

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 13 MARCH 2008**

Councillors Rahman Khan (Chair), Mallett (Vice-Chair), Beacham, Basu, Butcher, Wilson and Howard Jones

Apologies Councillor Adje, Melling and Aitken

| MINUTE NO. | SUBJECT/DECISION | ACTION BY |
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| PRPP45. | <p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received on behalf of Councillor Adje, and Aitken, Roger Melling, and Gerald Almeroth, and for lateness from Councillor Wilson.</p> <p>NOTED</p> | |
| PRPP46. | <p>URGENT BUSINESS</p> <p>Nil Items</p> | |
| PRPP47. | <p>DECLARATIONS OF INTERESTS</p> <p>Councillor Rahman Khan declared a personal interest in respect of his membership of the Haringey Pension Scheme. He also declared a personal interest in respect of his attendance for improving his required skills for the benefit of discharge of council duties at various forums/ trainings/ conferences, including the LGC where some of the fund Managers or agencies were sponsors.</p> <p>Councillor Mallett declared a personal interest in respect of her membership of the Haringey Pension Scheme. She also declared a personal interest in respect of her attendance at a training course facilitated by pension fund managers.</p> <p>Councillor Wilson declared a personal interest in respect of his employment at the Association of British Insurers.</p> <p>Councillor Butcher declared personal interests in respect of his membership of the Haringey Council Pension Fund.</p> <p>NOTED</p> | |
| PRPP48. | <p>MINUTES</p> <p>The Chair advised the Committee of two amendments to the Minutes of the meeting held on 29 January 2008, being:-</p> <p>PRPP 37 – Page 2 – ‘Audit’ should read ‘Pensions’</p> | |

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THURSDAY, 13 MARCH 2008**

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| | <p>PRPP 38 - Page 3 – first line – after the word ‘that’ remove the words to ‘the number’.</p> <p>PRPP 42 – Page 8 – ‘28 April’ should read ‘13 March’</p> <p>Councillor Mallett sought clarification to a figure quoted at page 3 – second para, 3rd line – ‘20%’ and whether this was a correct figure. The Chair asked that Councillor Mallett, and the Committee be advised in writing by officers.</p> <p>On a MOTION by the Chair it was:</p> <p>RESOLVED</p> <p>That the minutes of the Pensions Committee held on 29 January 2008 be signed as an accurate record of the proceedings subject to the following amendments:</p> <p style="padding-left: 40px;">PRPP 37 – Page 2 – ‘Audit’ should read ‘Pensions’ PRPP 38 - Page 3 – first line – after the word ‘that’ remove the words to ‘the number’. PRPP 42 – Page 8 – ‘28 April’ should read ‘13 March’</p> | |
| <p>PRPP49.</p> | <p>ATTENDANCE OF MANAGERS</p> <p>The Committee received presentations from the 4 Fund Managers as follows:</p> <p>ING</p> <p>Fund performance was 0.96% above benchmark and 0.71% above target in the quarter to 31 December 2007. Fund performance was 1.32% above benchmark and 0.57% above target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>ING explained the reasons for current performance and answered questions from trustees.</p> <p>BERNSTEIN</p> <p>Fund performance for the global equities mandate was 4.70% below benchmark and 5.45% below target in the quarter to 31 December 2007. Fund performance was 4.68% below benchmark and 6.93% below target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>For the UK equities mandate, performance was 2.97% below benchmark and 3.47% below target in the quarter to 31 December 2007. Fund performance was 3.60% below benchmark and 5.20% below target in the 9 months period between 1 April 2007 and 31 December 2007.</p> | |

