

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

### **Summary of minutes of Meeting 136 held on the 23 January 2025**

#### **Election Chair and Vice Chair 2025**

Eddie Darroch confirmed that he would step down as Chair and invited nominations. The PCC elected Mark Harding as the new Chair and Graham Dean as Vice Chair. Eddie noted this would be his final meeting as he is leaving TfL and thanked councillors for their support. Mark expressed appreciation for Eddie's long service.

#### **Administration Report for Quarter ended 30 September 2024**

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

#### **Report of the Trustee Board Meeting held 13 December 2024**

The 2024 actuarial valuation for the Public and Composite Sections showed a healthy funding position, supporting an agreed temporary reduction in TfL contributions. A new Pensions Funding Agreement has been established to provide protection should a future deficit arise. Although some Trustees expressed disappointment that the valuation did not result in benefit enhancements for members, the Board approved the accelerated timetable for completing the valuation, with the new Schedule of Contributions effective from 15 December 2024. All conditions linked to the Government's Pension Review have been met, and the review concluded with no changes to the Fund. Trustees stressed the importance of considering potential benefit improvements ahead of the 2027 valuation.

Regulatory updates confirmed that the Fund continues to be governed under private-sector pensions legislation, with no concerns raised by the Pensions Regulator.

On investments, the Fund continued planned de-risking activity, increased its hedging programme, and made further progress on longer-term strategy reviews, including exploration of private-equity opportunities. Committees also reported on AVC provider monitoring, valuation assumptions, operational casework and ongoing preparations for the May 2025 Pensions Dashboard deadline.

The employer covenant continues to be assessed as "strong". The Annual Sustainability Report has been published. The PCC also noted that the Head of Pensions, Tim Handley will retire on 22 July 2025. Work is ongoing to enhance member communications, including a new ill-health benefits video.

#### **Pension Fund Sustainability Report 2024**

Stephen Field confirmed publication of the 2024 report. The PCC complimented the report for its clarity and user-friendly approach, highlighting the achievement of carbon emissions 7% below benchmark. Councillors asked for more detail on the Fund's sustainable forestry activity and whether future reporting would align with the Taskforce on Nature-related Financial Disclosures (TNFD). Stephen agreed to follow up on the forestry queries and confirmed that the Trustee is reviewing TNFD-aligned reporting.