024.
    - The UK 10-year Gilt yield rose from 3.53% to 3.93% while 2-year yields rose from 3.95% to 4.17%. The BoE held rates this quarter as despite its continued fall, the inflation rate (particularly core inflation) remains above its peers as does wage growth.
    - European government bonds also fell in Q1 as yields rose, the ECB was also cautious and tempered previous dovish rhetoric. Italian – German spreads continued to tighten causing Italian bonds to outperform German bonds.
    - Corporate bonds outperformed Government bonds, with high yield leading but all returns were muted. US and European high yield returned 1.5% and 1.8%, while US, UK and European investment grade credit returned -0.4%, 0.2% and 0.6% respectively.
- Energy and livestock prices rose during Q1, with crude oil rising by 13.55% as supply and distribution difficulties met with an increased demand. Natural Gas was a notable exception falling almost 30%. Agriculture showed more modest returns, although West African supply shortages increased the cocoa price. Industrial metals showed mixed returns, but precious metals were broadly positive.
    - US gas prices fell even further in Q1 due to record production and abundant inventories with relatively mild winter temperatures.
    - OPEC+ supply cuts and geopolitical uncertainties limited supply (particularly Houthi attacks in the Red Sea redirecting shipping) causing the high Q1 demand to raise oil prices. Poor weather conditions also impacted supply from non-OPEC+ sources.
    - Gold and copper rose 7.0% and 3.0% respectively over Q1. Precious metals prices (particularly Gold) rose following concerns around geopolitical stability, while industrial metals were more mixed.
- Global listed property fell slightly this quarter, with the FTSE EPRA Nareit Global Index falling by -0.4% in Q1.
    - The Nationwide House Price Index in the UK has increased again this quarter, with the seasonally adjusted price index up 1.1% for the quarter and up 1.6% for the last 12 months.
    - European commercial property has finally bounced back slightly this quarter after a steady decline since early 2022, with the Green Street Pan European Commercial Property Price Index up by 1.4% this quarter versus -4.7% over the past 12 months.
- In currencies, US Dollar strengthened generally throughout the quarter (DXY 3.1%), slightly against Sterling, more against the Euro and significantly against the Japanese Yen. Bitcoin and Ethereum saw another quarter of very strong performance in Q1 (69% and 60% respectively) after the approval of the US spot bitcoin Funds by the US Securities commission and subsequent successful launch of multiple Funds.

Performance report

Asset Class/ Manager	Global Equities/ Baillie Gifford via the LCIV
Fund AuM	£433m Segregated Fund; 30.9% of the Fund (inc £5m still held directly with BG)
Benchmark/ Target	MSCI All Countries World Index +2-3% p.a over a rolling 5 years
Adviser opinion	Short-term performance has been poor, acceptable longer term.
Last meeting with manager	John Arthur/John Carnegie/Tim Golding 28/1/24

This portfolio is now held within the London CIV.

The portfolio returned 8.8% against a strong benchmark return of 9.3% over the quarter. It has now underperformed over the last 3 and 5 years. I have downgraded the manager to amber given the poor recent performance but remain supportive of their investment approach.

I continue to believe that the investment philosophy and process focusing on high growth businesses should aid performance going forward, especially in a lower growth environment. The companies held exhibit strong underlying growth in both sales and earnings and this will be reflected in market valuations over the longer term.

Asset Class/ Manager	Global Equities/MFS
Fund AuM	£412m Segregated Fund; 29.4% of the Fund
Benchmark/ Target	MSCI World Index (Developed Markets)
Adviser opinion	This portfolio should outperform in a more inflationary environment
Last meeting with manager	Elaine Alston/Paul Fairbrother/John Arthur 4/12/23

The MFS portfolio returned 7.3% over the quarter, underperforming its benchmark by -1.9%. This brings the 1-year performance to a return of 17.8% which is 2.8% behind the benchmark. The portfolio has outperformed over the medium and longer term adding 1.1% p.a. over the benchmark since inception in January 2013. MFS retain a 'value' bias within the portfolio focusing on stocks which have a strong and defendable business model and have pricing power which is important in more inflationary times.

MFS remain cautious of the economic outlook at present and are stress testing their investments for the durability of the business franchise as well as concentrating on valuation support. Given that I remain somewhat cautious over the market outlook and expect that we are entering a lower growth, more challenging situation for many corporates, I do think that it is possible that both the Fund's equity managers could outperform over the next few years as both seem to have an investment approach that fits well with current market dynamics.

Asset Class/Manager	UK Aggregate Bond Fund and UK Corporate Bond Fund/ Fidelity
Fund AuM	£210m pooled fund; 14.9% of the Fund
Performance target	28.8% Sterling Gilts; 28.8% Sterling Non-Gilts; 42.5% UK Corporate Bonds +0.75 p.a rolling 3 year;
Adviser opinion	Manager continues to meet long-term performance targets
Last meeting with manager	Tom Jeffery; Jessica Miley/John Arthur 30/8/23

The Fund holds two similar Fidelity Fixed Interest portfolios. The UK Aggregate Bond Fund which has a benchmark that is 50% UK Gilts and 50% UK non-Gilts and the UK Corporate Bond Fund which has a benchmark consisting entirely of UK Investment Grade Corporates and, as such, contains slightly higher credit risk and achieves a slightly higher yield. The manager can invest outside of these benchmarks with a proportion of the portfolio including into overseas investment grade bonds hedged back to Sterling and higher yielding, non-investment grade bonds. These two portfolios are combined for reporting.

In addition the Fund now also holds a third Fidelity bond fund which is focused on the UK short duration investment grade bonds following an allocation to this Fund in October last year.

The two existing bond portfolios returned 0.8% over the quarter, in line with their index. Over the longer term the portfolio has outperformed, adding 0.7% per annum over the benchmark over the last 25 years.

The short-dated bond portfolio returned -0.3% against a benchmark return of 0.6% over the quarter.

The first quarter saw UK Gilt yields stabalise after falling across the duration curve in the final quarter of last year as central banks in the US, EU and UK all took a more dovish tone on the outlook for inflation and thereby interest rates. Economic data during the quarter showed more resilient growth with stickier inflation than expected forcing investors to assume a slower reduction of interest rates than previously expected.

Asset Class/Manager	Mult-Asset Income / Fidelity
Fund AuM	£123m Pooled Fund; 8.8% of the Fund
Performance target	LIBOR +4% including a yield of 4% per annum
Adviser opinion	
Last meeting with manager	Talib; Tom Jeffrey; Jessica Miley/John Arthur various

Asset Class/Manager	Multi-Asset Income / Schroders
Fund AuM	£122m Pooled Fund; 8.7% of the Fund
Performance target	LIBOR +5% including a yield of 4% per annum
Adviser opinion	
Last meeting with manager	John Arthur/ Russel Smith/Remi Olu-Pitan 9/2/24

These portfolios are designed to provide yield which is paid back to the Fund each quarter. By guaranteeing that the Fund always has enough cash to pay pensions, under any circumstances, the Fund never becomes forced to sell assets into unfavourable market conditions but can continue to invest for the long-term.

During the quarter the Fidelity portfolio returned 1.4% whilst the Schroders portfolio rose by 3.2%. Over the last year a noticeable performance gap has opened up between the two portfolios with Fidelity up 5.2% and the Schroders portfolio up 9.6%. Fidelity have bought in a new lead manager who is experienced in managing Multi-Asset portfolios, he appears to be slightly more market orientated putting more weight on market direction and momentum whilst hunting for greater upside potential but with downside protection.

I continue to see these two portfolios as important building blocks in the construction of the Fund as, by providing income to the Fund, the Fund's cash flow is supported and the ability to cover pension payments ensured. This allows the Fund to take on more investment risk elsewhere as they will not be forced to sell more volatile, higher risk assets to cover pension payments in difficult market conditions. I will, however, continue to challenge both managers over the structure of their portfolio over the next few months.

Asset Class/Manager	UK Commercial Property / Fidelity
Fund AuM	£60m Pooled Fund 4.3% of the Fund
Performance target	IPD UK All Balanced Property Index
Adviser opinion	
Last meeting with manager	Alison Puhar; Tom Jeffery; Jessica Miley/ John Arthur 12/3/24

See appendix 1

Asset Class/Manager	International Property / Morgan Stanley
Fund AuM	USD80m (£63.2m) committed / £24.8m drawn. Limited Partnership; 1.8% of the Fund
Performance target	Absolute return
Adviser opinion	
Last meeting with manager	John Arthur/Gareth Dittmer New Haven AGM 11/11/23

The speed of investment in now picking up as the manager becomes more comfortable with current valuations within international property markets. Existing investments are performing well but the portfolio's independent valuers are only prepared to give credit to an uplift in their valuations at the point of sale given the uncertainties around property markets at present and as the portfolio has sold very few assets to date, its valuation remains conservative. The portfolio has made a number of small property divestments so far, each returning above initial expectations with a gross return of 25-30% and with 1.4 – 1.8 times the initial investment being realised at the time of sale.

London Borough of Bromley Pension Fund

LGPS Updates

Investment			
Topic	**Description**	**Timescale**	**LBB Status**
1. Task Force on Climate Related Financial Disclosures (TCFD)	TCFD reporting is already mandatory for large private pension schemes, other asset owners and asset managers. The first Local Government Pension Scheme climate risk reports will mean that administering authorities will have to set out their strategies and metrics for managing climate-related risks and opportunities.	We await the final regulations. DLUHC have confirmed that implementation of climate reporting obligations will be delayed at least until next year. (Click Here) Presuming regulations are forthcoming in time for 1st April 2024, reports covering the period 1 April 2024 - 31 March 2025 would need to be produced by December 2025. In the meantime, the Responsible Investment Advisory Group (RIAG) will look at what advice could be given to funds wishing to do a shadow reporting year, and also what could be done to standardise the development of climate reporting approaches at the pool level.	Officers assessed several methods of complying with TCFD requirements. Officers now suggest the most cost-effective solution is to align with the other 32 London Boroughs and allow the London CIV (LCIV) to contact Bromley's Investment Managers to produce a TCFD consolidated report and sensitivity analysis on behalf of Bromley. This service will be provided pro-bono. **Officers have engaged LCIV to produce a climate analytics report pro bono. Apex will cover any TCFD requirements not covered by the LCIV service.**
2. Investment Policy - pooling	DLUHC issued a consultation in 2023 on a number of investment-related proposals for the LGPS. After having considered the responses, the Government has announced (see here) that the statutory guidance on investment strategy statements (ISS) will change to say that funds should **transfer all assets into their respective investment pools by 31 March 2025**, with 'comply or explain' provisions backing this expectation. The revised guidance will also require that funds formulate plans to **invest up to 5% of their assets in levelling-up projects**	We await revised pooling guidance.	LBB provided a full response to the consultation, after consideration by Members at the 11 September meeting.

