



Pensions Committee

Minutes – 25 September 2013

Attendance

Members of the Committee (Wolverhampton)

Cllr Bert Turner (chair)
Cllr Peter Bilson
Cllr Neil Clarke
Cllr Steve Evans
Cllr Mike Heap
Cllr Lorna McGregor
Cllr Sandra Samuels
Cllr Zahid Shah
Cllr Tersaim Singh

District members

Cllr Damian Gannon (Coventry CC)
Cllr Alan Martin (Solihull MBC)
Cllr Vic Silvester (Sandwell MBC)

Trade union observers

Mr Malcolm Cantello (Unison)

Staff

Geik Drever	Director of Pensions
Mark Taylor	Assistant Director – Finance
Mark Chaloner	Assistant Director- Pensions
Nadine Perrins	Head of Pensions Administration
Claire Parlor	Head of Governance
Simon Taylor	Principal Pensions Manager
Martin Fox	Democratic Support Officer
Matthew Vins	Graduate Management Trainee

External advisers

Paul Middleman	Mercer Ltd
Jonathan Perera	Mercer Ltd

Part 1 – items open to the press and public

Item Title

No.

MEETING BUSINESS ITEMS

1. **Apologies for absence**

Apologies for absence were submitted on behalf of Cllrs Muhammad Afzal (Birmingham CC), Rachel Harris (Dudley MBC), Mark Evans, Andrew Johnson and John Reynolds, and Martin Cliff and Ian Smith (Trade union observers).

2. **Substitute members**

Cllr Silvester attended the meeting on behalf of Cllr Eling (Sandwell MBC).

3. **Declarations of interest**

No interests were declared.

4. **Minutes**

(a) Pensions committee (26 June 2013)

Resolved:

That the minutes of the meeting held on 26 June 2013 be approved as a correct record and signed by the Chair.

(b) Investment advisory sub- committee (3 July 2013)

Resolved:

That the minutes of the meeting held on 3 July 2013 be adopted.

(c) Pensions joint consultative forum (4 September 2013)

Resolved:

That the minutes of the meeting held on 4 September 2013 be received.

5. **Matters arising**

Trade union representation

The Director of Pensions indicated that, following the circulation of letters to trade union organisations, only 7 representatives had so far been appointed to fill the 11 positions on the Joint Consultative Forum.

DECISION ITEMS

6. **Pension administration report 1 June-31 July 2013**

The Head of Pensions Administration submitted a report which detailed recent work undertaken by pensions member services and other operational matters. It also detailed applications for admission to the Fund.

Resolved:

(a) That the report be noted.

(b) That the admitted bodies applications detailed in paragraph 6 of the report be approved.

(c) That, in addition, the applications from Lend Lease [EMEA] Ltd [Waverley School] and Lend lease FM [EMEA] Ltd [Sheldon Heath Academy] for admitted body status be approved.

7. **Transforming rehabilitation pensions proposal**

The Director of Pensions submitted a report which asked the committee to ratify a decision to submit a proposal to become the 'one Fund' for the Probation Service and to approve the expenses occurred in preparing the bid. It also asked the committee to ratify the decision to accept the position if selected on 20 September 2013. The Director added however that the bid had not been successful although the Fund had been shortlisted along with two other funds for the position. The committee considered the effect of this decision on the Staffordshire Probation Trust which it was noted will now be submitted to a future meeting as a disinvestment.

Resolved:

That the decisions taken regarding the bid be approved and that the outcome of the noted.

INFORMATION ITEMS

8. **Combined governance activity – April-June 2013**

The Director of Pensions submitted a report which detailed the issues being raised by the Local Authority Pension Fund Forum, as described in the minutes of the business meeting of 19 June as attached to the report. The quarterly engagement report and the summer newsletter were also attached for information.

Resolved:

That the issues being raised and discussed by the Local Authority Pension Fund Forum be noted.

9. **Service Plan monitoring 2013/14**

This report provided an update to the 2015 Medium-Term Financial Plan Along with the Fund's financial and business plan monitoring. Copies of a presentation about the Local Government Pension Scheme 2014 were tabled and a response by the Fund to the call for evidence on the future structure of the Local Government Pension Scheme had been circulated prior to the meeting.

Resolved:

That the financial monitoring information along with the Fund's key performance indicators, together with the response by the Fund to the call for evidence on the future structure of the Scheme be noted.

10. **Compliance monitoring**

Resolved:

That the report detailing the findings of the compliance monitoring programme and any other compliance issues for the period 1 April – 30 June 2013 be noted.

EXCLUSION OF PRESS AND PUBLIC

11. **Exclusion of press and public**

Resolved:

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 item(s) of business as they involve the likely disclosure of exempt information falling within the paragraphs of Schedule 12A of the Act set out below:

<i>Item No.</i>	<i>Title</i>	<i>Applicable paragraph</i>
12.	Actuarial Valuation 2013 – update	3
13.	Pension Fund 2012/13 – Draft report and accounts	3
14.	Economic and market update – September 2013	3
15.	Valuation of investments	3

Part 2 – exempt items, closed to the press and public

12. Actuarial Valuation 2013 – update

The Director of Pensions submitted a report which provided an update on the progress of the 2013 valuation, the consultation process and the likely outcomes/issues. The Actuary, Paul Middleman, was in attendance and gave a detailed presentation on the 2013 valuation, providing a recap of the purpose and assumptions behind actuarial valuations, details of the 2010 valuation funding plan, results and sensitivities for the 2013 valuation and considerations about possible approaches to stabilisation of contributions. He also detailed the next steps in the valuation process.

Resolved:

That the draft 2013 actuarial valuation results and the actions that will ensue be noted.

13. Pension Fund 2012/13 – Draft report and accounts

The report detailed the content of the draft 2012/13 report and accounts for the Fund.

Resolved:

(a) That the contents of the draft 2012/13 annual report and accounts be noted.

(b) That the submission of the annual report and accounts to the Fund's auditor, PwC, for review and amendment, be approved.

(c) That the publication of the 2012/13 annual report and accounts on the Fund's website after completion of audit be approved.

14. **Economic and market update – September 2013**

The Director of Pensions submitted a report prepared by the Fund's adviser, Hymans Robertson, which reviewed the conditions in the global economy.

Resolved:

That the report be noted.

15. **Valuation of investments**

The current valuation document had been made available at the meeting for inspection.

Resolved:

That the valuation be received.