



Pensions Committee

Minutes – 26 March 2014

Attendance

Members of the Committee (Wolverhampton CC)

Cllr Bert Turner (Chair)
Cllr Peter Bilson
Cllr Mark Evans
Cllr Steve Evans
Cllr Mike Heap
Cllr Andrew Johnson
Cllr Lorna McGregor
Cllr Tersaim Singh

Trade union observers

Mr Malcolm Cantello (Unison)
Mr Ian Smith (Unite - retired)

District members

Cllr Muhammed Afzal (Birmingham CC)
Cllr Damian Gannon (Coventry CC)
Cllr Rachel Harris (Dudley MBC)
Cllr Alan Martin (Solihull MBC)
Cllr Vic Silvester (Sandwell MBC)

Employees

Geik Drever	Director of Pensions
Mark Chaloner	Assistant Director – Pensions
Simon Taylor	Interim Head of Pensions
Carl Craney	Democratic Support Officer

Part 1 – items open to the press and public

Item Title
No.

MEETING BUSINESS ITEMS

- Chair's Announcement

The Chair, Cllr Bert Turner, drew to attention of the Committee that Cllr Allan Martin (Solihull MBC) would be retiring as an Elected Member at the forthcoming municipal elections and extended on behalf of the Committee, his best wishes for a long and happy retirement. Geik Drever extended her thanks to Cllr Martin for his support of the West Midlands Pension Fund and to its Officers.

1. **Apologies for Absence**

Apologies for absence were submitted on behalf of Cllrs Mrs Sandra Samuels and John Reynolds (Wolverhampton), Martin Clift (Unite) and John Fender (John Fender Consultancy).

2. **Substitute Members**

No substitutes had been appointed for this meeting.

3. **Declarations of Interest**

No declarations of interests were made in relation to items under consideration at the meeting.

4. **Minutes**

(a) Pensions Committee (8 January 2014)

Resolved:

That the minutes of the meeting held on 8 January 2014 be approved as a correct record and signed by the Chair.

(b) Pensions Joint Consultative Forum (3 March 2014)

Resolved:

That the minutes of the meeting held on 3 March 2014 be received.

5. **Matters Arising**

There were no matters arising from the minutes of the Pensions Committee (8 January 2014) or the Pensions Joint Consultative Forum (3 March 2014).

6. **Compliance Monitoring**

Geik Drever presented a report on the findings of the quarterly compliance monitoring programme. She drew to the attention that no compliance issues had arisen during this monitoring period.

Resolved:

That the report be received and noted.

7. **Pension Administration report 1 October to 31 December 2013**

Geik Drever reminded the Committee that Nadine Perrins, Head of Pensions had retired from the Council's service on Friday 21 March 2014 and that Simon Taylor had been appointed as Interim Head of Pensions.

Simon Taylor presented the pension administration report for the period 1 October to 31 December 2013.

Resolved:

1. To agree the admission of the undermentioned as participating employers:
 - Alliance in Partnership – Ryders Hayes Academy Trust;
 - CUE Ltd;
 - Kingswood Trust;
 - Alliance in Partnership – Unity Catering;

- ACPOA Parking – Wolverhampton;
 - Aspen Services – Courthouse Green;
 - Aspen Services – Stanton Bridge;
 - Catering Academy (Coventry);
 - Churchill Contract Services Ltd (Birmingham);
 - Churchill Contract Services Ltd (Walsall);
2. To note the contents of the report, in particular the write offs/ons and the applications received for admission which had been approved by the Director of Pensions in consultation with the Chair and Vice Chair of the Committee, namely:
- Aspen Services Ltd (Courthouse Green);
 - Caterlink (Birmingham Metropolitan College);
 - DRB Contract Cleaning Ltd (Walsall).

8. **Service Plan Monitoring 2013/14**

Geik Drever presented an update report on service plan monitoring 2013/14.

Resolved:

That the report, including financial monitoring along with the Fund's key performance indicators be received and noted.

9. **Pension fund business plan 2014 – 2019**

Geik Drever presented a report on the draft 2014 – 19 business plan including the medium term financial plan and 2014/15 operating budget. Subject to the approval of the Committee the Plan would be formatted in line with Fund documentation and published on the website. She responded to questions from Councillors in relation to the anticipated growth of the scheme given the anticipated reduction in employee headcount and a discrepancy in figures between reports.

Resolved:

That the draft 2014 – 19 Service Plan including the medium term financial plan and 2014 -15 operating budget be approved, subject to minor typographical amendments.