	(actual investments may be more or less than 5%, depending on what is appropriate for the fund) whilst other guidance will expect them to report on progress against the plan. The ISS guidance will reflect the Government's 'ambition' for funds to **invest 10% in private equity**; they will be encouraged to explore suitable opportunities with the British Business Bank.		
3. The Boycotts, Divestments and Sanctions Bill	The Economic Activity of Public Bodies (Overseas Matters) Bill, also known as the Boycotts, Divestments and Sanctions Bill had its second reading in the House of Commons on 3rd July 2023. The Bill seeks to ban LGPS administering authorities from making investment decisions influenced by political and moral disapproval of foreign state conduct, except where this is required by formal Government legal sanctions, embargoes, and restrictions. In the course of the debate, significant concerns were expressed about the Bill. These centred around its rationale, its practicability and also whether it constituted a significant over-reach of Ministerial authority.	The Bill reached the committee stage in the House of Lords in March 2024.	LBB will keep a watching brief and, through consultation with the Pensions Committee, respond to further developments, guidance and regulations as and when they are published.
3. 'Preparing the Pension Fund Annual Report' updated guidance new published	This guidance published by SAB, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Department for Levelling Up, Housing and Communities (DLUHC). It replaces the 2019 guidance produced by the CIPFA Pensions Panel, which was	The new guidance applies to 2023/24 annual reports which are due for publication by 1 December 2024, and later years. The guidance says funds should use their best endeavours to comply fully with the requirements for 2023/24 but exercise judgement where, because of changes to the previous content, to do so would require disproportionate effort or	LBB will use its best endeavours to comply fully with the requirements for 2023/24.

	disbanded in 2021.	cost.	
Governance			
Topic	**Description**	**Timescale**	
1. The Good Governance Project. (click here)	The SAB expects almost all of its recommendations being taken forward: • The LGPS senior officer • Workforce strategy • Monthly data collection mandated • Administration KPIs • Enhanced training requirements • Demonstrating compliance and offering resilience	• Consultation on final regulations is expected in 2024.	As and when related regulations are published by DLUHC an action plan will be produced.
2. Cost control mechanisms for the LGPS following the 2016 Valuation and 2020 Valuation	Public service pension schemes are subject to a cost cap mechanism. Scheme costs are measured at each actuarial valuation. If costs move too far from a target cost, then member contributions or benefits must be adjusted to return costs to the target level. The government decided that the McCloud remedy should be included in the costs compared against the target cost for the cost control exercise following the 2016 Valuation. Two union challenged this in the High Court and Court of Appeal and were defeated both times.	• The cost control exercise following the 2016 Valuation appears now to be closed without any backdated changes to scheme benefits. • The Scheme Advisory Board has already stated that it is not minded to recommend to the Secretary of State any changes to scheme benefits through the 2020 cost cap process.	No action needed.
3. TPR's General Code	In March 2024, TPR's new General code of practice came into force. It covers all governance (including investment governance) and administration conduct and practices required of an LGPS fund. TPR has categorised the new General Code into five areas: ○ The Governing Body ○ Funding and investment	The General Code (see here) provides LGPS funds with a strong framework to assess existing fund compliance levels concerning the running of the Fund, managing advisers and service providers, risk management and, importantly, the administration of the scheme for members.	LBB will conduct a gap analysis.

	○ Communications and disclosure ○ Administration ○ Reporting to TPR		
Administration			
Topic	**Description**	**Timescale**	
1. Exit Payment Cap	The Government has stated its intention to bring back the exit cap (also known as the £95K cap). In addition, we understand that it still plans to introduce changes to LGPS and Compensation Regulations at the same time as the exit cap is re-introduced.	No timescale has been provided by Government.	LBB will keep a watching brief and, through consultation with the Pensions Committee, respond to further developments, guidance and regulations as and when they are published.
2. McCloud	The Government has previously outlined the key changes that the Government will make to the LGPS regulations to remove the unlawful age discrimination. The statement confirmed that: • the age requirement for underpin protection will be removed; • the remedy period will end on 31 March 2022; • the underpin calculation will be based on final pay at the underpin date, • even when this is after 31 March 2022; there will be two stages to the underpin calculation: the first on the underpin date – the date of leaving or on the normal pension age in the 2008 Scheme, if earlier. The second stage will be applied when the benefits are paid; and the regulations will be retrospective to 1 April 2014.	In accordance with section 131 of the Public Service Pensions and Judicial Offices Act 2022, the McCloud remedy (to the extent not already in force) came into force on 1 October 2023. The Local Government Pension Scheme (Amendment) (No. 3) Regulations 2023 also came into force on 1 October 2023. These regulations extend the statutory underpin so that all eligible members benefit from a guarantee that their benefits under the reformed LGPS, in respect of relevant service, will not be less than the amount they would have been entitled to under the legacy LGPS.	<u>Data collection exercise:</u> Under the SAB and LGA guidance, LBB has completed the McCloud data collection exercise (most employers have responded). <u>Resources:</u> Resourcing impact considered and being addressed with Liberata and additional in-house resource <u>Action required (subject to SAB and LGA guidance):</u> - Project management - Data treatments for missing data and overriding current data
3. Sharia Law and the LGPS report	The Scheme Advisory Board has received a report from a King's Counsel into the relationship between Sharia Law and the LGPS. The key messages from her advice are that the legal risk of a case being successfully brought	The summary of Counsel's advice is here	No action needed.

	against a scheme employer in an Employment Tribunal on the basis of indirect discrimination, or a judicial review being brought against an administering authority or the Department for Levelling Up, Housing and Communities (DLUHC) for breach of the public sector equality duty, remain extremely low.		
4. Increase to the minimum pension age	In the Finance Act published on 1st March 2022, the Government has confirmed the increase in Normal Minimum Pension Age or "NMPA" from 55 to 57 with effect from 6 April 2028. The legislation protects members of registered pension schemes who before 4 November 2021 have a right to take their entitlement to benefit under those schemes at or before the existing NMPA.	With effect from 6 April 2028.	LBB will ensure that communications to members reflect this change.
5. Pensions Dashboards Programme (PDP) (click here for details)	Dashboards will enable anyone who has a UK pension not in payment (including LGPS pensions) to be able to view some key details of their pension information. Dashboards will present information from UK-based pension providers including the State Pension. The legislation assumes that all UK pensions will be included. The Pensions Dashboards Regulations 2022 were given approval by Parliament, empowering PDP to set dashboards standards that underpin legislation.	The Department for Work and Pensions (DWP) has laid the Pensions Dashboards (Amendment) Regulations 2023. A revised staging timeline will be set out in guidance, and all schemes in scope will need to connect by 31 October 2026. The staging timeline will indicate when schemes (by size and type) are scheduled to connect. There will be engagement between the Pensions Dashboards Programme (PDP), DWP [Department for Work and Pensions], industry, and regulators on draft guidance before it is finalised.	In February 2023, LBB signed a contract to June 2025 with its current pensions software provider Heywood Ltd for the purchase of a digital interface to connect to pensions dashboards and conduct any necessary data cleansing to help pensions savers match with LBB data. LBB, along with all Pensions administering authorities, now awaits the update on the new connection deadline.

6. Tax changes from 6 April 2024	From 6 April 2024, the Lifetime Allowance has been abolished (the "LTA" was the limit on the amount of savings that an individual can build up in all their pension arrangements without incurring a tax charge). There is no longer a specific limit on how much pension savings an individual can build up in their lifetime. However, there is still a limit on the amount of tax-free cash that can be taken There are 2 pension tax limits instead of the LTA: 1. Lump Sum Allowance (LSA). The LSA is £268,275. It is the maximum amount of tax-free lump sums taken across all pensions. 2. Lump Sum and Death Benefit Allowance (LSDBA). The LSDBA is £1,073,100. It limits the amount of tax-free cash across all pensions when members die or on the payment of a serious ill-health lump sum. Most members will not meet these limits.		LBB will ensure that communications to members reflect the changes.
Consultation			
Topic	**Description**	**Timescale**	
1. Goodwin (click here for details)	On 20 July 2020, HMT issued a note confirming that, following a successful case against the Teachers' Pension Scheme (TPS), historical widowers' pensions in the public sector pension schemes discriminated against male members.	Consultation is expected in 2024 on a retrospective award of widowers' pensions backdated to 2005.	LBB will keep a watching brief and, through consultation with the Pensions Committee, respond to further developments, guidance and regulations as and when they are published.

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Report No.
CSD24080

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	**LOCAL PENSION BOARD**
Date:	**22 July 2024**
Decision Type:	Non-Urgent Non-Executive Non-Key
Title:	**LOCAL PENSION BOARD ANNUAL REPORT**
Contact Officer:	Martin Doyle – Head of Pensions Shared Service Tel No: 020 8871 6522 E-mail: martin.doyle@richmondandwandsworth.gov.uk
Chief Officer:	Director of Finance
Ward:	Borough Wide

1. Reason for report

1.1 The Local Pension Board Terms of Reference require that an Annual Report is produced and provided to the Scheme Manager each year.

