

Pensions Board Update

October 2020

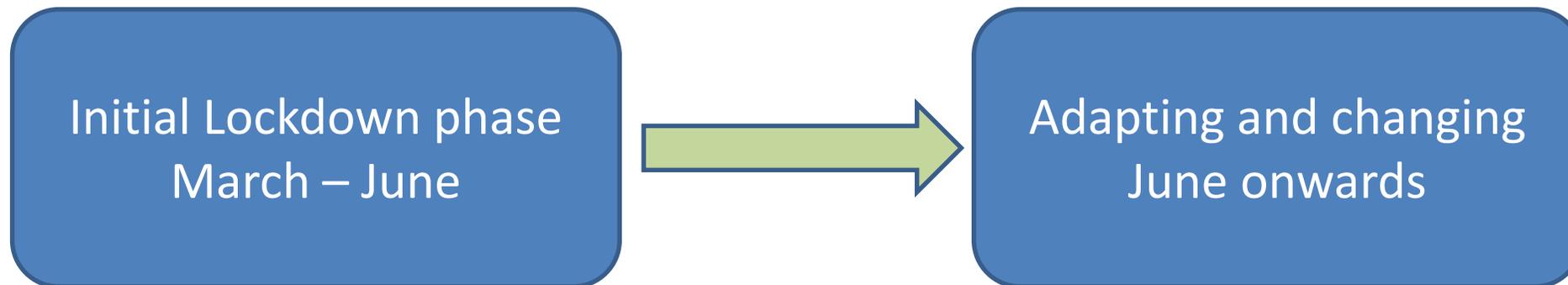
Headlines

- COVID-19 inevitably dominated work and lives over last eight months
 - Initial response in lockdown
 - Developing and adapting services post lockdown
- But COVID has not completely distracted from other goals, e.g.:
 - Regular pension scheme valuation work
 - Governance simplification
 - Ethical investment work
 - Housing Management System and Pensions System Upgrades
 - Supporting RACSC colleagues on Clergy Remuneration Review

COVID-19 Response

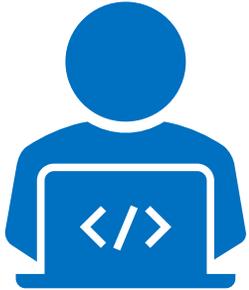
Priorities:

- Staff welfare and wellbeing
- Contacting and supporting residents and members; maintaining vital services
- Careful cost control in an uncertain situation



PB benefitted from tested business continuity plans (and activated these ahead of general lockdown) plus its contingency plan for response to a financial shock

COVID-19 Response



Church House Operations

- Largely remote working since 16 March
- Wrote to all customers early on
- Upgraded IT to facilitate remote working
- Mail handling via Pershore unaffected



Pensions & Investments

- Long term investor with good liquidity
- Some peaks of administrative work
- Working with employers and other church bodies: significant financial stress for the wider Church



Supported Housing

- Focus on controlling risk
- Strength in community
- Viewings and moves now possible with COVID controls in place
- Preparing for winter



