

Wolverhampton City Council

OPEN INFORMATION ITEM

Committee / Panel **PENSIONS COMMITTEE** Date **26 JUNE 2013**

Originating Service Group(s) **PENSION SERVICES**

Contact Officer(s)/
Telephone Number(s) **GEIK DREVER**
2020

Title/Subject Matter **COMBINED GOVERNANCE ACTIVITY**
JUNE 2013

1. PURPOSE OF REPORT

1.1 This report is submitted for Members' information.

2. RECOMMENDATIONS

2.1. Members are requested to note the issues being raised and discussed by the Local Authority Pension Fund Forum (LAPFF) as described in the attached minutes of the Business meeting held on 20th March 2013. Also attached are the Quarterly Engagement Report and the Spring Newsletter.

3.0 **BACKGROUND**

3.1 The West Midlands Pension Fund has adopted an approach of wanting to position itself as following good corporate governance practices. This is reflected in its approach to active proxy voting and its shareholders' engagement approach with companies.

The approach is actioned through the Fund's voting arrangements and its membership of the LAPFF. Joining with other funds that have similar views to the Fund, produces a large shareholding group which companies are more likely to take note of and respond to. LAPFF has a current membership of 56 public sector pension funds.

The mission statement of the Forum is "to promote the investment interests of local authority pension funds and to maximise their influence as shareholders to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they invest, commensurate with statutory regulations".

4.0 **VOTING ACTIVITY***

4.1 During the period the Fund voted at a total of 280 company meetings – 50 UK, 66 European, 62 US, 32 Japanese, 15 Global and 55 Asian. In respect of these meetings (a mixture of EGMs and AGMs) the Fund opposed, abstained or withheld* 1,022 resolutions out of a total of 3,004, representing approximately 34% of all resolutions. During this period there were 33 meetings where the Fund supported all the resolutions put forward by companies.

The Fund has a bespoke template for voting at UK meetings, however, the Fund currently follows the voting advice of the Pensions and Investments Research Consultants Ltd (PIRC) for European US and Japanese company meetings.

**(It should be noted that due to a combination of US state law and individual company bye-laws, votes pertaining to individual directors cannot be cast as "oppose" but have to be cast as "withheld").*

4.2 **UK VOTING ANALYSIS**

The major issues of contention during the period are typically illustrated in the examples in the table below:

Company	Meeting	Resolutions Causing Shareholder Concern	Shareholders Opposing or Abstaining
BUMI PLC	EGM	Directors' Appointments	46-62%
Easyjet PLC	AGM	Approve the Remuneration Report	45%
Easyjet PLC	AGM	Elect Sir Michael Rake	44%
Lonmin PLC	AGM	Approve the Remuneration Report	28%
Lonmin PLC	AGM	Re-elect Len Konar	19%
Lonmin PLC	AGM	Re-elect Roger Phillimore	17%

Although the Fund may often oppose a resolution, it will support a resolution if it believes the company has followed best practice, even if there is significant opposition from other shareholders. Background details on some of these resolutions where opposition was significant are detailed below:

BUMI PLC (EGM)

In an attempt to reshape the BUMI board, former director Nat Rothschild had sought to remove a dozen incumbent directors and replace them with his own team headed by Brock Gill as chief executive.

BUMI was created in 2010 by financier Nat Rothschild and Indonesia's Bakrie family in a deal valued at £1.85bn. BUMI plc comprises two subsidiaries, Berau Coal Energy and Bumi Resources. Claims of theft, e-mail hacking and other disputes have since blemished the Company's image. These deepened in September 2012 when an investigation into an alleged financial dishonesty at BUMI was launched, following information sent to Mr Rothschild by an anonymous whistleblower. Mr Rothschild resigned as Non-Executive Director in October 2012.

In his attempt to reshape the BUMI board, Mr Rothschild had sought to remove a dozen incumbent directors and replace them with his own team headed by Brock Gill as chief executive. A core part of the argument between Mr Rothschild and the board was how to resolve the difficult relationship with the Bakrie family. The Board argued that this would not be achieved under Mr Rothschild's plan.