2. RECOMMENDATIONS

2.1 Members of the Local Pension Board are asked to approve:

- The draft LPB Annual Report at Appendix 1
- The draft LPB Workplan for 2024-25 at Appendix 2

Impact on Vulnerable Adults and Children
1. Summary of Impact: N/A

Corporate Policy
1. Policy Status: Existing Policy. The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
2. BBB Priority: Excellent Council

Financial

1. Cost of proposal: No Cost
2. Ongoing costs: N/A.
3. Budget head/performance centre: Any costs associated with the reimbursement to Board Members of directly incurred expenses are chargeable to the Pension Fund.
4. Source of funding: Contributions to Pension Fund

Personnel
1. Number of staff (current and additional): The Local Pension Board comprises of two Employer Representatives and two Member Representatives. The Board is supported by the Pensions Manager.
2. If from existing staff resources, number of staff hours: N/A

Legal
1. Legal Requirement: Statutory Requirement Local Government Pension Scheme Regulations 2013 (as amended).
2. Call-in: N/A: No Executive decision.

Procurement
1. Summary of Procurement Implications: N/A

Customer Impact
1. Estimated number of users/beneficiaries (current and projected): Estimated number of users/beneficiaries (current and projected): 6,526 current employees; 6,064 pensioners; 9089 deferred pensioners as at 31st March 2024.

Ward Councillor Views
1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 The London Borough of Bromley Local Pension Board was established by Council on 23rd February 2015. The Board held an introductory meeting on 27th July 2015 and its first formal annual meeting on 26th October 2015.

3.2 In accordance with the Terms of Reference the Board are required to produce a single annual report to the Pensions Manager. This report should include:

- A summary of the work of the Local Pension Board and a work plan for the coming year
- Details of areas of concern reported to or raised by the Board and recommendations made
- Details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed
- Any areas of risk or concern the Board wish to raise with the Scheme Manager
- Details of training received and identified training needs
- Details of any expenses and costs incurred by the Local Pension Board and any anticipated expenses for the forthcoming year.

3.3 Members are asked to approve the contents of the Local Pension Board Annual Report and work plan for 2024-25.

4. POLICY IMPLICATIONS

4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

5. FINANCIAL IMPLICATIONS

5.1 Although permitted under Regulations, Local Pension Board members are not paid an allowance. As set out in the terms of reference, remuneration for Board members is limited to a refund of actual expenses incurred in attending meetings and training.

5.2 As the administering authority the Council is required to facilitate the operation of the Local Pension Board including providing suitable accommodation for Board meetings as well as administrative support, advice and guidance. This is currently done within existing in-house resources.

5.3 Any costs arising from the establishment and operation of the Local Pension Board are treated as appropriate administration costs of the scheme and, as such, are chargeable to the Pension Fund.

6. LEGAL IMPLICATIONS

6.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014. A requirement is the establishment of Local Pension Boards.

Non-Applicable Sections:	Procurement Implications; Personnel Implications; Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Public Service Pensions Act 2013; Local Government Pension Scheme (Amendment) (Governance) Regulations 2015; Local Government Pension Scheme Regulations 2013; Local Pension Board Report, Supplementary Report and Appendices to Pensions Investment Sub-Committee, General Purposes & Licensing Committee and Council 3rd, 10th and 23rd February 2015.

APPENDIX 1

LONDON BOROUGH OF BROMLEY

LOCAL PENSION BOARD

ANNUAL REPORT June 2024

LONDON BOROUGH OF BROMLEY - LOCAL PENSION BOARD
ANNUAL REPORT
INDEX

Contents	**Page No**

1. Foreword

1.1 The purpose of this London Borough of Bromley Local Pension Board Annual report is to provide information regarding the activities and role of the Board for Scheme Members, Scheme Employers and the Scheme Manager (Administering Authority).

1.2 The Local Pension Board was established by the London Borough of Bromley Pension Fund in response to new regulatory requirements introduced into the Local Government Pension Scheme Regulations 2013.

1.3 The role of the Local Pension Board is to provide assistance to the London Borough of Bromley in its role as an Administering Authority within the Local Government Pension Scheme in ensuring it remains compliant with the relevant legislation and requirements of the Pensions Regulator.

2. Background

2.1 The Local Government Pension Scheme Regulations 2013 (as amended) required that the Local Pension Board be established by 1st April 2015 to assist the Administering Authority (London Borough of Bromley) to:

- Secure compliance with the Local Government Pension Scheme (LGPS) regulations and the requirements imposed by the Pensions Regulator.
- Ensure effective and efficient governance and administration of the LGPS

2.2 The Local Pension Board is not a decision making body but is expected to support the Council's current committee structure.

2.3 The London Borough of Bromley Local Pension Board was approved at Full Council on 23rd February 2015.

3. Board Membership

3.1 The London Borough of Bromley Local Pension Board requires a total of four members. The membership is constituted as follows:

- 2 members representing the interests of the Fund's employers – Employer Representatives.
- 2 members representing the interests of the Fund's members – Member Representatives.

3.2 At the last meeting of Local Pension Board held on 21st February 2024, the board members were:

Employer Representatives:

- David Kellond (chair)
- Emma Downie

Member Representatives:

- Lesley Rickards
- Vinit Shukle

. Board Meetings

4.1 In the year from April 2023 to March 2024, formal meetings of the Board took place on 27th June 2023, 25th October 2023 and 29th February 2024. The table below shows the attendance of those meetings:

	Employer Representatives			Member Representatives		
	Emma Downie	David Kellond	Brayan Bernal-Gil	Lesley Rickards	Gill Slater	Vinit Shukle
Formal Meeting 27-06-23	✓	n/a	✓	✓	n/a	X
Formal Meeting 25-10-23	✓	✓	n/a	✓	✓	n/a
Formal Meeting 29-02-24	✓	✓	n/a	✓	✓	n/a
Vinit Shukle and Brayan Bernal-Gil's terms ended with effect from October meeting						
David Kellond and Gill Slater's appointments started with effect from October meeting						

4.2 At the Local Pension Board meeting held on 27th June 2023, Emma Downie was elected by the members of the Board to act as its Chair, for the October meeting Lesley Rickards was appointed Chair and then David Kellond at the February 2024 meeting.

5. Board Activity

5.1 Members of the Board are also invited to attend meetings of the Pensions Committee.

6. Training

6.1 It is a requirement of the Public Service Pensions Act that Board members have the capacity to become conversant with the rules governing the Local Government Pension Scheme and the policy documents of the Administering Authority.

6.2 The following training has been made available to the Local Pension Board members:

- The Pensions Regulator e-learning package, covering conflicts of interest, managing risk and internal controls, maintaining accurate member data, maintaining member contributions, providing information to members and others, resolving internal disputes and reporting breaches of the law.
- A training/consultation update on recent consultations, changes and developments affecting the Pension Fund was carried out by the Head of Pensions Shared Service at the Local Pension Board Meetings on 27th June 2023, 25th October 2023 and 29th February 2024.

6.3 Members have also been provided with the following documentation;

- The Local Government Pension Scheme Regulations
- Administration, HR, Payroll and Member Guides to the Local Government Pension Scheme
- Guidance on the creation and operation of Local Pension Boards
- Mercer Newsletters 'Local Government Pension Scheme – Current Issues'
- Agendas and reports for the Pensions Committee meetings

7. Board Observations and Comments

7.1 The Local Pension Board terms of reference set out that the Board should raise any areas of risk or concern with the Scheme Manager in the first instance. No such matters have been raised during the reporting period.

8. Conflicts of Interest

8.1 It is explained to each Board member that they are required to observe both the Code of Conduct for Councillors/Co-opted Members and Data Protection policies of the London Borough of Bromley. Members are also required to complete 'The Notification of Disclosable Pecuniary Interests Form', 'The Notification of Non-Pecuniary Interests Form' and a 'Declaration of Acceptance of Office Form'.

8.2 No declarations of interests were made at the formal meetings of the Board in the year.

9. Expenses and Costs

9.1 All costs regarding the administration of the Local Pension Board have been contained within existing resources.

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London Borough of Bromley
Local Government Pension Scheme

Local Pension Board Annual Work-Plan

Task	Method	Frequency
1. Review monthly Pensions Administration Reports and Key Performance Indicators (KPI's). These are produced by our third party administrator and will be circulated on a monthly basis to all Board Members.	By consideration of the Pensions Administration Reports sent by email to Board members.	Monthly
2. Review the compliance of scheme employers (i.e. LBB, Schools, Academies & Admission Bodies) with their duties under the Regulations and relevant legislation.	By consideration of Pensions Administration Reports sent by email to Board members, together with attendance at General Purposes and Licensing Committee meetings where appropriate.	As and when required.
3. Assist in the development and review of scheme documentation as is required by the Regulations.	By consideration of draft documentation as and when it is produced or reviewed, together with attendance at and/or participation in Pensions Investment Sub-Committee meetings and General Purposes and Licensing Committees where appropriate.	As and when required.
4. Consider Fund Investment reports to ensure compliance with the published Statement of Investment Principles and relevant legislation.	By consideration of the Fund Investment reports sent to Board members, together with attendance at and/or participation in Pensions Committee meetings.	In line with meetings of the Pension Committee.
5. Assist with the development and review of scheme member communications, as required by the Regulations and relevant legislation.	By consideration of draft documentation produced by the Head of the Pensions Shared Service and/or Liberata UK Ltd, as and when produced or reviewed, at which time Board members will be invited to provide comments and recommend amendments.	As and when required.

6. Review the outcome of both internal and external audit reports for any issues of non-compliance.	By consideration of internal and external Audit reports together with the Annual Audit Letter.	Annually
7. Review of the Pension Fund Annual Accounts and Statutory Accounts.	Consideration of documents issued directly to Board members.	Annually
8. Monitor complaints relating to the Administration and Governance of the Scheme.	By consideration of the Pensions Administration Reports sent by email to Board members. Together with individual cases brought to the attention of the Board.	Monthly
9. Review the training requirements of Board members.	Self-assessment against the standards expected of Board members.	Ongoing
10. Any other activities within the stated purpose (i.e. assisting the Administering Authority) to secure compliance with the Regulations and other associated legislation.	By whatever means is appropriate to the task	As and when required.

Report No. CSD24081

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	**LOCAL PENSION BOARD**
Date:	**22 July 2024**
Decision Type:	Non-Urgent Non-Executive Non-Key
Title:	**PERFORMANCE MONITORING REPORT 2023-24 FULL YEAR AND 2024-25 YEAR TO 31 MAY 2024**
Contact Officer:	Martin Doyle – Head of Pensions Shared Service Tel No: 020 8871 6522 E-mail: martin.doyle@richmondandwandsworth.gov.uk
Chief Officer:	Director of Finance
Ward:	Borough Wide

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1. <u>Reason for report</u>

1.1 This report is prepared by the Head of Pensions Shared Service to provide the Local Pension Board with information to assess whether the Fund is complying with the Pension Regulator's Code of Practice on Governance and Administration of public service pension schemes.

