

TfL Pension Consultative Council (PCC)

Summary of minutes of meeting number 75 held on 22 November 2012

The Chair introduced the two new Councillors Paul Kilius-Smith and Ralph Pidsley as observers. The Council recognised that this was Mr Swiggs last meeting and thanked him for his sterling work in steering and chairing the Council since 2007.

Report of Trustee Board Meeting held on 25 September 2012

It was confirmed that the RMT had nominated Stephen Hedley to replace Pat Sikorski and that TfL had nominated Andrew Pollins to replace Stephen Critchley.

The Investment Committee reviewed the new benchmark and the options for rebalancing in the light of the strategy to move away from equities. It also reviewed the Investor Advisor Report (Quarter ending June 30) and noted that there had been a considerable change in outlook since June end, a low point for many economies.

It was noted that with the Alternatives and Liability Hedging Committees strategy to increase alternatives investments to comprise 25% of its total portfolio, its current level was now 18% and this included commodity and hedge fund-related investments.

The Actuarial Valuation Committee had reviewed the employer covenant and this had been reassuring. The Committee had discussed the impact of changes in mortality figures and considered the merits of use of indices (RPI and CPI) in estimating future inflation but conceded that any legislative change would override the Fund rules.

It also reported that TfL now has a duty to auto-enrol staff into a qualifying scheme from March 1, 2013 and this will require Rule amendments so as to extend enrolment to groups presently uncovered – those aged 63 to 75 and those aged 16 and 17. Work had been commissioned to address the required changes.

The annual report and accounts were approved.

AMM Feedback

The PCC reported positive feedback from members who found it constructive, informative and delivered on time. It was noted that the Q & A's were now on the Fund's website.

TfL Administration Report for the quarter ended 30 June 2012

The PCC noted the service provider's report to the Trustees of the TfL Pension Fund.

Pensioners' Forum Summary for meeting held 14 September 2012 and Pensioner Liaison Manager's Report

These were noted.

PWG minutes held 6 March 2012

These were noted