10. **West Midlands Pension Fund (WMPF) Medium Term Financial Plan Update and 2014/15 Operating Budget**

Geik Drever presented the supporting medium term financing statement to the Fund's Business Plan.

Resolved:

1. That the 2014 – 19 Medium Term Financial Plan and 2014/15 operating budget be approved;
2. That the indicative budgets for 2015 – 2019 be noted.

11. **Assurance Framework supporting the Annual Governance Statement – April 2014**

Geik Drever presented a report which outlined the Assurance Framework supporting the Annual Governance Statement – April 2014.

Resolved:

That the report, including the background to the Assurance Framework and updated operational practices be received and noted.

12. **Local Government Pension Scheme 2014 (LGPS - 2014) Update Report**

Geik Drever presented a report which updated the Committee on the latest position with the Local Government Pension Scheme 2014 (LGPS - 2014) following the informal consultation in the summer of 2013, the presentation of the LGPS Regulations 2013 to Parliament and the finalisation and publication of the Transitional Regulations on 10 March 2014. She advised that further information was still awaited from the Department for Communities and Local Government (DCLG) and that given the number of employees who would be leaving the service in March/April 2014 a backlog would ensue until such time as the precise details of the transitional arrangements were received. Payments would be made to members on account and would be finalised as soon as the systems were ready.

She reported on the substantial amount of information which had been made available to employers in relation to the changes together with the attendance of employees at Roadshows and in excess of 3,000 telephone queries responded on some days by the Pensions Team.

Resolved:

That the activity and progress to date in respect of the new 2014 LGPS scheme and the impact of the delays to the finalisation of the Regulations be noted.

13. **Governance Information for Trustees**

Geik Drever presented a report which provided information on the specialist role undertaken by members of the Pensions Committee, advice and support available to those members, summarised the position of the Pensions Regulator proposals for regulating Public Service Pension Schemes and outlined proposed schedule of meetings for the 2014/15 Municipal Year. She responded to questions posed on several matters. Councillors were asked to be mindful of the sensitivity and confidentiality of discussions on exempt items on the Agenda.

Resolved:

1. That the proposals to hold meetings of the Investment Advisory Sub Committee and Pensions Committee on the same day be approved;
2. That the Fund governance information detailed in the report be noted;
3. That briefings for members be held as required;
4. That the options for a third meeting of the Pensions Joint Consultative Forum in the 2014/15 Municipal Year be considered in due course.

14. **Communications Strategy 2014**

Simon Taylor presented the communications Strategy 2014 which had been prepared in accordance with the requirements of the LGPS (Amendment) (No 2) Regulations 2005, as amended.

Resolved:

That the updated Communications Strategy be approved.

EXCLUSION OF PRESS AND PUBLIC

15. **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>
16	Investment Portfolio Valuation – December 2013	3
17	West Midlands Pension Fund Risk Register	3
18	Actuarial Valuation 2013 - Update	3
19	External Investment Advice	3

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

16 Investment Portfolio Valuation – December 2013

The Investment Portfolio Valuation – December 2013 was presented and Councillors invited to submit any questions and/or comments to Geik Drever.

Resolved:

That the investment Portfolio Valuation – December 2013 be received.

17. West Midlands Pension Fund Risk Register

Geik Drever presented the West Midlands Pension Fund Risk Register and reminded the Committee that this document was reviewed on a quarterly and an annual basis. She drew to the attention of the Committee that seven of the Risks had a score of ten or more and would be referred to in both the Annual Report and the Annual Governance Statement.

Malcolm Cantello suggested that the Risk Register be amended inasmuch as responsibility for responses to risks 13, 14 and 26 should include the Pensions Committee rather than solely the Director of Pensions.

Resolved:

That the West Midlands Pension Fund Risk Register be approved subject to responsibility for responses to risks 13, 14 and 26 being amended to include the Pensions Committee.

18. Actuarial Valuation 2013 Update

Geik Drever presented a report which provided an update on the 2013 actuarial valuation results, the distribution of finalised results to employers and the completion of the associated documentation.

Resolved:

1. That the 2013 actuarial valuation and signing of the actuarial certificate by 31 March 2014 be approved;
2. That the Funding Strategy Statement (FSS) and Termination Policy by 31 March 2014 be approved.

19. **External Investment Advice**

Geik Drever presented a report on the annual review and fees payable for external investment advice for the year 2014/15.

Resolved:

That the external investment advice arrangements for the period to 31 March 2015 in respect of John Fender Consultancy and Hymans Robertson be approved.

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