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2. RECOMMENDATIONS

2.1 Members of the Local Pension Board are asked to note:

1) **The Pensions Regulator Code of practice 'Governance and administration of public service pension schemes' as a guide to good governance;**

2) **The procedures and policies in place to monitor Liberata's performance; and,**

3) **Liberata's current performance levels.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A

Corporate Policy

1. Policy Status: Existing Policy. The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
2. BBB Priority: Excellent Council

Financial

1. Cost of proposal: No Cost
2. Ongoing costs: TBC
3. Budget head/performance centre: Pension Fund
4. Total current budget for this head: TBC
5. Source of funding: Contributions to Pension Fund

Personnel

1. Number of staff (current and additional): N/A
2. If from existing staff resources, number of staff hours: N/A

Legal

1. Legal Requirement: Statutory Requirement Local Government Pension Scheme Regulations 2013 (as amended).
2. Call-in: Not Applicable: No Executive Decision.

Procurement

1. Summary of Procurement Implications: N/A

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,552 current active members, 9,172 deferred pensioners and 6,170 pensioner members (for all employers in the Fund) as at 31st May 2024.

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 The Public Service Pensions Act 2013 (the 2013 Act) introduced the framework for the governance and administration of public service pension schemes and provides an extended regulatory oversight by the regulator. The Pensions Regulator under the requirements of the Pensions Act 2013 issued a Code of Practice on governance and administration of public sector pension schemes. This provides practical guidance and sets the standards of conduct expected of those exercising those functions. The Code of Practice provides practical guidance to the Council, as the administering authority and “scheme manager” and Local Pension Board members in relation to the exercise of functions under relevant pension legislation.

Further detail was provided to the Local Pension Board meeting on 6th November 2018 and to the General Purposes and Licensing Committee on 27th November 2018.

3.2 The Bromley Pension Fund Administration is carried out by Liberata and monitored by the Head of Pensions Shared Service. The following procedures and policies are in place to monitor Liberata’s performance:

- Monthly Service Review*:* a service review meeting is carried every month with Liberata Pensions, Head of Pensions Shared Service and Assistant Director of Exchequer Services.

  The review aims to help monitor performance and service quality, and support continuous improvement. A comprehensive Pensions Administration report is produced by Liberata covering the following:

  - Monthly summary of regulations and circulars, general updates, training, data backup and reporting
  - SLA monitoring and KPIs
  - Membership analysis
  - Operation plan (continuous improvement plan)
  - Complaints and compliments
  - Long term costs for retirements
  - Monthly contributions schedule

  In addition, Liberata also provides a summary of their current work statistics, a breakdown of all cases completed during the month and all cases outstanding at the end of the month.

  Depending on the outstanding casework, recommendations will be provided to Liberata, such as clearance of failed cases to improve the overall level of performance moving forward and focus on cases with the highest volume of outstanding work.

- Quality Checking: this is a process to assess an individual’s competence in a particular area or if the complexity or risk of the task determines checking is required. It is always completed prior to the issue of any output.

  Although Liberata has a quality checking process in place additional review is carried out by the Head of Pensions Shared Service or Head of Corporate Finance and Accounting for the following tasks:

  - Flexible retirement
  - Payment of Death grants
  - Large/ complex transfer value
  - Complex queries

  Quality checking must be undertaken by a different person than the officer who processed the case.

Quality checking provides an assurance on customer experience, accuracy of processing and ongoing achievement of competency levels. Customer satisfaction is monitored through the volume of repeat enquiries and complaints.

If an error is identified, feedback is provided to the officer who processed the case. As we gather more information, this may provide an opportunity to create a valuable set of training notes.

3.3 The performance monitoring report attached in Appendix 1 provides detailed statistics, prepared based on Liberata's performance statistics between 1st April 2023 and 31ST March 2024 and Appendix 2 provides those statistics for the period 1st April 2024 to 31st May 2024.

4. POLICY IMPLICATIONS

4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

5. FINANCIAL IMPLICATIONS

5.1 None arising from directly from this report.

6. LEGAL IMPLICATIONS

6.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014.

Non-Applicable Sections:	Procurement Implications Impact on Vulnerable Adults and Children Personnel Implications Procurement Implications
Background Documents: (Access via Contact Officer)	Public Service Pensions Act 2013; Local Government Pension Scheme Regulations 2013 (as amended); Code of Practice 'Governance and Administration of Public Service Pension Schemes' The Pensions Regulator Engagement Report "Governance and administration risks in public service pension schemes"

APPENDIX 1

LONDON BOROUGH OF BROMLEY

PERFORMANCE MONITORING REPORT

2023-2024

LONDON BOROUGH OF BROMLEY - LOCAL PENSION BOARD
PERFORMANCE REPORT
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1. Executive Summary

Appendix 1 provides tables for performance of key work items and customer feedback. The achievements against the performance indicators, customer feedback and the relatively small number of complaints indicate generally that the service standards are strong.

The significant tasks completed by Liberata from 1 April 2023 to 31 March 2024 are:

Annual Pension Increase Exercise - the pension increase has been applied to Altair for pensioner and deferred members.

Active and Deferred Annual Benefits Statements - these have been produced and were despatched during the middle of September 2023.

FRS 101 - the data for Academies has been provided to LBB for submission to the Actuary.

Annual Allowance - all annual allowance calculations will have been checked and statements have been issued by the 5 October 2023 deadline.

Newsletter - the Annual Newsletter was distributed in January 2024 by email via the employers.

McCloud Exercise - McCloud provisional report has been run for active members and errors are currently being investigated.

Member Self Service (MSS) - several requests for activation codes but still receiving a large volume of requests for manually processed estimates for members.

I-Connect Project - a training day was held with Heywood on 22 February 2024, and Liberata will be looking to start the roll out of communication with Strictly Education, once the annual pension increase exercise has been completed.

2. Performance Monitoring

In order to provide a greater understanding of the key transactions completed in the period, the following tables provide some key performance data.

2.1 Key Performance Indicators (KPI)

A breakdown of the Process Cycle Times for general queries (excluding deaths; retirements and transfers which are covered later) is below:

Correspondence

All Written Correspondence replied to within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	53	61	37	35	61	85	58	51	80	88	125	88
<=10 days	53	61	37	35	61	85	58	51	80	88	125	88
%<=10 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deferred Benefits

All Deferred Benefits processed within 15 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	28	33	52	40	51	37	28	25	19	14	28	9
<=15 days	28	31	52	39	50	33	26	20	17	11	22	9
%<=15 days	100	94	100	98	98	89	93	80	89	79	79	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Estimates

All Estimates processed within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	15	22	32	24	18	22	20	11	20	15	16	27
<=10 days	15	22	29	24	18	19	19	10	19	15	16	27
%<=10 days	100	100	91	100	100	86	95	91	95	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

AVC / Added Years / ARCs

AVC, Added Years and ARCs Actuals within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	1	0	0	0	0	0	0	0	0	0	15
<=10 days	0	1	0	0	0	0	0	0	0	0	0	15
%<=10 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Starters

Starter Cases within 20 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	95	79	67	76	92	104	76	74	82	85	159	78
<=20 days	95	79	67	76	91	99	69	70	79	81	150	59
%<=20 days	100	100	100	100	99	95	91	95	96	95	94	76
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Combining

Combining Cases within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	3	2	6	2	7	6	8	10	9	5	9	10
<=10 days	3	2	6	2	7	6	6	10	9	3	7	10
%<=10 days	100	100	100	100	100	100	75	100	100	60	78	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Opt Out

Process Opt out Cases within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	11	11	8	7	4	9	9	9	8	16	19	10
<=10 days	11	11	8	7	4	9	9	9	8	16	19	10
%<=10 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Refunds

All Refunds to be processed within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	9	13	24	18	15	17	12	8	6	13	5	6
<=10 days	7	13	24	18	15	17	12	8	6	10	4	6
%<=10 days	78	100	100	100	100	100	100	100	100	77	80	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Redundancy

All Redundancies to be processed within 5 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	0	0	0	3	0	2	0	0	0	0	0
<=5 days	0	0	0	0	3	0	2	0	0	0	0	0
%<=5 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.2 Retirements

In the year to 31 March 2024, there were 328 retirement grants paid, of which 321 were met in the KPI target. This is equivalent to a performance standard level of 98%.

A breakdown of the Process Cycle Times for retirements is below:

Retirement Notification

Issue of Retirement documentation 10 days before retirement or on notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	23	21	24	30	30	21	35	22	38	23	26	35
<=10 days	23	21	23	30	29	21	35	21	37	21	25	35
%<=10 days	100	100	96	100	97	100	100	95	97	91	96	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Retirement Grants

All Retirement Grants to be paid 10 days from date of retirement or notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	23	21	24	30	30	21	35	22	38	23	26	35
<=10 days	23	21	23	30	29	21	35	21	37	21	25	35
%<=10 days	100	100	96	100	97	100	100	95	97	91	96	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Retirement Pension Paid

All Retirement Pension Paid to be paid 10 days from date of retirement or notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	23	21	24	30	30	21	35	22	38	23	26	35
<=10 days	23	21	23	30	29	21	35	21	37	21	25	35
%<=10 days	100	100	96	100	97	100	100	95	97	91	96	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.3 Transfers

In the year to 31 March 2024, there were 25 enquiries in relation to transferring in, of which 24 were met in the KPI. This is equivalent to a performance standard level of 96%.

There were 53 enquiries in relation to transferring out, of which 44 were met within the KPI. This is equivalent to a performance standard level of 83%.

