

**MINUTES OF THE PENSIONS COMMITTEE
THURSDAY, 25 OCTOBER 2007**

Councillors Rahman Khan (Chair)*, Mallett (Vice-Chair) *, Adje, Beacham*, Basu, Butcher*, Wilson, Aitken*

* denotes Member present at meeting

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PRPP16.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies were received from Councillors Adje, Basu and Wilson. In accordance with the provisions of the Constitutions on substitutions, Councillor Egan substituted Cllr Adje; Councillor Peacock substituted Cllr Basu; and Councillor Mughal substituted Cllr Wilson.</p>	
PRPP17.	<p>URGENT BUSINESS:</p> <p>None.</p>	
PRPP18.	<p>DECLARATIONS OF INTEREST:</p> <p>Councillor Mallett declared a personal interest in respect of her attendance at a Capital Investment trust training session that she had recently attended.</p> <p>Councillors Khan, Mallett, Butcher, Beacham, Aitken, Peacock, and Egan declared personal interests in respect of the their membership of the Haringey Council Pension Fund.</p>	
PRPP19.	<p>REVIEW OF RESPONSIBLE INVESTMENT POLICY, A REPORT BY HYMANS ROBERTSON:</p> <p>Councillor Butcher raised his concern at not being invited to the pre-meeting held between the Chair, Howard Jones and Senior Officers.</p> <p>Gerald Almeroth, Chief Financial Officer, gave a summary of his report outlining the process for reviewing the Council's Responsible Investment Policy. Geoff Singleton, Senior Investment Consultant of Hymans Robertson informed the Committee of the current position in respect of the Fund and developments in SRI. Mr Singleton also highlighted the voting and engagement options, and emphasised to the Committee the key issues around making the recommendations contained within the Report. Dave Burns, Senior Lawyer (Employment, Corporate and Education) advised the Committee of its levels of responsibilities by referring to the CIPFA guidance and noting that the Council's current policy was robust but at risk as changes to the conventions were made. Mr Burns further advised the Committee on the personal liability rules in respect of Members responsibilities as trustees of the Pensions Fund.</p> <p>The Chair invited Howard Jones, independent advisor, to address the Committee. Mr Jones outlined the four options on offer for the Committee, namely an exclusion approach, a fund approach, a</p>	

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management approach; and an overlay approach. Mr Jones outlined his disfavour for the exclusion; highlighted some attraction to the fund approach but considered it unmanageable from a practical perspective. Mr Jones advised the Committee that the management approach was the favoured approach, the overlay approach to be used if this was unachievable. Mr Jones also advised the Committee about adopting the United Nations (UN) Principles for Responsible Investment; the Council would be amongst the first local authorities to do so if it agreed to it.

RESOLVED

- (i) To agree that the Council's responsible investment policy in practical terms apply to UK and non-UK equities and to pooled funds, not bonds.
- (ii) To agree that the responsible investment policy be revised after analysing the fund managers current policies and this be reported back to Pensions Committee for approval.
- (iii) To adopt the UN Principles for Responsible Investment and encourage our fund managers to also adopt these principles.
- (iv) To agree that the existing fund manager-led approach to voting and engagement be continued on an improved basis to include reporting regularly to Pensions Committee to explain and justify where they do not follow the Council's policy and voting guidelines. This approach to be reviewed again in twelve months.
- (v) To agree to consider joining LAPFF once LAPFF have made a presentation to Pensions Committee.
- (vi) To agree to encourage the Council's fund managers to sign up to the Enhanced Analytics Initiative, or to demonstrate that they have access to at least equivalent research.
- (vii) To agree that the possibility of the fund investing in funds that target environmental issues be reviewed.
- (viii) That we do not engage in stock screening or exclusionary approaches. (There were four votes in favour of this and four abstentions from Councillors Butcher, Mughal, Aitken, and Beacham.

Councillor Gmmh RAHMAN KHAN
Chair, Pensions Committee 2007/8

Date: