

**MINUTES OF THE PENSIONS COMMITTEE
TUESDAY, 22 FEBRUARY 2011**

Councillors Watson (Chair), Gibson, Stennett, Beacham, Jenks, Wilson and Egan

Also present Roger Melling, Keith Brown and Howard Jones

Apologies Councillor Adje, Michael Jones

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PRPP27.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received from Cllr Adje, for whom Cllr Egan was substituting. Apologies for absence were also received from Michael Jones.</p>	
PRPP28.	<p>URGENT BUSINESS</p> <p>There were no new items of urgent business.</p>	
PRPP29.	<p>DECLARATIONS OF INTEREST</p> <p>Cllr Jenks declared a personal interest as a member of the Haringey Pension Scheme, and also as a volunteer with the Citizens Advice Bureau and as a Friend of Cooperscroft, owned by TLC, which were both scheduled and admitted bodies of the Fund.</p> <p>Cllr Wilson declared a personal interest as an employee of the National Association of Pension Funds.</p> <p>Cllr Watson declared a personal interest as a deferred member of the Haringey Pension Scheme.</p> <p>Keith Brown declared a personal interest as a Governor of CHENEL, one of the scheduled and admitted bodies of the Fund.</p> <p>Roger Melling declared a personal interest as a pensioner member of the Haringey Pension Scheme and as a Trustee of Age Concern, one of the scheduled and admitted bodies of the Fund.</p> <p>Cllr Egan declared a personal interest as Chair of Alexandra Palace Trading Co, one of the scheduled and admitted bodies of the Fund.</p>	
PRPP30.	<p>MINUTES</p> <p>RESOLVED</p> <p>That the unrestricted minutes of the meeting of the Pensions Committee held on 20 December 2010 be approved and signed by the Chair.</p>	

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PRPP31.	<p>MYNERS PRINCIPLES COMPLIANCE - ASSESSMENT OF EFFECTIVENESS</p> <p>The Committee considered a report on a proposed framework for the formal assessment of the Committee's effectiveness to enable full compliance with the Myners Principles. The Committee was asked to approve the proposed framework, and to decide on the method for undertaking the assessment.</p> <p>It was agreed that Nicola Webb, Head of Pensions and Treasury, would circulate the assessment to Members of the Committee individually for completion in advance of the next meeting of the Committee.</p> <p>RESOLVED</p> <ul style="list-style-type: none">i) that the proposed framework for the formal assessment of the Committee's effectiveness be approved.ii) That the assessment be undertaken individually in advance of the meeting on 12th April 2011.	
PRPP32.	<p>2010 VALUATION AND FUNDING STRATEGY STATEMENT</p> <p>The Committee considered the report on the actuarial valuation as at 31st March 2010 and to present the draft Funding Strategy Statement. Kevin Bartle, Lead Finance Officer, gave an overview of the report, and reported that subsequent to the report being written, Age Concern had agreed to meet the increased contribution set out by the actuary in the first year, with the position being reviewed after 12 months; this arrangement was subject to confirmation from the actuary that it was acceptable within the relevant regulations.</p> <p>Further to questions from the Committee, it was confirmed that the actuary set the contribution levels for each organisation on the basis of a detailed assessment of each organisation's individual circumstances, and that the overall contribution increases for some employers are significant. In the event that an employer is not able to meet the contribution level set by the Actuary, it was reported that the Council would need to take a decision on how to manage this situation. In response to a question regarding whether any of the scheduled and admitted bodies might find themselves in this position, it was confirmed by officers that all employers had agreed the contribution rates, however it was agreed that officers would monitor this.</p> <p>RESOLVED</p> <ul style="list-style-type: none">i) That the valuation report from the Fund Actuary on the 2010 valuation be agreed, subject to agreement of the Fund Actuary to the proposed approach regarding Age Concern.ii) That the Committee delegate responsibility for agreeing any alteration required to the valuation report in respect of Age Concern to the Chair of the Committee.	

**MINUTES OF THE PENSIONS COMMITTEE
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	<p>iii) That the updated Funding Strategy Statement be approved.</p>	
<p>PRPP33.</p>	<p>FUND PERFORMANCE UPDATE</p> <p>The Committee considered a report on the performance data for the Fund and the Fund's investment managers, key responsible investment issues using information provided by the Fund Managers and the Local Authority Pension Fund Forum (LAPFF), budget monitoring against the Pension Fund budget and late payment of contributions. Nicola Webb advised the Committee that it had recently been announced that ING Real Estate Investment Management was to be sold to CB Richard Ellis, subject to regulatory approval. The Committee would be kept updated of the impact of this change on the Fund as the situation progressed.</p> <p>In respect of performance, the Committee noted that the investment return achieved in the quarter to December 2010 was 0.57% behind the benchmark and 0.98% behind the target. The Fidelity bond mandate was the only area in which there had been a positive performance against both benchmark and target.</p> <p>RESOLVED</p> <p>i) That the Fund performance position as at end of December 2010 be noted.</p> <p>ii) That the responsible investments information provided be noted.</p> <p>iii) That the pension fund budget monitoring position be noted.</p> <p>iv) That the late payments of contributions be noted.</p>	
<p>PRPP34.</p>	<p>PENSIONS ADMINISTRATION STRATEGY</p> <p>The Committee considered a report to approve the implementation of a Pensions Administration Strategy (PAS). Ian Benson, Pensions Manager, presented the report, and advised the Committee that, while the admission agreement sets out the statutory obligations, there is no document setting out the expected standards around issues such as data return; the PAS attached to the report set out the quality and performance standards expected of all employing bodies participating in the Pension Scheme. Mr Benson advised that Section 5 of the PAS document set out details of the approach to be taken by the Council in the event of necessary recovery of any additional costs associated with the poor level of performance by an employing body, under the LGPS (Administration) Regulations 2008.</p> <p>RESOLVED</p> <p>i) That the Council adopt the PAS document attached as Appendix 1 to the report.</p>	

**MINUTES OF THE PENSIONS COMMITTEE
TUESDAY, 22 FEBRUARY 2011**

	<p>ii) That the PAS be reviewed on a triennial basis commencing from 1st April 2014.</p> <p>iii) That authority is delegated to the Head of Human Resources to develop the PAS within the policy framework approved by this committee, in consultation with the employing bodies and the trade unions.</p>	
PRPP35.	<p>NEW ITEMS OF UNRESTRICTED URGENT BUSINESS</p> <p>There were no new items of unrestricted business.</p>	
PRPP36.	<p>EXCLUSION OF PRESS AND PUBLIC</p> <p>RESOLVED</p> <p>That the press and public be excluded for the remainder of the meeting.</p>	
PRPP37.	<p>EXEMPT MINUTES</p> <p>RESOLVED</p> <p>That the exempt minutes of the meeting of the Pensions Committee held on 20th December 2010 be approved and signed by the Chair, subject to the amendment of Howard Jones' title to "independent advisor" and not "investment advisor" as stated.</p>	
PRPP38.	<p>INVESTMENT STRATEGY UPDATE</p> <p>The Committee considered a report on the proposals for the asset allocation and management style elements of the Pension Fund's investment strategy.</p>	
PRPP39.	<p>NEW ITEMS OF EXEMPT URGENT BUSINESS</p> <p>There were no new items of exempt business.</p>	
PRPP40.	<p>DATE OF NEXT MEETING</p> <p>Tuesday, 12 April 2011, 7pm.</p> <p>The meeting closed at 20:05hrs.</p>	

COUNCILLOR RICHARD WATSON
Chair