The Board was helped by some last minute changes to the share ownership of the company which appear to have swung the vote decisively in their favour. As a result, only two of the directors – Nalinkant Rathod and Jean-Marc Mizrahi – were removed with the support of 54% and 51% of shareholders respectively. Given that most of the other directors received votes of around 44% in favour of their removal, this may indicate that one or more of the significant shareholders wanted these two off the Board.

In addition, only one of Mr Rothschild's nominees – Sir Richard Gozney – was appointed. Again this was with a vote of 51% in favour, compared to the 43% mark for most other directors. Mr Rothschild also failed in his bid to be re-appointed with investors believing that in order to succeed, a new Board is needed that has no links to influential shareholders.

EASYJET (AGM)

A number of issues arose that lead to a high level of opposition to several resolutions at the AGM of low-cost passenger airline Easyjet. Opposition was led by the company's founder and major shareholder Stelios Haji-loannou.

Mr Haji-loannou had led calls to oppose the election of Chairman Sir Mike Rake as well as the approval of the remuneration report.

The Fund voted against the remuneration report as outstanding Long-Term Incentive Plan awards were subject to a single, absolute performance measure which was considered to be inadequate and contrary to best practice. In addition, future changes to the LTIP provide the potential for executives to be rewarded twice for achieving the same performance.

Another resolution that attracted a high level of opposition was a proposal relating to meeting notification. The resolution reflected the implementation of the EU Shareholder Rights Directive into English law which took place on 3 August 2009 and was implemented by the company in its Articles of Association. Under the regulations, the minimum notice period for general meetings is 21 days unless shareholders agree to a shorter notice period. This particular resolution sought to call general meetings on 14 days clear notice.

As this proposed change was permissible by the Companies' Act, the Fund voted in favour.

LONMIN PLC (AGM)

The remuneration report at mining group Lonmin also attracted a high level of opposition. There were concerns with the potential excessiveness of certain awards as well as the retention payment made to acting CEO and Chief Financial Officer, Simon Scott.

This retention award was made to Mr Scott "to help provide immediate stability for the Company following Mr Scott's appointment as acting CEO in August 2012 and in the midst of the multiple issues facing the Company at that time." The award had a face value of £814,625, being 2.5 times Mr Scott's base salary. However, it should be noted that discretionary payments are not considered to be appropriate and no payment was awarded under the Long Term Incentive Plan which would only have amounted to 1.5 times base salary. In this case Mr Scott was already receiving additional pay for assuming the role of acting CEO. Therefore, the Fund was unable to support this resolution.

Additionally, the Fund voted against the resolution to re-appoint the Chairman, Roger Phillimore. This was due to the fact that Mr Phillimore had already served on the Board for more than nine years and was therefore not considered to be independent.

There was also a high level of opposition to the appointment of another of the Non-Executive directors, Len Konar. In this instance, the company had failed to disclose all of Mr Konar's board positions making it impossible to establish his aggregate time commitments.

GRAINGER PLC (AGM)

The Fund opposed the resolution to re-appoint Pricewaterhouse Coopers as auditors to residential property company Grainger. In the year under review and on an aggregate three year basis, non-audit fees exceeded audit and audit related fees which goes contrary to best practice. There were particular concerns that the level of non-audit fees potentially created the potential for a conflict of interest on the part of the external auditor.

TUI TRAVEL PLC (AGM)

Investors opposed the appointment of several of the directors at the AGM of travel firm TUI Travel.

Non-Executive Director, Horst Baier attracted a significant amount of opposition as he also holds the position of Chief Financial Officer at TUI AG, the company's controlling shareholder.

Another of the Non-Executive directors, Tony Campbell was not considered to be independent due to his length of tenure on the boards of First Choice and TUI Travel. Mr

Campbell also holds a total of five additional board appointments including three chairman positions which raised concerns about his time commitments. It was also noted that he missed one audit committee during the year.