A breakdown of the Process Cycle Times for transfers is overleaf:

Transfer-In Quote

All Transfer-in quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	8	3	0	2	1	1	4	2	0	1	2	1
<=10 days	8	3	0	2	1	0	4	2	0	1	2	1
%<=10 days	100	100	100	100	100	0	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Request Payment

Request Transfer in Payments Transfer-in payments within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	1	0	1	1	0	1	0	0	2	3	0
<=10 days	1	1	0	1	0	0	0	0	0	2	2	0
%<=10 days	100	100	100	100	0	100	0	100	100	100	67	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Payment

All Transfer-in payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	0	3	1	3	1	1	0	2	1	2	0
<=10 days	0	0	3	0	2	1	1	0	2	1	2	0
%<=10 days	100	100	100	0	67	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Request Payment

Request Transfer in Payments Transfer-in payments within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	1	0	1	1	0	1	0	0	2	3	0
<=10 days	1	1	0	1	0	0	0	0	0	2	2	0
%<=10 days	100	100	100	100	0	100	0	100	100	100	67	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Payment

All Transfer-in payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	0	3	1	3	1	1	0	2	1	2	0
<=10 days	0	0	3	0	2	1	1	0	2	1	2	0
%<=10 days	100	100	100	0	67	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Quote

All Interfund-in quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	3	5	3	11	12	10	5	2	1	0	6	4
<=10 days	3	4	3	9	12	10	4	2	1	0	6	4
%<=10 days	100	80	100	82	100	100	80	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Request Payment

Request Interfund-in payments within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	2	2	5	4	5	3	3	1	0	1	0
<=10 days	1	2	2	5	4	5	3	3	1	0	1	0
%<=10 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Payment

All Interfund-in payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	4	5	7	4	6	5	4	4	1	2	6	3
<=10 days	3	5	7	3	6	5	4	4	1	2	5	2
%<=10 days	75	100	100	75	100	100	100	100	100	100	83	67
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-Out Quote

All Transfer-out quotes to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	2	8	2	5	7	4	5	7	2	2	1	8
<=10 days	2	5	2	5	7	4	5	5	1	1	1	6
%<=10 days	100	62	100	100	100	100	100	71	50	50	100	75
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-Out Payment

All Transfer-out payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	1	0	0	2	1	1	1	0	2	1	1
<=10 days	0	1	0	0	2	1	1	1	0	2	1	0
%<=10 days	100	100	100	100	100	100	100	100	100	100	100	0
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-Out Quote

All Interfund-out quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	4	6	11	26	19	18	9	4	8	1	6	16
<=10 days	4	5	10	23	19	13	8	4	6	0	6	15
%<=10 days	100	83	91	88	100	72	89	100	75	0	100	94
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.4 Deaths

In the year to 31 March 2024, there were 134 death cases, of which 133 were processed in the KPI. This is equivalent to a performance standard level of 99%.

A breakdown of the Process Cycle Times for deaths is below:

Death - Initial Acknowledgement Letter

All Death benefits notified within 5 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	10	24	14	13	7	25	9	11	15	30	19	17
<=5 days	10	24	14	13	7	25	9	11	15	30	19	17
%<=5 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deaths - Processed

All Death benefits processed within 5 days of receipt of necessary information

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	14	8	9	5	15	18	19	12	2	9	10	13
<=5 days	14	8	9	5	15	18	19	12	2	9	10	12
%<=5 days	100	100	100	100	100	100	100	100	100	100	100	92
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deaths - Death Grant Payment

All Death Grants processed within 5 days of receipt of necessary information

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	4	1	2	1	3	1	0	0	0	3	4	0
<=5 days	4	1	2	1	3	1	0	0	0	3	4	0
%<=5 days	100	100	100	100	100	100	100	100	100	100	100	100
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.5 Complaints

Customer satisfaction is monitored through the volume of repeat enquiries and complaints.

I set out overleaf the complaints recorded since 1st April 2023:

Month	Member Complaint	Justified (Y/N)
April	*None*	
May	*None*	
June	*None*	
July	*None*	
August	*None*	
September	Time delay for payment of refund of contributions	1 (not justified)
October	*None*	
November	*None*	
December	*no offsetting the overpayment of the deceased member's pension against widower's pension*	1 (not justified)
January	*None*	
February	*None*	
March	length of time taken to process transfer x2 staff attitude	3 (not justified)
Total Complaints in 2023-24		

3. Analysis of Fund membership data

The table below shows the latest membership data, as at 31 March 2024 and for the preceding months:

(taken from Membership Analysis Report - Excludes Councillors

Date of Report	14-Apr-23	10-May-23	05-Jun-23		07-Jul-23		07-Aug-23		08-Sep-23		04-Oct-23	
Status as at	**31-Mar-23**	**30-Apr-23**	**30-Apr-23**	**31-May-23**	**31-May-23**	**30-Jun-23**	**30-Jun-23**	**31-Jul-23**	**31-Jul-23**	**31-Aug-23**	**31-Aug-23**	**30-Sep-23**
1 Active	6509	6509	6509	6499	6499	6462	6462	6460	6460	6155	6155	6208
2 Undecided leaver	1096	1093	1093	1084	1084	1080	1080	1113	1113	1425	1425	1387
4 Deferred pensioner	6443	6461	6461	6473	6473	6524	6524	6533	6533	6552	6552	6591
5 Pensioner	5282	5277	5277	5278	5278	5293	5293	5310	5310	5321	5321	5336
6 Widow/dependant	737	737	737	739	739	742	742	741	741	732	732	728
9 Frozen refund	1068	1071	1071	1089	1089	1099	1099	1103	1103	1119	1119	1114
Total membership	21135	21148	21148	21162	21162	21200	21200	21260	21260	21304	21304	21364
3 Leaver - no liab	10005	10016	10016	10043	10043	10070	10070	10090	10090	10119	10119	10143
7 Death	4903	4939	4939	4972	4972	4983	4983	5000	5000	5018	5018	5037
8 Opt out within 3 mths	3175	3188	3188	3194	3194	3204	3204	3216	3216	3223	3223	3239
Total on stats report	39218	39291	39291	39371	39371	39457	39457	39566	39566	39664	39664	39783

Date of Report	14-Nov-23		01-Dec-23		11-Jan-24		12-Feb-24		07-Mar-24		08-Mar-24	
Status as at	**30-Sep-23**	**31-Oct-23**	**31-Oct-23**	**30-Nov-23**	**30-Nov-23**	**31-Dec-23**	**31-Dec-23**	**31-Jan-24**	**31-Jan-24**	**29-Feb-24**	**29-Feb-24**	**31-Mar-24**
1 Active	6208	6184	6184	6207	6207	6226	6226	6387	6387	6513	6513	6526
2 Undecided leaver	1387	1414	1414	1421	1421	1425	1425	1429	1429	1417	1417	1431
4 Deferred pensioner	6591	6603	6603	6598	6598	6586	6586	6585	6585	6619	6619	6666
5 Pensioner	5336	5361	5361	5370	5370	5387	5387	5395	5395	5401	5401	5403
6 Widow/dependant	728	728	728	727	727	725	725	728	728	735	735	736
9 Frozen refund	1114	1110	1110	1112	1112	1111	1111	1108	1108	1113	1113	1111
Total membership	21364	21400	21400	21435	21435	21460	21460	21632	21632	21798	21798	21873
3 Leaver - no liab	10143	10173	10173	10190	10190	10209	10209	10223	10223	10232	10232	10246
7 Death	5037	5044	5044	5070	5070	5080	5080	5108	5108	5130	5130	5144
8 Opt out within 3 mths	3239	3249	3249	3260	3260	3266	3266	3281	3281	3299	3299	3314
Total on stats report	39783	39866	39866	39955	39955	40015	40015	40244	40244	40459	40459	40577

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4. Regulatory Compliance

There have been no breaches logged since 1st April 2023.

4.1 The Pensions Ombudsman

The Pensions Ombudsman is an independent organisation set up to investigate complaints about pension administration.

When a member has tried to resolve a problem with the London Borough of Bromley regarding their pensions and isn’t satisfied with the outcome, they can contact the Pensions Ombudsman for support and advice.

When a complaint is submitted to the Pensions Ombudsman, the London Borough of Bromley will be notified and rigorous procedure has been set up to deal with the complaint.

5. Liberata's Cyber Security measures

5.1 Disaster Recovery (DR)

This annual DR test is undertaken to comply with Trustmarque's contractual obligations to Liberata. The test deals with recovery of data via Trustmarque's Cloud Infrastructure in situ at the Studley Recovery facility. The DR test will include total loss of the Altair Pension Database.

Once the infrastructure in scope has been successfully recovered, network connectivity to the recovered environment will be established to enable remote testing by nominated client end users. Test objectives below have been submitted and testers shall be based in their client service sites as in the live production environment.

Test Objective	Process tested
1	Access to the Altair Pension Database
2	To be able to run calculation within Altair
3	To be able to produce letters via Altair
4	The ability to view scanned documents held on member's record on Altair
5	Connect to Resourcelink
6	Connect to I-Trent
7	Add a printer and print documents locally
8	Access to Pensions and Windows profiles shared Network Drive or equivalent
9	Able to access the Bromley Pensions, and Bromley Pensions (pensions@bromley.gov.uk)

After testing has been completed, a report is produced to confirm disaster recovery contingency plan was successful.

5.2 Communications

Communications regarding Cyber Security are shared regularly with Liberata's staff members, including information on GDPR, phishing emails, data protection, and communication. Staff members are required to take a small test every two/four weeks to ensure they are aware of the potential risks and understand what procedure they need to take in the event of a cyberattack or data breach.

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APPENDIX 2

LONDON BOROUGH OF BROMLEY

PERFORMANCE MONITORING REPORT

2024-2025

LONDON BOROUGH OF BROMLEY - LOCAL PENSION BOARD
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1. Executive Summary

Appendix 1 provides tables for performance of key work items and customer feedback. The achievements against the performance indicators, customer feedback and the relatively small number of complaints indicate generally that the service standards are strong.

The significant tasks completed by Liberata from 1 April 2024 are:

Annual Pension Increase Exercise - the pension increase has been applied to Altair for pensioner and deferred members.

2. Performance Monitoring

In order to provide a greater understanding of the key transactions completed in the period, the following tables provide some key performance data.

