

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

### **Summary of minutes of Meeting 127 held on the 4 May 2023**

#### **Report of Trustee Board Meeting held 28 March**

Summary of Trustee Board Meeting Update by Sonja Folarin

Nigel Pickup, an employer-nominated Trustee, had left the Board and was replaced by James Terry.

The Fund remained in a healthy funding position.

David Biggs inquired about the effect of US bonds. Paul Murphy explained that the Fund's diversified investments, including bonds, helped mitigate negative impacts. Chris Miller confirmed the Fund's diversification with 21.6% in bonds, 36% in equities, and nearly 40% in alternatives, offering protection against market explosive nature.

TfL's covenant received a strong rating from Penfida, and ongoing implementation of the investment strategy was progressing.

The Operations Committee is implementing a triage proposal to manage telephone calls and other administrative tasks.

The "do nothing" option remained a viable choice following the Trustees' meeting with Tricia Wright on 28 March 2023 regarding the ongoing TfL Pension Review.

The Trustees agreed to revise the assumptions under the Pension Funding Agreement (PFA) for the annual assessment as of 31 March 2023, in response to significant changes since the last valuation. This revision was expected to positively impact the scheme's funding position.

TfL maintained a strong credit rating, and its business plan was on track. However, there were still some unresolved questions.

Yetunde Adekola inquired about the 20% increase in RSM's fee. Stephen Field clarified that the increase was a slight reduction compared to the original proposal, and the fee still represented good value for money and had been robustly challenged.

This summary highlights the key updates regarding the Trustee Board's decisions, the funding position, investment strategy, pension review, and administrative developments. The continued financial strength of TfL and the positive revisions to funding assumptions were particularly emphasised.

#### **Administration Report for Quarter ended 31 December**

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

#### **Trustee News Update**

The Committee had no comments on the news update.

#### **Pensioners' Forum Minutes for meeting held on 9 February 2023**

Minutes were noted.

#### **Pensioners' Forum Agenda for Meeting held on 9 May 2023**

The Agenda was noted.