

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

Councillors Rahman Khan (Chair), Adje, Beacham, Basu, Butcher, Thompson and Wilson

Also Present: David Fishman, Howard Jones, Roger Melling and Earl Ramharacksignh

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PRPP73.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for lateness were received from Cllr Basu.</p>	
PRPP74.	<p>URGENT BUSINESS</p> <p>There were no items of urgent business.</p>	
PRPP75.	<p>DECLARATIONS OF INTEREST</p> <p>Cllr Adje declared a personal interest as a contributing member of the Haringey Pension Scheme.</p> <p>Cllr Butcher declared a personal interest as a contributing member of the Haringey Pension Scheme.</p> <p>Cllr Rahman Khan declared a personal interest as a contributing member of the Haringey Pension Fund and also for attending various training events, conferences, seminars, etc, from time to time, at which some of the Fund Managers, the Custodian, investment adviser or actuary may have contributed directly or indirectly.</p> <p>Cllr Thompson 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 at training events and conferences, to which some of the Fund Managers may have directly contributed.</p> <p>Cllr Wilson declared a personal interest in respect of his employment by the National Association of Pension Funds.</p>	
PRPP76.	<p>MINUTES</p> <p>RESOLVED</p> <p>That the minutes of the meeting held on 29 January 2009 be agreed and signed by the Chair, subject to the following corrections:</p> <p>i) That "Howard Jones and Melling" be removed from the list of Councillors attending.</p>	

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

	<p>ii) That "Cllr Thompson 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 at training events and conferences, to which some of the Fund Managers may have directly contributed." be added to the declarations of interest.</p>	
<p>PRPP77.</p>	<p>FUND PERFORMANCE REPORT</p> <p>The Chief Financial Officer presented this report, which set out fund performance to the end of December 2008, compared responsible investments information provided by our Fund Managers and LAPFF and reported budget management to the end of January 2009 (period 10). It was reported that overall performance for the quarter to the end of December 2008 was above benchmark and above target.</p> <p>The Committee was advised that Hewitts had recently downgraded one of our Fund Managers. A further report would be provided to the Committee on this issue, following further discussion with Hewitts.</p> <p>It was reported that some Pension Funds were involved in legal action against RBS in relation to the share issue statement made in June 2008; Haringey was considering its position in respect of this matter, and a further report would be provided to Committee Members on this issue.</p> <p>The Committee requested that performance data for Fund Managers over a longer time period be provided in future reports for ease of comparison, and that performance data for a previous Fund Manager for the Haringey Pension Fund, Wellington Management, also be provided.</p> <p>RESOLVED</p> <p>i) That the Fund performance position as at end December 2008 be noted.</p> <p>ii) That responsible investments information provided be noted.</p> <p>iii) That the budget management position to the end of January 2009 (period 10) be noted.</p>	
<p>PRPP78.</p>	<p>ATTENDANCE BY FUND MANAGERS</p> <p>The Committee received presentations from four Fund Managers as follows:</p> <p>CAPITAL</p> <p>Fund performance for the equities mandate was 4.18% below the target in annualised terms in the 21-month period to the end of December 2008.</p>	

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

Fund performance for the bonds mandate was 3.96% below the target in annualised terms for the 21-month period to the end of December 2008.

Capital explained the reasons for current performance and answered questions from Trustees.

The Committee asked whether Capital was considering taking any legal action against RBS. Capital confirmed that this was not something that they were considering. Capital reported that they had learnt from the experience and that they were confident in their remaining holdings. The Committee requested that Capital supply details of the price at which they had purchased HBoS shares when they had exercised their rights.

The Committee asked for Capital's opinion on bonuses. Capital responded that the previous bonus system in the financial sector had encouraged risk-taking, and that they would support a more sensible, longer-term bonus structure.

The Committee asked about Capital's arrangements for looking at corporate governance arrangements. Capital reported that this formed an integral part of their research into companies, and that it was their duty as long term shareholders to challenge any areas of concern.

The Committee urged Capital to take further action to improve their performance for the next time they attended the Committee.

ING

Fund performance was 0.5% above the target in annualised terms in the 21-month period to the end of December 2008.

ING explained the reasons for current performance and answered questions from Trustees.

Cllr Basu arrived at 19:45hrs.

The Committee noted the presentation and replies to questions thereto.

FIDELITY

Fund performance for the equities mandate was 0.9% below the target in annualised terms in the 21-month period to the end of December 2008.

Fund performance for the bond mandate was 1.6% below the target in annualised terms in the 21-month period to the end of December 2008.