Finally, Senior Independent Director Sir Michael Hodgkinson was described as independent by the Company but he had in fact served on the Board for more than nine years. He too had missed a meeting of the Audit committee during the year.

In all three cases, there were concerns about the lack of independent representation on the Board.

4.3 **OVERSEAS ISSUES**

HEWLETT PACKARD (AGM) – USA

At the AGM of IT firm Hewlett Packard, there was a high level of opposition to the appointment of a number of the company's directors. The two longest-serving directors, John Hammergren and Kennedy Thompson, received 46% and 45% of votes against their re-election. In addition, Chairman Raymond Lane received 41% of the votes against his return, while 20% voted against the lead independent director.

The company is under increasing pressure after a series of poor acquisitions, including an \$8.8bn write-down on its takeover of the British software firm Autonomy, which is itself accused of false accounting that inflamed its value.

All 11 members of the Board were re-elected with narrow majorities but shareholders supported a proposal allowing them to nominate candidates for the board in future years.

Shareholders also protested against the re-appointment of auditor Ernst & Young, with concerns focusing on the relatively high level of non-audit work done by the firm. The firm has been in charge of HP's accounts for the last 14 years and over \$20m of its \$50m fees for 2012 were for non-audit work.

APPLE (AGM) – USA

The company sought shareholder approval for a number of amendments to the Company's Restated Articles of Incorporation including:

- (i) to eliminate certain language relating to the term of office of directors in order to facilitate the adoption of majority voting for the election of directors;
- (ii) eliminate "blank check" preferred stock;

The proposals received a high level of shareholder support including that of CalPERS (California Public Employees' Retirement System), an organisation that had long been critical of the company's governance practices. It was agreed that the proposals would be a way of protecting shareholders' rights. However, one major opponent of the resolution argued that the resolution would also make it more difficult for management to return cash to shareholders as they would be required to seek shareholder permission prior to any cash payout. Therefore at the last minute, an injunction was granted by a Federal judge and the proxy vote was cancelled.

5. SHAREHOLDER LITIGATION

In addition to voting, the Fund works in partnership with a US lawyer and a class action monitoring agent to return value back to the Fund through litigation where shareholder value has been lost through fraudulent or irresponsible corporate behaviour. These partners are able to identify where litigation has been successful and submit claims on behalf of the Fund. As a result, during the three months to March 2013 almost \$15,000 has been recovered.

6. FINANCIAL IMPLICATIONS

- 6.1. The promotion of good corporate governance amongst companies in which the Fund invests is complementary to the Fund's objective of maximising financial returns, as it is widely believed that good corporate governance improves shareholder value in the long term.

7. ENVIRONMENTAL IMPLICATIONS

- 7.1. The report contains no direct implications for the Authority's Environmental Policies.

8. EQUALITIES IMPLICATIONS

- 8.1 This report has no implications for the Council's equal opportunities

**Information related to voting is provided by PIRC in accordance with the Fund's template.*



**Local Authority
Pension Fund
Forum**

**Agenda
Item: 5**

Local Authority Pension Fund Forum

Draft Business Meeting Minutes

Wednesday, 20 March 2013

Minutes

1. Apologies

Received from:

Steve McManus
Dylan Jones
Cllr Sian Thomas
Mark Lyon
Howard Bluston
Cllr Alec Kellaway

Derbyshire
Dyfed
Dyfed
East Riding Pension Fund
LB Harrow
LB Newham

Present:

Cllr Mike Drew
Matt Betts
Cllr Peter Brayshaw
Nigel Mascarenhas
Nick Buckland
Cllr Toby Simon
Graeme Russell
Tom Harrington
Cllr Kieran Quinn
Jill Davys
Richard Law-Deeks
Cllr Richard Greening
Keith Bray
Cllr Nev Jackson
Marlyn McConaghie
Cllr Cameron Rose
Leanne Clements
Mike Taylor
Cllr Patricia Glasman
Owen Thorne
Alex Younger
Caroline Mann
Cllr Alastair Bews
Tim Bush
Ashley Hamilton
Janice Hayward
Martin Marzidovesk
Alan MacDougall
Tom Powdrill
Tessa Younger
Jane Firth
Tim Byford
Andy Hill
Cllr Chris Davis
Geik Drever

