

**TfL Pension Consultative Council (PCC)**  
**Summary of minutes of meeting number 61 held on 15 July 2010**

**Report of Trustee Board Meeting held on 18 May 2010**

**Actuarial Valuation**

This meeting was convened specifically for the Trustee Board to consider the Recovery Plans for the two outstanding Sections: the Public Sector and Tube Lines. After discussion the Board agreed to approve both Recovery Plans.

**Report of Trustee Board Meeting held on 8 June 2010**

**Appointment of Directors**

It was noted that no nomination had yet been received from Unite to replace Tom Chinnery as a Trustee Director.

**Valuation Documentation**

The Chairman informed the Board that the Valuation documents had been signed for all the Sections by herself representing the Trustee, Steve Allen representing TfL and Richard Williams as Scheme Actuary.

The Chairman also informed the Board that should the acquisition of Tube Lines proceed on 30th June, their participation could continue under Rule 2 (C) (1) as a Public Sector Employer in a Private Sector Section. This was subject to Trustee consent, which was duly given by those present.

**Operations Committee matters**

The draft minutes of the Operations Committee meeting held on 12th May 2010 were reviewed and the following main points were noted:

*Administration Report for quarter ended 31st March 2010:*

As a result of the cessation of transfers into the fund, 1,400 requests had been received before the deadline. The Trustees commended the Fund Office for their work in dealing with this number.

*Deceased Tracing Services*

The Committee were continuing to consider the issue of accounting for pensioners living overseas, which on occasion lead to overpayments having to be pursued or written-off. More data was being collated regarding the extent of resources needed for this with a view to considering whether use of a tracing bureau would be justified.

*Annual Members' Meeting*

The Committee had agreed changes to the catering arrangements: no separate Trustee lunch would be provided this year, but cakes and sandwiches would be available in the exhibition hall.

*Deferred Benefit Statements*

It had been decided that, although there had been no pension increase this year, statements would still be issued, but the format may change to achieve savings.

*Give As You Earn*

The Committee were considering whether or not to continue providing charity donations through the Pensions payroll, as only a few pensioners were using the facility.

### **Update of Review of Independent Medical Adviser**

The Board noted that the IMA Working Group had decided to shortlist four of the seven candidates for interview.

### **Financial Report for quarter ended 31st March 2010**

The Board approved the Report.

### **Investment Committee Issues**

The Investment Adviser's Report for the quarter ended 31st March 2010 had been reviewed at the Committee meeting on 18th May 2010 and it was decided that no action was required at present.

The Investment Adviser's Executive Summary was considered and it was noted that the situation was therefore back in "acceptable territory".

### **Appeals Committee Cases**

The Board noted that the Committee had upheld the Pensions Manager's decision at Stage 1 as the claimant was not entitled to benefits within the Fund having received a refund of contributions in 1975.

### **Audit Committee Issues**

The Board were advised that the Audit Committee, at their meeting on 10th March 2010, had reviewed both KPMG's and Internal Audit's plans for the year as well as KPMG's fee proposals and letters of representations. Also, the process of recovering VAT had been noted. An external audit of the Pension Fund by KPKG had started and would be considered by the Committee on 23rd June 2010.

The Board were advised of and noted the process of VAT recovery.

### **Update on challenging the PPF levy on the former Metronet Companies**

The Board noted the current situation, i.e. that the Judicial Review was moving along very slowly.

### **Report of Trustee Board Meeting held on 7 July 2010**

#### **KPMG Highlights Memorandum for the year ending 31 March 2010**

The Board considered the Memorandum, which had been reviewed in detail and approved by the Audit Committee. It was noted that KPMG would be issuing an unqualified audit opinion on the Fund's financial statements. The KPMG representatives at the meeting confirmed that no significant issues arose during the audit.

#### **Annual Report and Accounts for year ended 31 March 2010**

The Fund Annual Report and Accounts, and the Accounts of the TfL Trustee Company Limited for the year were both approved for signature.

#### **Annual Members' Meeting**

The programme for the AMM was agreed.

### **TfL Pension Fund Administration Report – quarter ended 31 March 2010**

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

### **Missing periods of pensionable service**

The PCC noted that progress continued in considering applications.

### **Minutes of Pensioners' Forum meeting held on 10 May 2010**

The minutes were noted.

### **Minutes of the PWG meeting held on 27 January 2010**

The minutes were noted.

### **Minutes of the PWG meeting held on 19 May 2010**

The minutes were noted.

### **Annual members' meeting.**

The PCC agreed that it would take a table at the AMM as last year.

### **Tube Lines**

Following TfL's acquisition of Tube Lines an issue had arisen in connection with the PCC's constitution and specifically election process for Councillors under each section. Tube Lines has, to date, been part of Section Three as a contractor to London Underground Limited. Following the acquisition Tube Lines can be classified as a subsidiary of TfL.

After lengthy discussion and taking account of the imminent nomination and potential election process as well as the fact that Tube Lines' long term future has not yet been determined the PCC agreed that it would be appropriate for Tube Lines to remain in Section Three and for the matter to be reviewed at the November meeting of the PCC.

Mr Field agreed to seek TfL's ratification of this decision.

### **Waiting periods**

In response to a question Mr Field confirmed that Surface Transport are currently permitted to have a one year waiting period included with contract of employment before entry to the TfL Pension Fund.