Fidelity explained the reasons for current performance and answered questions from Trustees.

In response to questions from the Committee about why the dialogue between Fidelity and RBS had not produced results, Fidelity reported that they had begun to engage with RBS at an early stage, before there

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

	<p>was wider support from other organisations in the sector.</p> <p>The Committee noted the presentation and replies to questions, and expressed the hope that performance would improve in the next quarter.</p> <p>BERNSTEIN</p> <p>Fund performance for the global equities mandate was 14.6% below the target in annualised terms for the 21-month period to the end of December 2008.</p> <p>Fund performance for the UK equities mandate was 8.94% below the target in annualised terms for the 21-month period to the end of December 2008.</p> <p>Bernstein explained the reasons for current performance and answered questions from Trustees.</p> <p>The Committee asked whether Bernstein was considering taking any legal action against RBS. Bernstein confirmed that this was not something that they were able to comment on.</p> <p>In response to questions from the Committee, Bernstein confirmed that they took corporate governance issues very seriously in their research, and would challenge and raise concerns where this was necessary.</p> <p>The Committee hoped that Bernstein would take all possible actions to improve their performance for the next time they attended the Committee.</p>	
<p>PRPP79.</p>	<p>FUND ADMINISTRATION UPDATE</p> <p>Ian Benson, Pensions Manager, presented the Fund administration update, which set out regulatory changes affecting the administration of the Local Government Pension Scheme together with relevant issues covered in circulars issued by the Local Government Pensions Committee (LGPC) and Department for Communities and Local Government (DCLG).</p> <p>In response to a question from the Committee on the merger talks between CONEL and Enfield College, it was confirmed that the bulk transfer payment to be agreed by the fund actuary would protect the fund against the liabilities being transferred from Enfield Council fund.</p> <p>In response to a question from the Committee as to whether the number of early retirements had increased, it was agreed that Ian Benson would provide the Committee with early retirement figures for the last three years outside the meeting. It was agreed that the quarterly report on early retirements would include the equivalent reported data for the previous quarter.</p>	

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

	<p>The Chair emphasised the importance of the actuary's testing of the quality of data being provided by the employing bodies for actuarial purposes. The Chair also requested information on how the Government's Compensation arrangements in relation to the regulatory bodies' maladministration in supervising Equitable Life impacts on fund members who contributed to the in-house Equitable Life AVC Scheme. The Chair also asked for the number of Councillors eligible to join the LGPS to be included in the next report.</p> <p>In response to a question from the Chair, John Hardy, Head of Finance – Budget Management, Treasury and Pensions, confirmed that he had personally looked into the receipt of contributions from the Employing Bodies and School Payroll Providers, and confirmed that these were being received by the deadline. The Chair also asked Ian Benson to confirm as to whether the records of the consultation with the staff side were held, and to confirm that he was satisfied that appeals were conducted in compliance with all relevant guidelines; Ian Benson confirmed that this was the case in both instances.</p> <p>In relation to the Compliance Statement appended to the report, the Chair requested that surveys be commenced at the earliest opportunity in order to ensure compliance. Ian Benson reported that work to implement surveys was currently underway.</p> <p>RESOLVED</p> <p>That the Administration Report update be noted.</p>	
<p>PRPP80.</p>	<p>ADMISSION AGREEMENT FOR WORKFORCE FACILITIES LTD</p> <p>Ian Benson, Pensions Manager, presented this report, which recommended the admission of Workforce Facilities Ltd as a transferee admitted body to the Haringey Pension Fund from 1st April 2009, following the TUPE transfer of security staff employed by Mittie Security Services.</p> <p>In response to questioning by the Chair, the Chief Financial Officer confirmed that he was satisfied with the content of the report, safeguarding the interest of all stakeholders, particularly the Pension Fund.</p> <p>RESOLVED</p> <ul style="list-style-type: none">i) That Workforce Facilities Ltd be admitted as a transferee admitted body to the Fund from 1st April 2009.ii) That the agreement be a closed agreement such that no new members can be admitted.iii) That the contractor be required to provide a Bond to the value	

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 19 MARCH 2009**

	<p>of £26,000 to be reviewed by the Fund actuary on an annual basis.</p> <p>iv) That the final approval to the terms of the Admission Agreement be delegated to the Chief Financial Officer.</p>	
PRPP81.	ANY NEW ITEMS OF URGENT BUSINESS There were no new items of urgent business.	

COUNCILLOR GMMH RAHMAN KHAN

Chair