



Pensions Committee

25 September 2015

10.15 am

**MINUTES OF THE PENSIONS COMMITTEE MEETING HELD ON 26 JUNE 2015
10.00 AM - 1.53 PM**

Responsible Officer: Sarah Townsend
Email: sarah.townsend@shropshire.gov.uk Tel: 01743 257721

Present:

Members of the Committee:

Councillors Thomas Biggins, Andrew Davies and Joyce Barrow (Substitute) (substitute for Malcolm Pate)

Co-Opted Members (Voting):

Councillors Malcolm Smith

Co-Opted Members (Non-Voting):

Jean Smith

1 Election of Chairman

It was proposed, seconded and **RESOLVED:** that Councillor Malcolm Pate be elected Chairman for the ensuing municipal year.

2 Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Anne Chebsey, Malcolm Pate, Charles Smith and Mr Nigel Neat.

Councillor Joyce Barrow substituted for Councillor Malcolm Pate.

Apologies for absence were also received from Councillors Arnold England, Roger Evans and Rob Sloan (Substitute Members).

3 Appointment of Vice-Chairman

It was proposed, seconded and **RESOLVED:** that Councillor Malcolm Smith be appointed Vice-Chairman for the ensuing municipal year.

4 **Disclosable Pecuniary Interests**

Members were reminded that they must not participate in the discussion or voting on any matter in which they had a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

5 **Minutes**

RESOLVED:

That the Minutes of the meeting held on 20 March 2015 be approved and signed by the Chairman as a correct record.

6 **Public Questions**

There were no public questions.

7 **Exclusion of Press and Public**

RESOLVED:

That under paragraph 10.2 of the Council's Access to Information Procedure Rules, the proceedings of the Committee in relation to **Minutes 8 to 12**, be not conducted in public on the grounds that they might involve the likely disclosure of exempt information as defined by the category specified against them.

(The full version of Minutes 8 to 12 constitutes exempt information under Category 3 of Paragraph 10.4 of the Council's Access to Information Rules and has accordingly been withheld from publication).

8 **Appointment of Unconstrained Bond Managers (Exempted by Category 3)**

The Committee received the exempt report of the Head of Treasury and Pensions (copy attached to the Exempt signed Minutes) which updated Members on the selection process to date and briefed the Committee in relation to the final interviews for the appointment of Unconstrained Bond Managers. Following the manager selection exercise and officer short listing in conjunction with Aon Hewitt and Mr Roger Bartley (Independent Advisor to the Committee), three managers were invited to present to the Pensions Committee meeting.

9 **Appointment of LDI Manager (Exempted by Category 3)**

The Committee received the exempt report of the Head of Treasury and Pensions (copy attached to the Exempt signed Minutes) which updated Members on the selection process to date and briefed the Committee in relation to the final interviews for the appointment of a Liability Driven Investment (LDI) Manager. Following the manager selection exercise and officer short listing in conjunction with Aon Hewitt, two managers were invited to present to the Pensions Committee meeting.

10 Exempt Minutes (Exempted by Category 3)

RESOLVED:

That the Exempt Minutes of the meeting held on 20 March 2015 be approved and signed by the Chairman as a correct record.

11 New Admission Bodies (Exempted by Category 3)

The Committee received the exempt report of the Pension Administration Manager (copy attached to the Exempt signed Minutes) which provided Members with details regarding an admission under Schedule 2 Part 3 Regulation 1(d)(i) of the Local Government Pension Scheme Regulations 2013, due to services transferring from a Scheme Employer, under a service contract.

The report also provided confirmation of a new admission, which under the governance arrangements, had been approved by the Chairman of the Pensions Committee between committee meetings, to allow the sealing of the Admission. Confirmation of two new Schedule 1 Part 1 Scheme Employer (Academies) joining the Fund were also reported.

RESOLVED:

That the recommendations in the exempt report by the Pension Administration Manager be approved.

12 Investment Monitoring - Quarter to 31 March 2015 (Exempted by Category 3)

The Committee received the exempt report of the Head of Treasury and Pensions (copy attached to the Exempt signed Minutes) which provided Members with monitoring information on investment performance and managers for the quarter period to 31 March 2015, and reported on the technical meetings held with managers since the quarter end.

RESOLVED:

That the position as set out in the exempt report by the Head of Treasury and Pensions be noted.

(From this point, the proceedings of the Committee were conducted in public session in relation to Minutes 13 to 15).

13 Corporate Governance Monitoring

The Committee received the report of the Head of Treasury and Pensions (copy attached to the signed Minutes) which informed Members of Corporate Governance and socially responsible investment issues arising in the quarter 01 January 2015 to 31 March 2015.

RESOLVED:

That the position as set out in the report, Manager Voting Reports (Appendix A) and F&C Responsible Engagement Overlay Activity Report (Appendix B) be accepted.

14 Pensions Administration Monitoring

The Committee received the report of the Pension Administration Manager (copy attached to the signed Minutes) which provided Members with monitoring information on the performance of and issues affecting the Pensions Administration Team.

It was noted that from April 2015, non-pensioner Local Government Pension Scheme members were able to transfer their Local Government Pension Scheme benefits to defined contribution (DC) arrangements. However for the first time, from the age of 55 or over, they would have full access to the cash transferred to those arrangements.

Finally, the Committee were reminded that this year's annual meeting would be held on 12th November 2015 at the Shirehall.

RESOLVED:

That the position as set out in the report by the Pension Administration Manager be accepted.

15 Policy Update - Governance Compliance Statement, Communications Policy and Pensions Administration Strategy

The Committee received the report of the Pension Administration Manager (copy attached to the signed Minutes) which outlined the requirement to produce and keep updated certain Policies under the Local Government Pension Scheme legislation and in line with the best practice principles published by the Communities and Local Government Department. The report recommended updates to three policies – the Governance Compliance Statement, the Communication Policy Statement and the Pension Administration Strategy Statement.

RESOLVED:

- (a) That the revised Governance Compliance Statement be approved (Appendix A).
- (b) That the revised Communication Policy Statement be approved (Appendix B).
- (c) That the revised Pension Administration Strategy Statement be approved (Appendix C).

Signed (Chairman)

Date: