

Pensions Committee

21 March 2018

Time 10.00 am **Public Meeting?** YES **Type of meeting** Pensions
Venue Training Room - Ground Floor - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

Membership

Chair Cllr Ian Brookfield (Lab)
Vice-chair Cllr Keith Inston (Lab)

Labour

Cllr Harbans Bagri
Cllr Peter Bilson
Cllr Jasbir Jaspal
Cllr Louise Miles
Cllr Phil Page
Cllr Tersaim Singh

Conservative

Cllr Paul Singh
Cllr Wendy Thompson

District Members

Cllr Keith Chambers (Walsall Metropolitan Borough Council)
Cllr Steve Clark (Dudley Metropolitan Borough Council)
Cllr Sandra Hevican (Sandwell Metropolitan Borough Council)
Cllr Changese Khan (Birmingham City Council)
Cllr John Mutton (Coventry City Council)
Cllr Angela Sandison (Solihull Metropolitan Borough Council)

Trade union observers

Mr Malcolm Cantello
Mr Martin Clift
Mr Alan Phillips
Mr Ian Smith

Quorum for this meeting is eight Councillors.

Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

Contact Dereck Francis
Tel/Email Tel:01902 555835 or dereck.francis@wolverhampton.gov.uk
Address Democratic Services, Civic Centre, 1st floor, St Peter's Square, Wolverhampton WV1 1RL

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[NOT PROTECTIVELY MARKED]

Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

<i>Item No.</i>	<i>Title</i>
1	Apologies for absence (if any)
2	Notification of substitute members
3	Declarations of interests (if any)
4	Minutes of the previous meeting - 13 December 2017 (Pages 7 - 16) [For approval]
5	Matters arising [To consider any matters arising from the minutes of the previous meetings]
6	Budget Monitoring 2017-2018 and Quarterly Accounts December 2017 (Pages 17 - 26) [To provide an update on the forecast outturn for the year against operating budgets and quarterly accounts as at the end of December 2017]
7	Operational Budget 2018-2019 (Pages 27 - 36) [To approve the operating budget for 2018/19, and medium term financial plan for the five years up to and including 2022/2023]
8	Debtors Policy (Pages 37 - 44) [To approve the Debt Monitoring and Write-off Policy]
9	External Audit Plan 2017-2018 (Pages 45 - 82) [To receive the plan for the external audit of the Fund's Annual Report and Accounts for 2017/2018]
10	Internal Audit Plan 2018-2019 (Pages 83 - 98) [To note the internal audit plan for 2018-2019]
11	Risk and Compliance Monitoring 1 October to 31 December 2017 (Pages 99 - 106) [To receive a quarterly update of compliance monitoring for the Fund for the period 1 October to 31 December 2017; and to confirm the process for seeking Trade Union nominations for the 2018/2019 municipal year]
12	General Data Protection Regulation (Pages 107 - 158) [To receive an update on the work of the Fund in preparing for GDPR, and to note individual responsibilities]

- 13 **Governance and Policy Update 2018** (Pages 159 - 184)
[To approve proposed changes to the Terms of Reference and the Governance Compliance Statement to reflect the additional governance structures introduced to facilitate Investment Pooling]
- 14 **Service Plan 2018-2023** (Pages 185 - 204)
[To approve the Fund's Service Plan 2018 – 2023]
- 15 **Pension Administration Report October-December 2018** (Pages 205 - 230)
[To receive the report on the work undertaken by the pensions administration service during the period 1 October to 31 December 2017 for both the Main Fund and the West Midlands Integrated Transport Authority Fund]
- 16 **Data Quality and Employer Performance** (Pages 231 - 248)
[To receive an update on the work of the Fund in the area of data quality and to provide assurance on the action the Fund is talking with employers to improve data]
- 17 **Customer Engagement Update** (Pages 249 - 262)
[To provide an update of the Fund's customer engagement activity from 1 October to 31 December 2017 in line with its Customer Engagement Strategy, and on known events on the horizon]
- 18 **Responsible Investment Activities** (Pages 263 - 282)
[To provide an update on the work undertaken by the investment team regarding their responsible investment activities since the last Pensions Committee meeting]
- 19 **Shareholder Voting Update** (Pages 283 - 302)
[To receive the report on a review of the Fund's UK Voting Principles and to provide assurance as to how shareholder voting activities will be carried out in the short term and in the longer term]
- 20 **Economic and Market Update - February 2018** (Pages 303 - 312)
[To review conditions in the global economy and investment markets]
- 21 **Investment Strategy Statements Review** (Pages 313 - 336)
[To approve the Investment Strategy Statements updated for the West Midlands Pension Fund and West Midlands Integrated Transport Authority Pension Fund]
- 22 **LGPS Central Update** (Pages 337 - 342)
[To note the progress to date with the implementation of LGPS Central]
- 23 **Exclusion of the Press and Public**
[To pass the following resolution:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information on the grounds shown below]

Part 2 - exempt items, closed to press and public

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| 24 | Pooling - Transition Update (Pages 343 - 346)
[To provide an on update on the plan for the transition of West Midlands Pension Fund's passive equity portfolios to LGPS Central internal passive equity sub-funds and agree the arrangements for the transition] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 25 | Investment Pooling, Transitional and Legal Agreements (Pages 347 - 354)
[To approve the Fund entering into any legal agreements required to complete the establishment of LGPS Central as service provider and the Pension Fund as client, ensuring continuity of management of Fund assets through the pooled implementation structure and in line with the agreed Investment Strategy Statements for the WMPF and WMITA Fund] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 26 | West Midlands Pension Fund Custody Services (Pages 355 - 358)
[To outline proposals to review West Midlands Pension Funds' custodial arrangements in light of the transition of assets to LGPS Central]. | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 27 | Asset Allocation and Investment Performance - West Midlands Pension Fund (Pages 359 - 384)
[The note the contents of the asset allocation and investment performance report for the period ended 31 December 2017] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 28 | Asset Allocation and Investment Performance - West Midlands Transport Integrated Authority (Pages 385 - 402)
[To note the contents of the asset allocation and investment monitoring report for the period ended 31 December 2017] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 29 | Investment Strategy and Activity Update (Pages 403 - 412)
[To provide an update on investment strategy and activity in the Fund over the last quarter] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |

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| 30 | Employer Covenant Update (Pages 413 - 424)
[To provide an update on employer covenant monitoring and the individual cases under review] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 31 | Guaranteed Minimum Pension (GMP) Reconciliation (Pages 425 - 428)
[To provide an update on the progress with the GMP Reconciliation] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |