Minutes

PENSIONS COMMITTEE





Meeting held at Committee Room 4 - Civic Centre, High Street, Uxbridge UB8 1UW

	Committee Members Present: Councillors Philip Corthorne (Chairman) Michael Markham (Vice-Chairman) Paul Harmsworth (Labour Lead) Janet Duncan Richard Lewis	
	Officers Present: Paul Whaymand, Central Services, Section 151 Officer Nancy Le Roux, Central Services, Senior Finance Manager James Lake, Central Services, Financial Advisor Ken Chisholm, Central Services, Financial Advisor Natasha Dogra, Central Services, Democratic Services	
	Others Present: John Hastings, Advisor, Hymans	
38.	APOLOGIES FOR ABSENCE (Agenda Item 1)	Action by
	Apologies had been received from Cllr David Simmonds and Andrew Scott.	
39.	DECLARATION OF INTERESTS IN MATTERS COMING BEFORE THE COMMITTEE (Agenda Item 2)	Action by
	Councillors Corthorne, Duncan, Harmsworth and Lewis, and advisory member John Holroyd declared a personal interest in all Agenda Items, in that they were all members of the Local Government Pension Scheme, and remained in the room.	
40.	CONSIDERATION OF THE MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)	Action by
	Resolved: The Committee agreed that the minutes were an accurate record of the previous meeting.	
41.	TO CONFIRM THAT ITEMS MARKED PART 1 WILL BE CONSIDERED IN PUBLIC AND ITEMS MARKED PART 2 WILL BE CONSIDERED IN PRIVATE. (Agenda Item 4)	Action by
	Resolved: The Committee agreed that Agenda Items 6 to 10 were to be	

ı	and subjection would be supported from the section during the	
	and public would be excluded from the meeting during the consideration of these items.	
42.	REVIEW OF PERFORMANCE MEASUREMENT OF THE FUND (Agenda Item 5) Officers presented the review of the fund manager performance for the London Borough of Hillingdon Pension Fund for the period ending on 30 September 2011. The total value of the fund's investments as at 30 September 2011 was £564.3m. Members discussed the performance of the Fund Managers and noted a pleasing quarterly performance. Members noted that for the quarter ending 30 September 2011, Hillingdon returned a negative 6.20%, outperforming against the WM average by 3.10%. The one year figure shows an outperformance of 2.54% with positive returns of 1.34%	Action by
	against the average negative return of 1.20%.	
	Resolved: The Committee noted the update.	Nancy Le Roux, Senior Finance Manager
43.	EARLY RETIREMENT MONITOR (Agenda Item 6)	Action by
	The Chairman of the Committee presented the report which summarised the number of Early Retirements in the year 2011/12. Officers informed Members that in quarter 2 of the current year 42 people over the age of 55 had their LGPS benefits put into payment due to redundancy and efficiency. Resolved:	Nancy Le Roux,
	The Committee noted the report.	Senior Finance Manager
44.	PENSION FUND BUDGET (Agenda Item 7)	Action by
	Officers presented the Pension Budget Fund 2011/12 to the Committee. Officers said the combined impact of lower income and higher expenditure is forecasting a member deficit of £1.7m as at month 6, £2.4m less than the budget. Members clarified that the current forecast was predicting as overall deficit from operations of £2.5m. Officers said the budget would continue to be monitored on a monthly basis and issues would be reported to the next meeting of Committee.	
	Resolved: The Committee noted the budget position as at 30 September 2011.	Nancy Le Roux, Senior Finance Manager
45.	ADMINISTRATION PERFORMANCE REPORT (Agenda Item 8)	Action by
	Officers informed the Committee Members that from September 2010, Pensions Administration was combined with Payroll under a single manager. Monthly performance indicator reports were sent to officers in HR responsible for the day to day administration of the scheme. Two temporary members of staff had been introduced to the team due to	

	two team members leaving and one member on long term sickness absence.	Nancy Le Roux, Senior Finance Manager
	Resolved: The Committee noted the report.	
46.	GOVERNANCE ISSUES (Agenda Item 9)	Action by
	Officers presented the Committee with an update on Governance Issues and the Knowledge and Skills framework.	
	Members discussed what approach should be taken to member development. Members said it was imperative that officers continue to keep the Committee updated on changes to legislation and to maintain member knowledge. Members agreed that substitute Members of the Pensions Committee should also be provided with a good working knowledge of current issues. Committee Members said the Corporate Services and Partnerships Policy Overview Committee were currently reviewing Hillingdon's Audit Committee including the training of all substitute members.	
	Members queried whether a minimum term of office could be introduced for committees that required a 'specialist' training programme. The Committee agreed that this was out of the remit for the Pensions Committee but could be investigated through the Party Chief Whips.	
	The Committee agreed that it would be useful to invite substitute members to undertake training relevant to Pensions Committee members and also invite substitute members to a Pensions Committee meeting. Members agreed that points 2 and 3 should be deleted from the Member Development programme.	
	Members noted the revisions to the Statement of Investment Principles, and the Financial Reporting Council Stewardship Code.	
	 Resolved: Members agreed that all Pensions Committee Members, including substitute members should receiving training and be kept on to date on the current economic climate. Members approved the revisions to the Statement of Investment Principles 	Nancy Le Roux, Senior Finance Manager
	Members agreed to sign up to the Financial Reporting Council Stewardship Code and included a reference to the code in new mandates.	
47.	REPORT FROM INVESTMENT SUB COMMITTEE AND INVESTMENT STRATEGY (Agenda Item 10)	Action by
	This item was discussed as a Part 2 item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person	

	(including the authority holding that information)' (paragraph 3 of the schedule to the Act).	
48.	PENSIONS ADMINISTRATION REPORT (Agenda Item 11)	Action by
	This item was discussed as a Part 2 item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).	
49.	RISK MANAGEMENT REPORT (Agenda Item 12)	Action by
	This item was discussed as a Part 2 item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).	
50.	CORPORATE GOVERNANCE & SOCIALLY RESPONSIBLE INVESTMENT (Agenda Item 13)	Action by
	This item was discussed as a Part 2 item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).	
51.	CUSTODY TENDER REPORT (Agenda Item 14)	Action by
	This item was discussed as a Part 2 item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).	
	The meeting, which commenced at 5.30 pm, closed at 6.15 pm.	

These are the minutes of the above meeting. For more information on any of the resolutions please contact Natasha Dogra on 01895 277488. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.