

## **TFL Pension Consultative Council (PCC)**

### **Summary of minutes of meeting number 93 held on 10 March 2016**

#### **Elections of Chair and Vice-Chair**

Luke Howard was re-elected to Chair and Mark Harding was re-elected Vice-Chair.

#### **PCC Constitutional Matters**

Section Three confirmed that they had agreed for Mr Murphy to continue to be their nominated Trustee. This was ratified by the PCC.

Section One confirmed that Mr Christopher Sullivan will fill their other casual vacancy.

#### **Transfer in Policy**

It was confirmed that the current suspension of transfers in will come to an end with effect 31 March 2016. The Trustee Board at its meeting to be held on 29 March will agree the process and terms following the end of the suspension as part of the valuation.

#### **Report of Trustee Board Meeting held on 11 December 2015**

Mr John Knowles [TSSA nominated Trustee] stepped down as a Trustee at the end of the meeting because he was leaving service.

The Investment Committee noted a significant fall in the Funding Level from 86.9% to 80.6%, this was mainly due to a large fall in equity markets, and that the expected time to reach full funding had increased considerably.

The Investment Committee agreed to reduce the Fund's holding in passive equities by 10% to 12%. Most of this would be allocated to the Alternatives and Liability Hedging Committee (A&LHC), which would begin to utilise the released assets by topping up existing funds or finding similar alternative funds.

The Actuarial Valuation Committee was presented with the Technical Provisions. These had already been shared, in draft form, with the Principal Employer. They also wished the Valuation to include the assumption that the Tube Lines Section would be merged into the Public Sector Section, before completion.

The Summaries of Results showed a reduced deficit for the Public Sector Section from three years ago. They also showed increased employer costs for the accrual of future benefits, as a result of the assumptions regarding future interest rates.

The Operations Committee reported that the Employer had not discussed the issues relating to the cessation of contracting out and therefore it was unlikely that any change would be made before April 2016. However there is a transitional period to implement any change up until 2021.

The Trustee noted that the pension increase for 2016 would be 0.8% based on the September 2015 RPI.

The Board agreed to a proposal to merge the Cubic Transportation Systems and Thales Sections into the Composite Section. This move will improve the efficiency of Fund administration as it reduces the number of Valuations and formal sets of accounts required, whilst having no impact on member benefits.

### **Update of the TfLPF 2015 Actuarial Valuation**

It was confirmed that an agreement in principal has been reached and the next steps were for the Recovery Plans and the Schedule of Contributions to be signed by all parties, details of which will be available on the Fund's website in the near future

### **TfL Administration Report for the quarter ended 30 September 2015**

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

### **Pensioners' Forum Minutes for Meeting held on 18 November 2015, Pensioners' Forum Agenda for Meeting held on 9 February 2016 and Pensioner Liaison Scheme Report**

These were noted.

### **Minutes of PWG meeting held 4 June 2015 and the Agenda of PWG meeting held 3 February 2016**

These were noted