2.1 Key Performance Indicators (KPI)

A breakdown of the Process Cycle Times for general queries (excluding deaths; retirements and transfers which are covered later) is below:

Correspondence

All Written Correspondence replied to within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	113	76										
<=10 days	113	76										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deferred Benefits

All Deferred Benefits processed within 15 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	29	16										
<=15 days	20	14										
%<=15 days	69	88										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Estimates

All Estimates processed within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	8	20										
<=10 days	8	17										
%<=10 days	100	85										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

AVC / Added Years / ARCs

AVC, Added Years and ARCs Actuals within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	0										
<=10 days	0	0										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Starters

Starter Cases within 20 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	91	76										
<=20 days	74	71										
%<=20 days	81	93										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Combining

Combining Cases within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	17	5										
<=10 days	11	4										
%<=10 days	65	80										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Opt Out

Process Opt out Cases within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	8	9										
<=10 days	8	9										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Refunds

All Refunds to be processed within 10 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	15	11										
<=10 days	15	11										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Redundancy

All Redundancies to be processed within 5 days

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	1										
<=5 days	0	1										
%<=5 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.2 Retirements

In the year to 31 May 2024, there were 64 retirement grants paid, of which 63 were met in the KPI target. This is equivalent to a performance standard level of 98%.

A breakdown of the Process Cycle Times for retirements is below:

Retirement Notification

Issue of Retirement documentation 10 days before retirement or on notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	32	32										
<=10 days	32	31										
%<=10 days	100	97										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Retirement Grants

All Retirement Grants to be paid 10 days from date of retirement or notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	32	32										
<=10 days	32	31										
%<=10 days	100	97										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Retirement Pension Paid

All Retirement Pension Paid to be paid 10 days from date of retirement or notification of retirement, whichever is the later.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	32	32										
<=10 days	32	31										
%<=10 days	100	97										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.3 Transfers

In the year to 31 May 2024, there were 6 enquiries in relation to transferring in, of which 5 were met in the KPI. This is equivalent to a performance standard level of 83%.

There were 10 enquiries in relation to transferring out, of which 6 were met within the KPI. This is equivalent to a performance standard level of 60%.

A breakdown of the Process Cycle Times for transfers is overleaf:

Transfer-In Quote

All Transfer-in quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	3	3										
<=10 days	3	2										
%<=10 days	100	67										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Request Payment

Request Transfer in Payments Transfer-in payments within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	1										
<=10 days	0	1										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-In Payment

All Transfer-in payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	0										
<=10 days	1	0										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Quote

All Interfund-in quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	5	4										
<=10 days	5	4										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Request Payment

Request Interfund-in payments within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	5	7										
<=10 days	5	7										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-In Payment

All Interfund-in payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	6										
<=10 days	1	6										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-Out Quote

All Transfer-out quotes to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	6	4										
<=10 days	3	3										
%<=10 days	50	75										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Transfer-Out Payment

All Transfer-out payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	0	1										
<=10 days	0	1										
%<=10 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-Out Quote

All Interfund-out quotations to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	5	12										
<=10 days	5	11										
%<=10 days	100	92										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Interfund-Out Payment

All Interfund-out payments to be processed within 10 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	4	17										
<=10 days	4	16										
%<=10 days	100	94										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.4 Deaths

In the year to 31 May 2024, there were 17 death cases, of which 15 were processed in the KPI. This is equivalent to a performance standard level of 88%.

A breakdown of the Process Cycle Times for deaths is below:

Death - Initial Acknowledgement Letter

All Death benefits notified within 5 days of notification

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	19	20										
<=5 days	19	20										
%<=5 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deaths - Processed

All Death benefits processed within 5 days of receipt of necessary information

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	8	9										
<=5 days	7	8										
%<=5 days	88	89										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

Deaths - Death Grant Payment

All Death Grants processed within 5 days of receipt of necessary information

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Processed	1	6										
<=5 days	1	6										
%<=5 days	100	100										
Target 100%	100	100	100	100	100	100	100	100	100	100	100	100

2.5 Complaints

Customer satisfaction is monitored through the volume of repeat enquiries and complaints.

I set out below the complaints recorded since 1st April 2023:

Month	Member Complaint	Justified (Y/N)
April	*None*	
May	*None*	
Total Complaints in 2024-25		**None**

3. Analysis of Fund membership data

The table below shows the latest membership data, as at 31 May 2024 and for the preceding months:

(taken from Membership Analysis Report - Excludes Councillors

Date of Report		08-May-24	04-Jun-24	
Status as at	**31-Mar-24**	**30-Apr-24**	**30-Apr-24**	**31-May-24**
1 Active	6526	**6538**	6538	**6552**
2 Undecided leaver	1431	**1424**	1424	**1430**
4 Deferred pensioner	6666	**6648**	6648	**6638**
5 Pensioner	5403	**5430**	5430	**5435**
6 Widow/dependant	736	**735**	735	**735**
9 Frozen refund	1111	**1105**	1105	**1104**
Total membership	21873	**21880**	21880	**21894**
3 Leaver - no liab	10246	**10271**	10271	**10301**
7 Death	5144	**5169**	5169	**5193**
8 Opt out within 3 mths	3314	**3328**	3328	**3339**
Total on stats report	40577	**40648**	40648	**40727**

4. Regulatory Compliance

There have been no breaches logged since 1st April 2024.

4.1 The Pensions Ombudsman

The Pensions Ombudsman is an independent organisation set up to investigate complaints about pension administration.

When a member has tried to resolve a problem with the London Borough of Bromley regarding their pensions and isn’t satisfied with the outcome, they can contact the Pensions Ombudsman for support and advice.

When a complaint is submitted to the Pensions Ombudsman, the London Borough of Bromley will be notified and rigorous procedure has been set up to deal with the complaint.

5. Liberata's Cyber Security measures

5.1 Disaster Recovery (DR)

This annual DR test is undertaken to comply with Trustmarque's contractual obligations to Liberata. The test deals with recovery of data via Trustmarque's Cloud Infrastructure in situ at the Studley Recovery facility. The DR test will include total loss of the Altair Pension Database.

Once the infrastructure in scope has been successfully recovered, network connectivity to the recovered environment will be established to enable remote testing by nominated client end users. Test objectives below have been submitted and testers shall be based in their client service sites as in the live production environment.

Test Objective	Process tested
1	Access to the Altair Pension Database
2	To be able to run calculation within Altair
3	To be able to produce letters via Altair
4	The ability to view scanned documents held on member's record on Altair
5	Connect to Resourcelink
6	Connect to I-Trent
7	Add a printer and print documents locally
8	Access to Pensions and Windows profiles shared Network Drive or equivalent
9	Able to access the Bromley Pensions, and Bromley Pensions (pensions@bromley.gov.uk)

After testing has been completed, a report is produced to confirm disaster recovery contingency plan was successful.

5.2 Communications

Communications regarding Cyber Security are shared regularly with Liberata's staff members, including information on GDPR, phishing emails, data protection, and communication. Staff members are required to take a small test every two/four weeks to ensure they are aware of the potential risks and understand what procedure they need to take in the event of a cyberattack or data breach.

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Agenda Item 8

Bromley
Pension Update

Winter 2023/24

Bromley
THE LONDON BOROUGH
www.bromley.gov.uk

LGPS rule change – the McCloud judgment

What is McCloud?

When the Government reformed public service pension schemes in 2014 and 2015, older members were protected from the changes. In December 2018, the Courts ruled that younger members of the judges' and firefighters' pension schemes had been discriminated against because the protections did not apply to them.

This ruling is called the McCloud judgment after a member of the judges' pension scheme involved in the case.

The rules of all public service pension schemes, including the LGPS, changed from 1 October 2023 because of the ruling. The changes are known as the McCloud remedy and they remove the age discrimination found in the McCloud judgment.

In the LGPS, older members were protected by the underpin. When a protected member retired, their pension in the career average scheme was compared with the pension they would have built up in the final salary scheme. If the final salary pension would have been higher, their pension increased.

From 1 October 2023, eligible younger members are also protected by the underpin. Not all LGPS members are eligible for protection. The underpin will protect the pensions of eligible members that they built up in the remedy period. The remedy period is from 1 April 2014 to 31 March 2022. Underpin protection stopped earlier if you left the LGPS or reached your final salary normal pension age before 31 March 2022.

What do you need to do?

You do not need to take any action. We will work out if you are protected. If you are, when you take your pension, we will work out if it will increase because of the underpin. Any increase is known as a 'final guarantee amount'.

Not many members will get a 'final guarantee amount' because, for most members, the pension they built up in the career average scheme is higher than they would have built up in the final salary scheme.

Active members

If you are a protected active member, we will include information about how the underpin might affect your pension in your 2025 annual benefit statement. We must issue this by 31 August 2025.

If you leave the LGPS, we will work out provisional underpin figures for you. We can only work out the final figures and any increase to your pension 'a final guarantee amount' when you take your pension.

Find out more

You can find out more about the judgment by reading the McCloud pages of the national LGPS member website - England and Wales:
www.lgpsmember.org/mccloud-remedy/

Member Self Service

You can now access your own pension records online, through Member Self Service (MSS).

- **Deferred Pension Benefit Projector** which estimates what your pension could look like if you left employment on a certain date.
- **Voluntary Retirement Projector** which estimates what your pension could look like if you retired on a certain date.
- **Dependant Pension Benefit Projector** which estimates what dependants could receive were you to die on a certain date.
- **View LBB LGPS Annual Allowance** figures to enable you to calculate tax liabilities.
- **Change address details** online quickly and easily to ensure your pension follows you.

To register for this free service please visit **https://bromley.pensiondetails.co.uk** to request an activation key. This will be sent to you either by email or post depending on whether we hold your email on record. Once received, simply return to the above site to activate your account, after which you will be able to access these services at your convenience. This service is available 24 hours a day, 365 days a year.

Pensions Key Performance Standards

Liberata UK Ltd manage the general administration of the Local Government Pension Scheme for the London Borough of Bromley. Performance standards are used to monitor and improve performance. Performance is reported regularly to the Council and is published annually for the information of Scheme members.