CHARM Housing

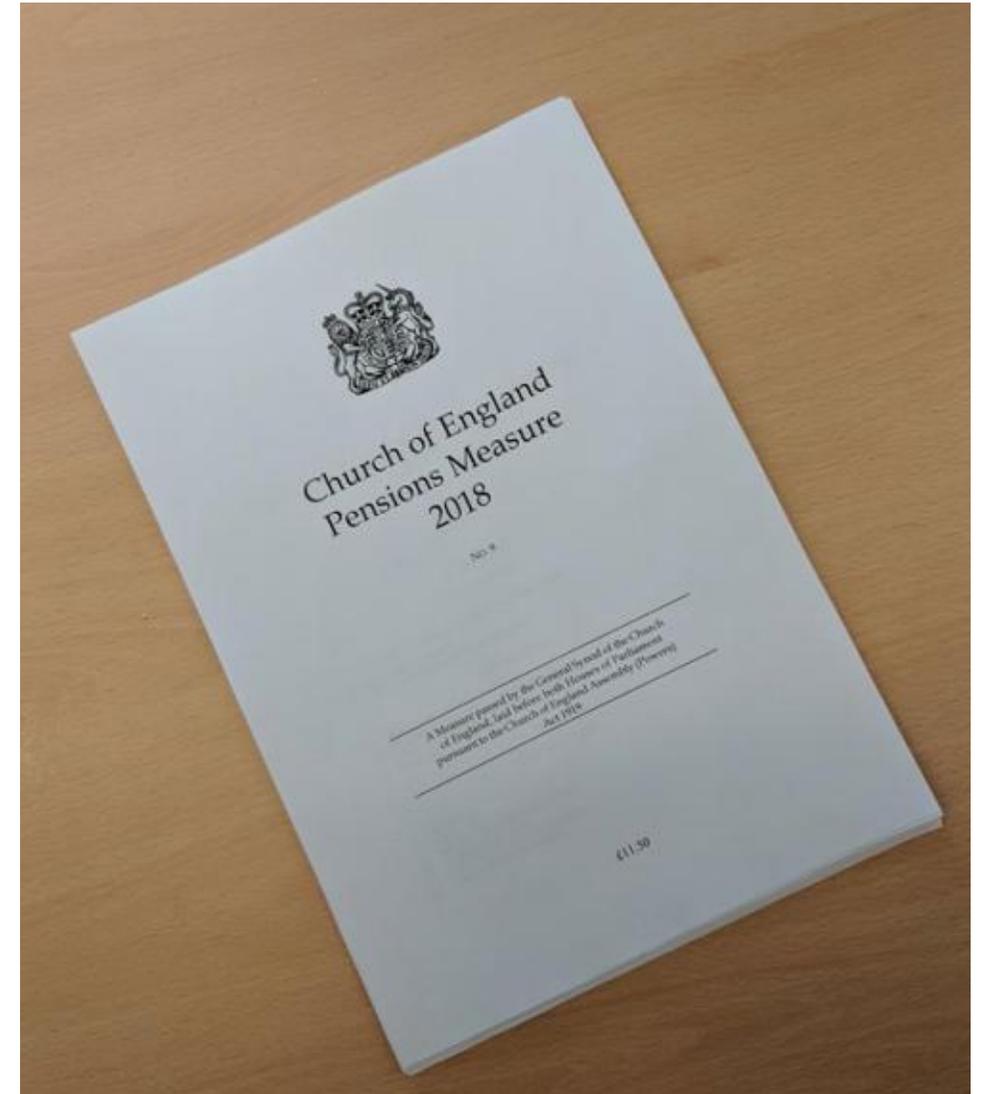
- Initial focus on core repairs and aids & adaptations
- Contacting residents
- COVID compliant compliance
- Working with those near retirement

“The thoughtfulness, kindness and trouble that you are all taking is moving and very impressive. I am very grateful to you all. Please pass on my gratitude to everyone.”

*Financial support from Archbishops’ Council and Church Commissioners to wider Church:
Dioceses: £75m liquidity support + £35m grant funding to dioceses.
Cathedrals: £4m liquidity + £10m grant fund.*

Legislative Reform Order

- Consultation over summer 2020 on governance simplification and effectiveness improvements, e.g.:
 - Smaller Board (20 down to 12)
 - Broader franchise for clergy elections
 - Regulatory best practice
- 272 Consultation Responses
- Overwhelming support for proposals plus a few suggestions to adopt
- On to next stage



Ethical investment

- Key focus remains climate change and extractive industries
- Mining Safety Initiative has led to:
 - Global tailings safety standard
 - Company disclosures and global database
 - Satellite monitoring
- FTSE TPI Climate Transition Index
 - First ever forward looking index
 - ‘Passively’ invested funds will invest in companies aligning to Paris goals and exclude those who are not



Other developments

- **Housing Management System**
 - Implementation of Aareon QL housing management system continues: no significant loss of pace caused by lockdown
 - Brings efficiency benefits to housing management including a single view of the customer for the first time
 - First phase completes early Summer 2021
- **New electrical testing programme**
 - Scoping and beginning an estate-wide programme of electrical testing for properties in PB ownership for more than five years
- **Pensions system upgrade**
 - Progressing well, enables access to pensions information online

The Church of England Pensions Board

www.churchofengland.org/pensions pensions@churchofengland.org

www.churchofengland.org/housing housing@churchofengland.org

The Church of England Pensions Board is a registered charity number 236627

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