Avon Pension Fund
Avon Pension Fund
LB Camden
LB Camden
Dorset CC
LB Enfield
Greater Gwent (Torfaen)
Greater Manchester Pension Fund
Greater Manchester Pension Fund
LB Hackney
LB Hackney
LB Islington
LAPFF Officer
Lincolnshire CC
Lothian Pension Fund
Lothian Pension Fund
LPFA
LPFA
Merseyside Pension Fund
Merseyside Pension Fund
Norfolk Pension Fund
North East Scotland Pension Fund
North East Scotland Pension Fund
PIRC Ltd
South Yorkshire Pensions Authority
Staffordshire
Teesside Pension Fund
Warwickshire
West Midlands Pension Fund

Cllr Tersaim Singh
Rodney Barton
Ian Greenwood
Catherine Dix

West Midlands Pension Fund
West Yorkshire Pension Fund
West Yorkshire Pension Fund
Wiltshire Pension Fund

2. Declarations of interest

None.

3. Approve Minutes of LAPFF Business Meeting held on 23 January 2013

The minutes were agreed.

There were no matters arising not covered on the current Business meeting agenda.

4. Note minutes of LAPFF Executive meeting held on 5 March 2013

Cllr Peter Brayshaw pointed out that he had been at the Executive meeting and the minutes should therefore be amended to record his attendance.

The minutes were noted subject to the above amendment.

5. Report of the Hon Treasurer

Geik Drever presented the report. The report was noted.

6. Forum's officers report

Keith Bray presented the report.

The report was noted.

7. Company Correspondence and Confidentiality

Alan MacDougall presented the report.

A discussion took place regarding the recommendations, with contributions from Lincolnshire, GMPF, Norfolk, Islington, Camden and West Yorkshire representatives. The Chair called for a vote by way of a show of hands on the adoption of the recommendations in the report. The vote in favour of the recommendations was unanimous.

8. a) New LA Public Health Functions and Issues for Local Authority Pension Funds Quarterly Engagement Report b) Public Health Role of Local Authorities Factsheet

a) AM presented the report.

Members discussed the report with contributions from Islington, Merseyside, Warwickshire, Norfolk, GMPF, Lincolnshire, West Yorkshire and Staffordshire on the subject. It was agreed that further discussions between funds would take place off line.

The recommendation in the report was agreed.

b) The Factsheet was noted.

9. Quarterly Engagement Report January – March 2013

TY presented the report and described the engagement with Société Générale.

Ashley Hamilton presented the BAT engagement, and Cllr Quinn also reported on the meeting with BAT.

AH presented a report on the attendance of LAPFF members at the Lonmin AGM. Cllr Greening also reported to the meeting on his attendance at the AGM.

Tim Bush gave an update on Financial Reporting and Audit issues.

10. Executive Pay Expectations & Action Plan

AH presented the report.

The recommendations were agreed.

11. Protocol for inclusion of member requests in workplan

TY presented the report.

The recommendation was agreed.

12. Executive Committee Member Role specification

AM presented the report.

The recommendations were agreed.

13. The Stewardship Code: an update

Tom Powdrill presented the report.

The recommendations were agreed.

14. UK Investor Forum

The report was noted.

15. A Practical Guide to Voting in Pooled Funds

The report was noted.

16. Investing for Growth: Report on next steps

The report was noted.

17. LAPFF's Approach to Engagement

The report was noted.

18. Craig MacKenzie, Scottish Widows, Shale gas and fugitive methane emissions. – presentation

CM gave an overview of Scottish Widows action plan on Shale Gas.