Liberata's commitment to Scheme members is:

As administrators of the Bromley Fund, we aim to provide you with good quality service and to communicate effectively. Liberata aim to:

- Respond to e-mails and written enquiries within 10 working days of receipt. *486 pieces of correspondence responded to in the last year, of which 100% were within the performance standard (100% in 2021/22).*
- Process each stage of a transfer of pension rights (to or from the Fund) within 10 days of receiving the required information. *100% of 134 transfer-in quotations (100% in 2022/23) and 96.96% of 204 transfer-out quotations (98.58 % in 2021/22) issued within the performance standard.*
- Process retirement grants (lump sums) within 10 working days of retirement, provided that Liberata have all the necessary information. *97.08% of 318 retirement grants paid within the performance standard (97.42% in 2021/22).*
- Issue a benefit statement annually to all active and deferred members. Statements issued to all active members by the end of August and deferred members by middle of September.
- Advise pensioners in April of the annual increase to their local government pension. *Pensions increase letters issued to all pensioners in April.*

Contributions Rates For 2023/24

The rate of pension contributions that you pay each year is reassessed by your employer at the beginning of each tax year, according to your level of pensionable earnings. The earnings bandings are reviewed each year in accordance with changes to the Consumer Prices Index, and the bandings for 2023/24 are shown below:

Band	Actual pensionable pay for an employment	Contribution rate for that employment	
		Main section	50/50 section
1	Up to £16,500	5.5%	2.75%
2	£16,501 to £25,900	5.8%	2.9%
3	£25,901 to £42,100	6.5%	3.25%
4	£42,101 to £53,300	6.8%	3.4%
5	£53,301 to £74,700	8.5%	4.25%
6	£74,701 to £105,900	9.9%	4.95%
7	£105,901 to £124,800	10.5%	5.25%
8	£124,801 to £187,200	11.4%	5.7%
9	£187,201 or more	12.5%	6.25%

Care Pensions up to 10.1% in 2023

The adjustment to your CARE pension for 2023 is an increase of 10.1%. The figure comes from the rate of inflation for the previous September, as measured by the Consumer Prices Index.

When was the increase added to my pension?

This year's 10.1% increase was applied to your pension on 6 April 2023. However, your 2023 statement only shows your pension up to the end of the 2022/23 'scheme year', which is before the increase was added. It will be your 2024 statement that shows the effect of applying the 10.1% increase.

Pensions Tax - Annual allowance

Annual allowance HM Revenue and Customs (HMRC) limits the amount of pension savings you can make without having to pay extra tax. This limit is in addition to any income tax you pay on your pension once it is being paid to you.

What is the annual allowance?

The annual allowance (AA) is the amount by which the value of your pension benefits may increase in a year without you having to pay a tax charge.

If the value of your pension savings in a year (including pension savings outside of the L G P S) is more than the annual allowance, the excess will be taxed as income.

The standard annual allowance has increased to £60,000 from 6 April 2023. For the tax years 2016/17 to 2022/23 it was £40,000.

The annual allowance for some members will be lower than the standard annual allowance.

How is the annual allowance calculated?

The increase in the value of your pension savings in the LGPS in a year is calculated by:

- working out the value of your benefits immediately before the start of the 'pension input period'
- increasing that value by inflation, and
- comparing it with the value of your benefits at the end of the 'pension input period'.

The 'pension input period' (PIP) is the period over which your pension growth is measured. From 6 April 2016, PIPs for all pension schemes are aligned with the tax year – 6 April to 5 April.

In the LGPS, the value of your pension benefits is calculated by:

- multiplying the amount of your annual pension by 16
- adding any lump sum you are automatically entitled to from the pension scheme, and
- adding any additional voluntary contributions (AVCs) you or your employer has paid during the year.

If the value of pension benefits at the end of the PIP, less the value of your pension benefits immediately before the start of PIP (adjusted for inflation), is more than the AA, you may have to pay a tax charge.

The assessment for the AA covers any pension benefits you have where you have been an active member during the year, not just benefits in the LGPS. For example, if the increase in the value of your LGPS benefits was £30,000 in 2021/22 when the AA was £40,000, but you also had an increase in the value of other pension benefits of £15,000 in the same year, that would mean you had a total increase in pension benefits of £45,000. If you did not have any carry forward, you would be liable for a tax charge on the amount you exceeded the AA by, even though you did not breach the AA in either scheme.

Carry forward

You may be subject to an annual allowance tax charge if the value of your pension savings for a year increases by more than the annual allowance for that year. However, a three year carry forward rule allows you to carry forward unused AA from the previous three years. This means that, even if the value of your pension savings increases by more than the AA in a year, you may not have to pay an AA tax charge.

For example, the value of your pension savings in 2021/22 increased by £50,000 (ie by £10,000 more than the AA) but in the three previous years had increased by £25,000, £28,000 and £30,000. The amount by which the increase in your pension savings fell short of the AA for those three years would more than offset the £10,000 excess pension saving in the 2021/22 year. You would not have to pay an AA tax charge.

To carry forward unused AA from an earlier year, you must have been a member of a tax registered pension scheme in that year.

The tapered annual allowance for higher earners

From the tax year 2016/17 onwards, the AA is tapered for high earning individuals. The AA will be reduced if your 'Threshold Income' and 'Adjusted Income' exceed the limits in a year. For every £2 that your Adjusted Income exceeds the limit, your AA is tapered down by £1. Your AA cannot be reduced below the minimum that applies. The Government has changed these limits since they were first introduced.

Pensions Tax - Lifetime Allowance

In his Budget on 15 March 2023, the Chancellor announced that there would no further Lifetime Allowance charges and, effective from 6 April 2024, the Lifetime Allowance will be removed altogether.

This newsletter provides an overview of the rules governing taxation of pension savings. It is your personal responsibility to pay the correct amount of tax. Neither the London Borough of Bromley nor the Pensions Team is able to provide financial advice. If you are unsure about the best course of action, you should contact HMRC on telephone number 0300 200 3300. You may need to take independent financial advice in order to ensure that you understand your tax position.

Revised Early Retirement Reduction Factors Published

Early retirement factors have been updated with effect from 3 July 2023 and will be applied to benefits taken voluntarily before Normal Pension Age.

If you choose to retire before your Normal Pension Age your benefits will normally be reduced to take account of being paid for longer.

How much your benefits are reduced by depends on how early you draw them.

The reduction is calculated in accordance with guidance issued by the Government from time to time. The reduction is based on the length of time (in years and days) that you retire early – i.e. the period between the date your benefits are paid and your Normal Pension Age. The earlier you retire, the greater the reduction. **Visit https://www.lgpsmember.org/your-pension/planning/taking-your-pension/**

Number of years early	Pension reduction	Lump sum reduction (for membership to 31 March 2008)
0	0%	0%
1	4.9%	1.7%
2	9.3%	3.3%
3	13.5%	4.9%
4	17.4%	6.5%
5	20.9%	8.1%
6	24.3%	9.6%
7	27.4%	11.1%
8	30.3%	12.6%
9	33.0%	14.1%
10	35.6%	15.5%
11	39.5%	N/A
12	41.8%	N/A
13	43.9%	N/A

The 50/50 Section

If you are concerned about the cost of remaining in the pension scheme, then rather than opting out completely, you may wish to consider moving to the '50/50' section of the scheme. The local Government Pension Scheme now allow members to elect to contribute 50% of the normal rate of contribution and receive 50% of the pension benefit. This means that the pension will accrue at the rate of 1/98th of pensionable pay, instead of 1/49th, for the period that the election is in force. Regardless of which section you are in, you get full life assurance cover, full ill health cover and full survivor benefits in the event of your death.

A person cannot elect for the 50/50 section before the employment has commenced, before being enrolled automatically by their employer, or before opting in. Members can elect to move from the main section to the 50/50 section and back again as many times as they wish. A member in the 50/50 section always has the right to elect to re-join the Main section following the beginning of the next pay period after their election. If you have more than one job you can elect for the 50/50 section in one, some or all of your jobs.

If you choose to move to the 50/50 section any extra pension contributions or additional voluntary contributions (APCS) you are paying to purchase extra pension would have to cease (unless those APCS are to purchase pension 'lost' during a period of authorised unpaid leave of absence or during a period of unpaid additional maternity, paternity or adoption leave.

The 50/50 section is designed to be a short-term option for when times are tough financially. Because of this, your employer is required to put you back into the main section of the LGPS approximately three years from the date they first have to comply with the automatic enrolment provisions of the Pensions Act 2008 (and approximately every three years thereafter). Your employer will move you back into the Main section of the scheme at that time irrespective of when your election to join the 50/50 section took place (even if, for example, you had only elected for 50/50 the previous month). Your employer will tell you when this is about to happen. If you wish to continue in the 50/50 section at that point you would need to make another election to remain in the 50/50 section.

Your employer cannot ask you or force you to join the 50/50 section. If, however, you wish to do so, you can do this by completing and returning an election to change from Main section to 50/50 section form, which is available to download from **www.bromley.gov.uk/lgps.**

Moving House?

If you move house we need to know your new address, not only to keep your records up to date but to make sure personal or sensitive information doesn't go to your old address, putting you at risk of identity fraud.

Therefore, please inform us and your employer of your new address as soon as you have moved.

Please note that we are unable to accept notifications of changes of address over the phone. Please write to **pensions@bromley.gov.uk** or via post to Liberata UK Ltd, PO Box 1339, Bromley, BR1 9HR.

Transfer Time Limits

Transfer In

You should be aware that, if you have previous pension benefits, you may elect to transfer these to the Local Government Pension Scheme. A request to investigate a transfer must be received within 12 months of commencing your current Local Government employment.

Transfer Out

If you're thinking about leaving the pension scheme and transferring your LGPS pension to another provider, please remember that, to be entitled to transfer your pension, you must leave this scheme and choose to transfer your pension at least one year before your normal pension age. (NPA). That's most likely to be your state retirement age, but some member's have a protected NPA of age 60 or 65.

We also suggest that you watch the following video link if you are considering transferring your pension to a defined contribution scheme: **https://www.lgpsmember.org/more/Videos.php**

Death Grant Expression Of Wish Forms

From the moment you join the Scheme until you leave or retire, and sometimes even beyond, you have valuable life cover in the form of a lump sum death grant. As an 'active' contributing member, if you die whilst paying into the Fund, we will pay out a death grant equal to three times your final years' pay.