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 13 MARCH 2008**

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| | <p>Bernstein explained reasons for current performance and answered questions from trustees.</p> <p>FIDELITY</p> <p>Subject to confirmation of performance by our Custodian, fund performance for the equities mandate was 1.3% above benchmark and 0.9% above target in the quarter to 31 December 2007. Fund performance was 0.4% above target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>Subject to confirmation of performance by our Custodian, fund performance for the fixed income mandate was at benchmark and 0.1% below target in the quarter to 31 December 2007. Fund performance was 0.1% below target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>Fidelity explained reasons for current performance and answered questions from trustees.</p> <p>CAPITAL</p> <p>Fund performance for the equities mandate was 2.00% below benchmark and 2.50% below target in the quarter to 31 December 2007. Fund performance was 1.28% below benchmark and 2.78% below target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>Fund performance for the fixed income mandate was 1.32% below benchmark and 1.57% below target in the quarter to 31 December 2007. Fund performance was 2.12% below benchmark and 2.87% below target in the 9 months period between 1 April 2007 and 31 December 2007.</p> <p>Capital explained reasons for current performance and answered questions from trustees.</p> <p>NOTED</p> | |
| <p>PRPP50.</p> | <p>FUND PERFORMANCE UPDATE - REPORT OF THE CHIEF FINANCIAL OFFICER</p> <p>The Chair asked for a brief introduction of the report.</p> <p>The Head of Finance-Budgeting - Mr Hardy informed the meeting that in terms of combined fund performance this was +2.86% for the 9 months to 31 December 2007 and the fund under performed the new benchmark by 1.50% and under performed the target by 2.73%. Currently the Committee had been advised of the fund managers performance and the two underperformers were working through their particular issues.</p> <p>The Chair asked if there were any particular questions from Members.</p> | |

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 13 MARCH 2008**

Councillor Butcher commented on the performance of two of the managers and Member's concerns as to this, and that those concerned would have been aware of the concerns of member. Mr Hardy responded that it was the case that the particular fund managers would not have relished the thought of attending and answering in terms of performance and were actively pursuing avenues of improvement. Each would have known that Members would be expressing their concerns.

John – can you help please ???

The Chair referred to para 8.2 in terms of the new performance target for each Fund manager's mandate's ????, and at paragraph 10.2 – 2nd bullet point in relation to capital costs being dependent upon approvals made, and that such figures should be available in 3 months ????

The Chair also referred to Invested Cash shown on the balance sheet as £18 million ??? and asked that these figures be circulated to the Committee.

On a **MOTION** by the Chair it was:

RESOLVED

- i. that the Fund performance position as at 31 December 2007 be noted; and
- ii. that the budget monitoring position as 31 December 2007 (period 9) be noted.

PRPP51. FUND ADMINISTRATION UPDATE:

The Pensions Manager – Mr Benson gave a brief introduction to the report highlighting that the General Purposes Committee had formally agreed the revised charges for Pension Sharing on Divorce, and as detailed in appendix 3 of the report. The Committee were therefore asked consider the recommendations before in light of these deliberations.

In response to points of clarification from Councillor Butcher Mr Benson responded that the changes did not apply to nominated co-habiting partners.

In response to clarification by the Chair in relation to communicating changes and feedback on the new scheme and feedback from all employing bodies, Mr Benson advised that as yet there had been such feedback. The Chair asked that this be pursued and reported upon to the Committee.

The Chair asked that the Committee particularly note issues pertaining at 11.5 of the report in relation to Councillor Members, and consultation on admitted bodies' status, together with the information relating to the capital cost of ill health retirements, and asked that the Committee

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 13 MARCH 2008**

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| | <p>receive further quarterly reports in future.</p> <p>The Chair also referred to the communications strategy in relation to the changes being reported to the next Pensions Committee.</p> <p>On a MOTION by the Chair it was:</p> <p>RESOLVED</p> <ul style="list-style-type: none"> i. that the administration update be noted; ii. that the revised charges for pension Sharing on Divorce as detailed in appendix 3 be agreed; iii. that officers be requested to submit quarterly monitoring reports in relation to the capital costs of ill health retirements; iv. that officers be requested to further report back to the committee following the pursuance of feed back from all employing bodies; and v. that the communications strategy in relation to the changes be reported to the next Pensions Committee. | |
| <p>PRPP52.</p> | <p>ANY UNRESTRICTED ITEMS OF URGENT BUSINESS:</p> <p>NIL ITEMS</p> | |
| <p>PRPP53.</p> | <p>EXCLUSION OF PRESS AND PUBLIC</p> <p>RESOLVED</p> <p>That the Public and Press be excluded from the proceedings for consideration of items that contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); namely information relating to the business or financial affairs of any particular person (including the authority holding that information).</p> | |
| <p>PRPP54.</p> | <p>EXEMPT MINUTES:</p> <p>RESOLVED</p> <p>that the exempt minutes of the Pensions Committee held on 29 January 2008 be signed as an accurate record of the proceedings.</p> | |
| <p>PRPP55.</p> | <p>ANY OTHER EXEMPT URGENT ITEMS</p> <p>Nil Items</p> | |

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 13 MARCH 2008**

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| | There being no further business to discuss the meeting ended at 21.25hrs. | |
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COUNCILLOR GMMH RAHMAN KHAN

Chair