CM's presentation was well received by members and a Q&A session took place following the presentation.

CLlr Quinn thanked CM for his presentation to the meeting.

19. AOB

At the request of two members a straw poll was called with regard to the Royal Bank of Scotland class action being brought by the RBOS Action Group to see whether any members have signed up to the case.

Cllr Quinn called for a show of hands, no funds present at the meeting had signed up to the initiative.

The date of the next LAPFF business Meeting is Wednesday 19 June 2013.

Spring 2013 edition
www.lapfforum.org



the view from the forum

Reliable accounts -
a strategy for
engagement

Executive pay
expectations -
action plan

Shale gas &
hydraulic fracturing
in the UK

Staffordshire and
Greenwich join
the Forum



The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 56 public sector pension funds based in the UK. LAPFF exists to promote the investment interests of local authority pension funds, and to maximise their influence as shareholders in promoting corporate social responsibility and high standards of corporate governance among the companies in which they invest.

For more information about the Forum, contact Forum Officer, Keith Bray on 07811 800612.

Alternatively, you can email postmaster@keithbray.plus.com or visit our website at www.lapffforum.org

LAPFF membership as at 1 April 2013

- Avon Pension Fund
- Bedfordshire Pension Fund
- Cheshire Pension Fund
- City of London Corporation
- Clwyd Pension Fund
- Derbyshire County Council
- Devon County Council
- Dorset County Pension Fund
- Dyfed Pension Fund
- East Riding Pension Fund
- Falkirk Pension Fund
- Greater Gwent Fund
- Greater Manchester Pension Fund
- Gwynedd Pension Fund
- Lancashire County Pension Fund
- London Borough of Camden
- London Borough of Croydon
- London Borough of Ealing
- London Borough of Enfield
- London Borough of Hackney
- London Borough of Haringey
- London Borough of Harrow
- London Borough of Hillingdon
- London Borough of Hounslow
- London Borough of Islington
- London Borough of Lewisham
- London Borough of Newham
- London Borough of Southwark
- London Borough of Tower Hamlets
- London Borough of Waltham Forest
- Lincolnshire County Council
- London Pension Fund Authority
- Lothian Pension Fund
- Merseyside Pension Fund
- Norfolk Pension Fund
- Northamptonshire County Council
- North East Scotland Pension Fund
- Northern Ireland Local Government Officers Superannuation Committee (NILGOSC)
- North Yorkshire County Council
- Nottinghamshire County Council
- Rhondda Cynon Taf Pension Fund
- Royal Borough of Greenwich
- Shropshire Council
- Somerset County Council
- South Yorkshire Pensions Authority
- South Yorkshire Integrated Transport Authority
- Staffordshire Pension Fund
- Surrey County Council
- Teesside Pension Fund
- Tyne and Wear Pension Fund
- Warwickshire County Council
- West Midlands Pension Fund
- West Midlands PTA Pension Fund
- West Yorkshire Pension Fund
- Wiltshire Pension Fund
- Worcestershire County Council

Reliable accounts - a strategy for engagement

There have been several corporate governance scandals where accounting problems were at the heart of the problem. The most recent being the press reports about BUMI plc and the £71 million of IPO proceeds that cannot be accounted for.

The accounting problems over a ten-year period include:

- Enron
- Parmalat
- Satyam
- The banks
- BUMI
- Southern Cross (going concern problem)
- Farepak (going concern problem)

Unreliable accounting, first flagged up by LAPFF in its post-mortem report on UK and Irish banks, is now being recognised by the Bank of England, the enquiry of the Parliamentary Commission on Banking Standards, the USS led IFRS investor coalition, the ABI and the Chairman of the 100 Group of Finance Directors.