Although the amount of death grant is governed by the Scheme rules, the Council has absolute discretion in deciding on who to pay any death grant to. The Council may pay the money in one sum or split it among a number of beneficiaries. The LGPS allows you to nominate one or more beneficiaries to whom you would like any death grant to be paid. You can do this by completing and returning an Expression of Wish Form which is sent out with the Annual Benefit Statements each year or can be downloaded from **www.bromley.gov.uk/lgps**.

The Council will normally follow your wishes, but may not do so if your circumstances have changed since you completed the form, for instance if your marital status has changed, or the person you have nominated has died. It is therefore extremely important that you keep your nomination up to date.

Money and Pensions Service

The Money and Pensions Service (MaPS) brings together three respected financial guidance bodies: the Money Advice Service, The Pensions Advisory Service and Pension Wise. MaPS is an arm's-length body sponsored by the Department for Work and Pensions, established at the beginning of 2019, and also engages with HM Treasury on policy matters relating to financial capability and debt advice.

Their aim is to ensure everyone in the UK can easily access the information they need to make the right financial decisions for them throughout their lives, making the most of their money and pensions.

The weblink for further information is **https://moneyandpensionsservice.org.uk**

Don't let a scammer enjoy your retirement!

The Financial Conduct Authority (FCA) and The Pensions Regulator (TPR) have the ScamSmart advertising campaign targeting pension holders aged 45 to 65, the group most at risk of pension scams. The regulators have urged the public to be on their guard when receiving unexpected offers about their pension and to check the people being dealt with are legitimate. Please watch out for the five common warning signs:

- Being offered a free pension review out of the blue
- Being offered guaranteed higher returns - people who claim they can get you better returns on your pension savings
- Being offered help to release cash from your pension, even though you are under 55
- High-pressure sales tactics - scammers may try to pressure you with "time-limited offers" or send a courier to your door to wait while you sign documents
- Unusual investments which tend to be unregulated and high-risk

If you are contacted about your pension, visit ScamSmart before going any further, so that you don't end up becoming the victim of a scammer. FCA and TPR are part of Project Bloom, a multi-agency taskforce which is working to combat pension scams. The taskforce includes the DWP, HM Treasury, the Serious Fraud Office, City of London Police, the National Fraud Intelligence Bureau, The Pensions Advisory Service, and the National Crime Agency.

Pension scams can cause victims significant harm – both financially and mentally. If you are ever in doubt about a pension offer, visit the ScamSmart website at www.fca.org.uk/scamsmart

We also suggest that you watch the following video link if you are considering transferring your pension to a defined contribution scheme: **https://www.lgpsmember.org/more/Videos.php**

National Fraud Initiative

The London Borough of Bromley is required by law to protect the public funds it administers. It may share information provided to it with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud.

Data matching involves comparing computer records held by one body against other computer records held by the same or another body to see how far they match. This is usually personal information. Computerised data matching allows potentially fraudulent payments to be identified. Where a match is found it may indicate that there is an inconsistency which requires further investigation. No assumption can be made as to whether there is fraud, error or other explanation until an investigation is carried out. For further information on the Cabinet Office's legal powers and the reasons that it matches particular information, see **https://www.gov.uk/government/collections/national-fraud-initiative**

Other Data Sharing

London Borough of Bromley participates in a data sharing project with other LGPS pension funds in England, Wales and Scotland. This is undertaken in order to comply with legal requirements contained in the LGPS's governing regulations.

Provisions contained in the LGPS Regulations 2013 mean that, if a member of the LGPS dies, it is necessary for the scheme's administrators to know if the individual also had other periods of LGPS membership elsewhere in the country so that the right death benefits can be calculated and paid to the deceased member's dependants.

As the LGPS is locally administered, each pension fund has its own membership records and it can be difficult to tell if an individual has other LGPS records and where these are held. To comply with the requirements set out above, a national Database, hosted at the South Yorkshire Pensions Authority, has been developed that enables funds to check if their members have LGPS pension records in other pension funds.

What data is shared?

For each member of the LGPS, the Database contains a short entry containing:

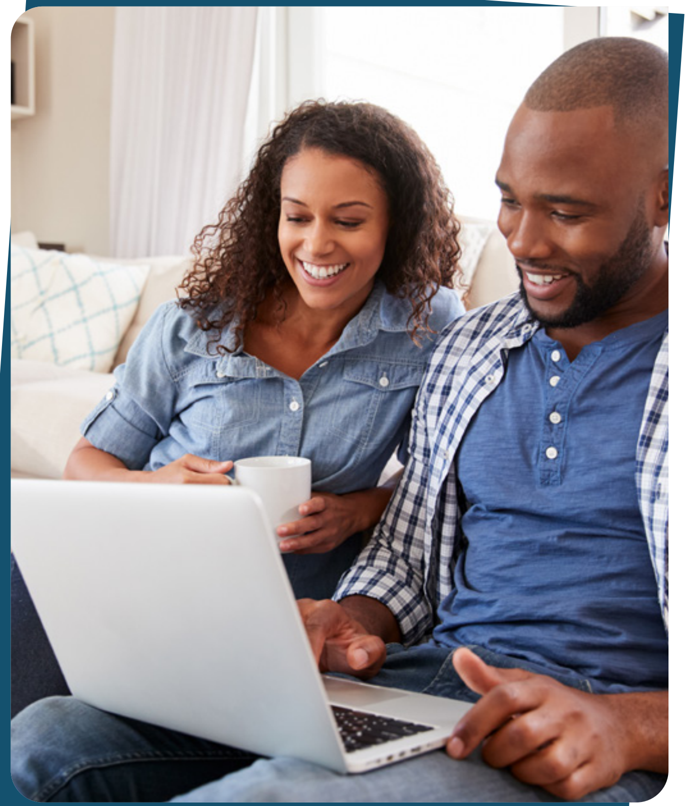
- The individual's National Insurance Number,
- A number to denote the individual's membership status,
- The last calendar year that the membership status changed, and
- four digit number confirming the LGPS pension fund where that member's record is held.

How is the data held on the Database processed?

The data held on the Database is processed in accordance with the Data Protection Act 1998 and other relevant legislation.

Are there any other purposes that the Database is used for?

An extract of the membership information contained in the Database is periodically shared with the Department for Work and Pensions (DWP) so that the LGPS can join the Tell Us Once service. Tell Us Once is a service offered in most parts of the country when an individual registers a death.



Who is the data shared with?

Other LGPS pension funds. These are all public bodies named in legislation as administering authorities of the LGPS.

For the Tell Us Once service, an extract of the Database containing individuals' NI Numbers is securely shared with DWP every month so that they may maintain an up-to-date record of the LGPS's membership.

How long will this data sharing be undertaken for?

For as long as a) the relevant regulatory requirements remain, and b) the LGPS participates in the Tell Us Once service.

In the event that neither of the above apply, the data sharing will cease to be undertaken.

Can I opt out of this data sharing?

No. As this data sharing is partly being undertaken to comply with a legal requirement, it is not possible for scheme members to opt out of the data sharing.

Enquiries and Complaints

If you are not sure which benefits you are entitled to, or if you have a question concerning your benefits, please contact the Liberata Pensions Team. They will try to deal with your query as quickly and efficiently as possible, and it may be possible to arrange a meeting in order to resolve any issues.

In case you are dissatisfied with the way the Council or your employer has interpreted or applied the pension regulations; in order to protect your interests, the council is required under the scheme regulations to set up a two-stage appeal procedure. Full details of this can be obtained from the Liberata Pensions team.

Their full address and telephone details are shown below. In additional to the internal dispute processes you also have access to a number of external advisors or regulators who are there to assist you with any issues you may have relating to your pension.

Further details of these organisations are given below.

Liberata UK Ltd
PO Box 1339, Bromley BR1 9HR

Telephone: 0208 603 3429
Email: pensions@bromley.gov.uk
Website: www.liberata.com

Large Print Version Available

The text of this newsletter is available in a large print format from Liberata Pensions on 020 8603 3429.

Further information about the Scheme is available on www.lgps.org.uk

NOTHING IN THIS NEWSLETTER CAN OVERRIDE THE PROVISIONS OF THE LOCAL GOVERNMENT PENSION SCHEME REGULATIONS OR RELATED LEGISLATION

Useful Contacts

London Borough of Bromley
Chief Executive's Department
Civic Centre
Stockwell Close
Bromley
BR1 3UH

Telephone: 020 8464 3333

Website: www.bromley.gov.uk

Pension Tracing Service
This is a tracing service for ex-members of schemes with pension entitlements, who have lost touch with their previous employers.

The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Telephone: 0800 731 0193
Website: www.gov.uk/find-pension-contact-details

Please note the Pensions Tracing Service are currently not accepting requests for details by post.

The Pensions Ombudsman (TPO)
TPO provides a service to assist members with any difficulties that they cannot resolve with their pension schemes, and to investigate and determine any complaint or dispute involving maladministration of the Scheme or matters of fact or law.

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU

Telephone 0800 917 4487

Website www.pensions-ombudsman.org.uk

The Pensions Advisory Service
The Pensions Advisory Service (TPAS) dispute resolution function has moved to TPO. However, individuals can approach both TPO and TPAS for help when dealing with a pension complaint. TPAS tends to focus on complaints before the pension scheme's internal dispute resolution procedure (IDRP) has been completed, while TPO typically deals with complaints that have been through IDRP.

The Pensions Advisory Service
120 Holborn
London
EC1N 2TD

Telephone 0800 011 3797
Website: www.moneyhelper.org.uk/en/pensions-and-retirement

The Pensions Advisory Service now operates under 'Money Helper'.

The LGPS member site
The national website for members of the LGPS in England and Wales provides information and guidance to help members understand their LGPS membership from joining to leaving.

The website has recently launched a series of videos to educate members on their pensions, how to look after it, protection for their family, life after work, lifetime allowance and annual allowance.

Also, the website has several calculators that will be able to help members with their pension benefits.

- Contributions Calculator
- Pension Account Modeller

Website: www.lgpsmember.org

Bromley
THE LONDON BOROUGH
www.bromley.gov.uk

lgps Local Government Pension Scheme

Liberata

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

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