

Merton Pension Fund Advisory Panel

Minutes of the meeting held on

25 November 2020 (Virtual Meeting)

Attendance:

Cllr. Laxmi Attawar (Chair),
Cllr Adam Bush (Vice Chair)
Cllr. Tobin Byers
Gwyn Isaac (GMB Union Rep)
Caroline Holland (LBM)
Roger Kershaw (LBM)
Nemashe Sivayogan (LBM)

Additional Attendees

Mercer- Investment Consultant
Barry Mckay- Barnet Waddingham

1.0 MEETING (Part 1)

- 1.1 Introductions made by Chair.
- 1.2 Members Declaration of Interest – None.

2. Minutes of Last Meeting Held (Part 1) – 21 July 2020 (Decision making)

- 2.1 The actual minutes were agreed as a true record.

3. Quarterly Fund Performance Review (July 2020 to Sept 2020) (For Information)

- 3.1 Over the 3 months to 30 Sept 2020, total Fund assets returned 3.8% compared to the target of 1.2%. This equates to an outperformance of 2.6%.
- 3.2 The Fund's total market value increased by £30m over the quarter, from £785.4m to £815.5m. Over the last 12 months, the Fund performance was 5.3%, and 3 year annualised performance was 6.8%. The annual performance target is 4.8%.
- 3.3 RK said the Fund grew by £30m primarily due to equities, returning 3.8% against a benchmark of 1.2%. The Fund is in a good position.

4. Update on Pension Regulations – Fund Actuary Barnett Waddingham (For Information)

- 4.1 Funding level is 103% with a surplus of £20m (more assets than value placed on liabilities).
- 4.2 There are 3 main areas of Gov't concern. McCloud / £95k exit cap / Employer flexibilities. Barry provided an update on all three regulations changes, impact to the fund and the actions needed in the coming months
- 4.3 The Funding Level is broadly unchanged since 31 March 2019.

5. AOB

Future Meeting Dates

- 10 March 2021

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