Subsequently, the LAPFF's work on IFRS, and the subsequent debate about the reform of accounting standards and the role of standard setters, has been immeasurably enhanced through participation in an investor coalition, which represents a number of asset owners and asset managers and continues to influence the thinking of relevant bodies on these matters. Furthermore, the effectiveness of this coalition is in marked contrast to the Investment Managers Association led Institutional Investors Committee (IIC),

previously the Institutional Shareholders Committee. The IIC has made submissions purporting to speak on behalf of 'all' investors in their responses to EC consultations on audit reform, despite contradicting NAPF policy positions in this area as well as those of the IFRS investor coalition.

The Parliamentary Commission on Banking Standards has heard more evidence highlighting the problems with accounting standards. Head of Financial Stability at the Bank of England, Andrew Haldane, said on 21 January 2013:

"On our back-of-the-envelope estimates, the extent of structural under-provisioning by the UK banks pre-crisis ran to tens of billions of pounds – non-trivial amounts of money, which should have been set aside. Deducted from capital that would have shown UK banks in somewhat less rude health than appeared to be the case in 2005 and 2006."



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The LAPFF Post Mortem Report on the capital losses at UK and Irish banks, published in 2011 estimated that by the middle of 2008 UK banks were underprovided (ie, loans were overvalued) by around £100bn.

The LAPFF will continue to build on the effectiveness of the LAPFF investor coalition (led by USS – the Universities

Superannuation Scheme) with particular focus on:

- the problems with IFRS and the law
- the structural reform of auditing matters (including mandatory rotation of auditors)
- the governance of accounting and auditing standard setting
- building alliances with the preparers of financial reports, including the 100 Group.

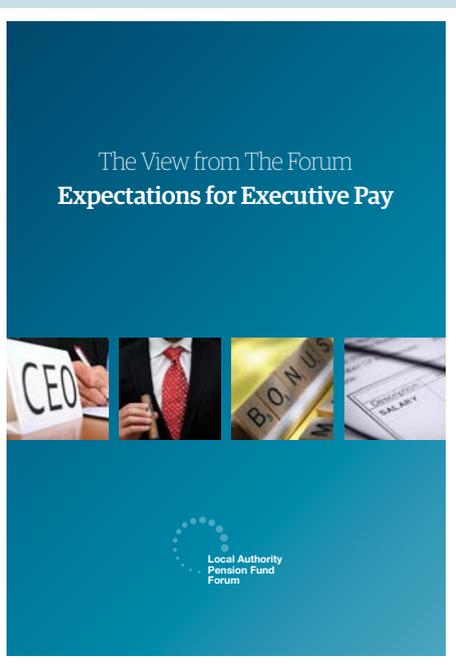
Executive pay expectations and action plan

The LAPFF is adopting a new policy approach to executive pay comprised of fifteen *'Expectations for Executive Pay'* structured around four broad themes:

- structure and incentives
- pay equity
- executive recruitment, and
- consultation and decision-making.

The *'Expectations for Executive Pay'* document will be sent to a list of 16 target companies seeking their feedback.

The document will also be sent to the FTSE 350 for information only, in advance of the voting season. Executive pay issues will be monitored at the target companies and voting alerts will be issued where it is considered appropriate. Each voting alert will be accompanied by a press release.



Shale gas & hydraulic fracturing in the UK

Shale gas is a form of unconventional oil and gas which is found in geologic shale formations located approximately 1,000 to 4,000 metres below the earth's surface.



Technological innovation in recent years has opened up shale gas extraction through the use of hydraulic fracturing ('fracking') techniques, whereby companies drill vertically and then horizontally into the shale formation. A mix of water, sand and chemicals is then piped into the well under high pressure, creating small fractures in the shale and releasing the gas, which is piped back to the surface for processing.

Fracking has been used historically in England for more than thirty years to enhance conventional oil recovery, during which time more than 2,000 wells have been fractured. The first fracking of a gas well in the UK took place in 1996 to enhance recovery of coalbed methane at Elswick gas field in Lancashire. The first

shale gas fracking process started at the Preese Hall site in Lancashire, operated by Cuadrilla Resources. Fracking at this site took place between August 2010 and May 2011.

