

Minutes

PENSIONS COMMITTEE

24 September 2013

Meeting held at Committee Room 2 - Civic Centre,
High Street, Uxbridge UB8 1UW



HILLINGDON
LONDON

	<p>Committee Members Present: Councillors Philip Corthorne (Chairman), George Cooper, Beulah East, Raymond Graham and Michael Markham.</p> <p>LBH Officers Present: Tunde Adekoya, Ken Chisholm, Nancy LeRoux, Paul Whaymand and Khalid Ahmed.</p> <p>Also Present: Mark Browning and Jonathan Gooding (Deloitte).</p> <p>Apologies: Councillors Janet Duncan, Paul Harmsworth (Councillor Beulah East substituting) and Councillor David Simmons (Councillor George Cooper substituting). John Holroyd and Andrew Scott (Advisory Members).</p>	
14.	<p>DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING</p> <p>Councillors Cooper and Corthorne both declared Pecuniary Interests in all Agenda Items, in that they were both members of the Local Government Pension Scheme. They both remained in the room.</p> <p>Councillor Cooper declared a Non-Pecuniary interest Agenda Item 6 – External Auditor Report on the Pension Fund Annual Report and Accounts as he was a Member of the Audit Committee and he was a Trustee of CAB. He remained in the room and took part in discussions on the item.</p> <p>Councillor Cooper declared a Non-Pecuniary interest Agenda Item 7 – Academies – Valuation Approach, as his wife was a Governor of one of the Academies. He remained in the room and took part in discussions on the item.</p>	Action by
15.	<p>MINUTES OF THE MEETINGS OF 19 JUNE 2013</p> <p>Agreed as an accurate record.</p>	
16.	<p>TO CONFIRM THAT ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THOSE MARKED PART II WILL BE CONSIDERED IN PRIVATE</p> <p>That Agenda Items Items 10 and 11 be considered in private for the reasons stated on the agenda and the rest of the items be considered in public.</p>	

	<p>RESOLVED:</p> <p>1. That the auditor’s findings be noted and approval be given to the Annual Report of the Pension Fund.</p>	
<p>19.</p>	<p>ACADEMIES –VALUATION APPROACH</p> <p>The Committee was provided with a report which provided details of the implications of Hillingdon Schools becoming Academies and the implications this had for Pension Fund valuation purposes.</p> <p>Members were provided with three options on how Academies should be treated for valuation purposes:</p> <ol style="list-style-type: none"> 1. To treat each as separate individual employers, fully responsible for their own liabilities, the current status quo; 2. To pool all Academies with London Borough of Hillingdon, effectively transferring part of the financial burden on to the Council; or 3. To create a separate pool for Academies. <p>Discussion took place on the three options and the Committee agreed that Option 3 be the preferred option which would be setting up a separate Academy “Pool” within the Pension Fund. This would involve all Academies within Hillingdon joining the pool to pay the same employers contribution rate, which would be based on the combined membership of all Academies within the pool, as at the valuation date.</p> <p>The employer’s contribution rate would be re-assessed on the aggregate experience of the pool over the inter-Valuation period, as was the case with the London Borough of Hillingdon Fund.</p> <p>RESOLVED:</p> <p>1. That the information provided in the report be noted and approval be given to the approach detailed in Option 3, as the preferred option for the treatment of Academies within Hillingdon for valuation purposes.</p>	
<p>18.</p>	<p>RETIREMENT PERFORMANCE STATISTICS AND COST OF EARLY RETIREMENTS MONITOR</p> <p>Consideration was given to the report which summarised the number of early retirements in the first quarter of 2013/14.</p> <p>The report also provided Members with an update on the current situation on the cost to the fund of early retirements.</p> <p>Members were informed that figures continued to be low and within the parameters.</p> <p>RESOLVED:</p> <p>1. That the contents of the report be noted.</p>	

<p>19.</p>	<p>PENSIONS ADMINISTRATION PERFORMANCE</p> <p>Consideration was given to the report which summarised the pension administration performance across key areas of work for the period 1 April 2013 to 30 June 2013. It was noted that performance targets were agreed as part of the service level agreement with Capita and conformed to national targets set for England and Wales.</p> <p>The Committee was informed that the previous full year performance data was included in the Annual Report for the Fund which showed a significant improvement.</p> <p>Reference was made to significant issues in terms of data quality which had come to light in the last few months. The Committee was informed that officers had worked closely with the actuary and Capita Employee Benefits (CEB) to help clean up their data records to enable the submission of the valuation data. Assurances had been given that additional costs incurred would be picked up by CEB.</p> <p>Reference was made to the performance statistics for sending condolence letters and Members agreed that this should be better.</p> <p>RESOLVED:</p> <p>1. That the contents of the report be noted.</p>	
<p>20.</p>	<p>REPORT FROM INVESTMENT SUB-COMMITTEE</p> <p>This item was discussed as a Part II 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).</p> <p>RESOLVED:</p> <p>1. That the contents of the report be noted.</p>	
<p>21.</p>	<p>CORPORATE GOVERNANCE & SOCIALLY RESPONSIBLE INVESTMENT</p> <p>This item was discussed as a Part II 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).</p> <p>RESOLVED:</p> <p>1. That the contents of the report be noted.</p>	
<p>The meeting, which commenced at 5.30 pm, closed at 6.10 pm.</p>		

These are the minutes of the above meeting. For more information on any of the resolutions please contact Khalid Ahmed on 01895 250833. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.