

## Minutes

### Pensions Committee

10 December 2014

Meeting held at Committee Room 3 - Civic Centre,  
High Street, Uxbridge UB8 1UW



HILLINGDON  
LONDON

	<p><b>Committee Members Present:</b> Councillors Philip Corthorne (Chairman), Michael Markham (Vice-Chairman), Tony Eginton, Beulah East, Raymond Graham, John Morse, Richard Mills and David Simmonds.</p> <p><b>Advisory Member:</b> Andrew Scott.</p> <p><b>Apologies:</b> John Holroyd (Advisory Member), Scott Jamieson (Advisor) and David O'Hara (Advisor).</p> <p><b>LBH Officers Present:</b> Tunde Adekoya, Ken Chisholm, Nancy LeRoux, Paul Whaymand and Khalid Ahmed.</p>	
21.	<p><b>DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING</b></p> <p>Councillors Corthorne, Mills, and Simmonds all declared Non-Pecuniary Interests in all Agenda Items, because they were "deferred" members of the Local Government Pension Scheme. They all remained in the room.</p> <p>Councillor Eginton declared a Non-Pecuniary Interest in all Agenda Items, because he was a retired member of the Local Government Pension Scheme. He remained in the room.</p>	<p><b>Action by</b></p>
22.	<p><b>MINUTES OF THE MEETING OF 23 SEPTEMBER 2014</b></p> <p>Agreed as an accurate record subject to an amendment being made to Minute No. 1 - Declarations of Interest in Matters Coming Before This Meeting, so that it reads that Councillor Eginton is a retired member of the Local Government Pension Scheme.</p>	
23.	<p><b>TO CONFIRM THAT ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THOSE MARKED PART II WILL BE CONSIDERED IN PRIVATE</b></p> <p>That Agenda Items 8 and 9 be considered in private for the reasons stated on the agenda and the rest of the items be considered in public.</p>	

<p><b>24.</b></p>	<p><b>REVIEW ON PERFORMANCE MEASUREMENT OF THE PENSION FUND</b></p> <p>The report provided Members with a summary of the fund manager performance for the quarter ended 30 September 2014. The Committee was informed that the total value of the fund's investments was £748m.</p> <p>Reference was made to the investment objective for the Fund, which was to generate over the long term a real rate of return of 4% per annum. Members were informed that overall bond markets posted solid returns whilst equity markets were more erratic and yielded less return.</p> <p><b>RESOLVED:</b></p> <p><b>1. That the contents of the report be noted.</b></p>	<p><b>Action by</b></p>
<p><b>25.</b></p>	<p><b>PENSIONS ADMINISTRATION PERFORMANCE</b></p> <p>Consideration was given to the report which provided an update on the Pensions Administration performance and early retirements in the second quarter of 2014/15.</p> <p>The Committee was provided with an update on the ongoing dialogue between the Council and Capita Employee Benefits and Members were informed that since the start of November performance was being monitored by the receipt of weekly reports.</p> <p>Members were provided with details of the performance measured over the last seven months to October 2014 which indicated declining performance.</p> <p>Particular reference was made to the poor performance on estimates of Retirement Benefits which needed improvement to enable information to be provided to employees in a timely manner when they were making serious decisions about their future.</p> <p><b>RESOLVED:</b></p> <p><b>1. That the latest administration performance statistics and early retirement statistics be noted.</b></p>	
<p><b>26.</b></p>	<p><b>GOVERNANCE UPDATE - LOCAL PENSION BOARD</b></p> <p>The Committee was provided with an update on progress on the introduction of a local Pension Board and the consequent recent constitution changes which would affect the Pensions Committee and Investment Strategy Sub-Committee.</p> <p>Reference was made to the impending Pension Fund reforms and it was agreed that a report be submitted to the next meeting of the Committee on the impact of these reforms.</p> <p><b>RESOLVED:</b></p> <p><b>1. That the information in the report be noted.</b></p>	<p><b>Nancy Leroux</b></p>

27.	<p><b>REPORT FROM INVESTMENT STRATEGY SUB-COMMITTEE</b></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>The confidential report provided Members with an update on the discussions which had taken place at the meeting of the Investment Strategy Sub-Committee held on 5 November 2014.</p> <p>Areas discussed at the meeting were the economic and financial market conditions, an update on the activities of retained investment managers, a recommendation on the placement of the residual monies managed by JP Morgan and a review of the required long term real rate of return for the asset base as a whole. In addition the latest information on Fund Manager Activism was also provided.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li><b>1. That the decisions of the Investment Strategy Sub-Committee held on 5 November 2014 be noted.</b></li> <li><b>2. That the decision of the Investment Strategy Sub-Committee to invest the residual assets managed by JP Morgan, as detailed in the confidential report be noted.</b></li> </ol>	
28.	<p><b>PENSIONS ADMINISTRATION PERFORMANCE REPORT</b></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>The confidential report provided Members with details of recent actions taken by officers in relation to the Pensions Administration contract.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li><b>1. That the information contained in the confidential report be noted.</b></li> </ol>	

The meeting, which commenced at 7.00pm closed at 7.30pm

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.