In April 2011, a magnitude 2.3 earthquake occurred near the Cuadrilla drilling site just ten hours after the well had been fractured. A second earthquake of a magnitude of 1.5 occurred in May 2011 after another round of fracking. This raised concerns that the quakes were linked to the drilling and fracking process. Permission for fracking at the Cuadrilla site and across the rest of the UK was subsequently suspended pending further investigation.

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Satisfied with the investigative reports and the recommendations they made on risk mitigation, the government announced in December 2012 that it was lifting the ban on exploratory fracking. It also announced that it was establishing an Office for Unconventional Gas to coordinate regulation of the industry.

Estimates of the potential economic benefits from fracking in the UK vary enormously from the very bullish to the very conservative and, as a result, the debate about the value of these benefits continues.

In summary:

- The domestic shale gas industry is in its infancy, with only a handful of publicly-traded companies with known exposure in the UK. This includes AIM-listed IGas, and FTSE100 firm BG Group.
- The implications for institutional investors such as LAPFF members could be very significant - the Forum will therefore continue to monitor developments closely.
- There may be opportunities to engage with companies providing drilling or engineering services and supplies to the domestic shale gas market, or to engage with UK-listed oil majors that currently have fracking operations overseas.



- We will initiate engagement with BG Group in an effort to better understand the issues involved and to help inform the Forum's view on the economic value of shale gas and any environmental and social concerns.

Future engagement may also include:

- Engagement with oil majors (including BP and Shell) on shale gas development and fracking in international operations; and
- Engagement with oil and gas engineering or drilling firms, or companies providing equipment and services to the shale gas industry regarding quality control and safety.



Other news in brief

The Forum:

- met with the chairman of **British American Tobacco** to discuss health risks related to the manufacture and sale of tobacco products.



- attended the **Lonmin** AGM to enquire about the company's ongoing response to issues flagged up by the violent strike at its Markiana mine.



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- received a response from **Tesco** on questions raised regarding business risks and labour concerns at its Fresh & Easy operations in the United States.



- engaged in ongoing dialogue with **National Express** on disparity in application of global labour standards.



- wrote to **JP Morgan & Chase** welcoming the decision by the remuneration committee to reduce the CEO's remuneration following the recent trading scandal and subsequent financial losses in its London offices.



- held a conference call with **Comcast** regarding separation of chair and CEO, majority voting and the company's dual class share structure.



- participated in an investor call with directors of **Hewlett Packard**



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regarding the controversial takeover of **Autonomy** and subsequent questions raised about its auditors.

- met the senior independent director at **Société Générale** to discuss the concentration of power held by the joint chair/chief executive.

New LAPFF Chair welcomes Staffordshire and Greenwich as members



Councillor Kieran Quinn, Chair of the Greater Manchester Pension Fund, who was recently elected as the new Chair of the Local Authority Pension Fund Forum has welcomed decisions by the Staffordshire Pension Fund and the Royal Borough of Greenwich Pension Fund to join the LAPFF.

Councillor Quinn said: *“The majority of LGPS funds are now members of the LAPFF – our profile has never been higher and our ability to influence events has never been greater with each new member bringing its individual view to our discussions. I encourage the remaining funds to come along and join us – you will receive a very warm welcome. We face many challenges in 2013, but by working and acting together, we can achieve so much more.”*



A spokesperson for the Staffordshire Fund said: *“By joining LAPFF and working alongside other local authority pension funds, we can increase our power as shareholders to influence companies on important corporate governance issues and better protect shareholder value.”*

Meet the new members of the LAPFF Executive

Councillor Patricia Glasman, Chair of the Merseyside Pension Fund and Councillor John Gray were elected as new members of the LAPFF Executive at the AGM in January.



Councillor Patricia Glasman
Merseyside Pension Fund



Councillor John Gray
London Borough of Newham
Pension Fund



Text printed on FSC Greencoat Silk 130gsm, 80% recycled post-consumer fibre, 10% TCF (totally chlorine free) virgin fibre 10% ECF (elemental chlorine free) fibre