

CITY AND COUNTY OF SWANSEA

MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE

HELD AT COMMITTEE ROOM 3A, GUILDHALL, SWANSEA ON
THURSDAY 12 MARCH 2015 AT 10.00 A.M.

PRESENT: Councillor P Downing (Vice-Chair) presided

Councillor(s): **Councillor(s):**

J Newbury M Thomas

Officers:

J Dong - Chief Treasury and Technical Officer
D Smith - Directorate Lawyer
J Parkhouse - Democratic Services Officer

ALSO PRESENT:

N Mills - Independent Investment Advisor
V Furniss - Independent Investment Advisor

43. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors C E Lloyd, R B Stewart, D G Sullivan and P A Rees.

44. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS**

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared:

Councillor P Downing - agenda as a whole - my brother works for the Council and contributes to the Pension Fund.

NOTED that Councillor P Downing had received dispensation from the Standards Committee in this respect.

Councillor J Newbury - Minute No. 45 - Minutes and agenda as a whole - I am in receipt of a widower's pension - personal.

Councillor M Thomas - agenda as a whole - I and my wife are members of the Local Government Pension Scheme - personal.

NOTED that Councillor M Thomas had received dispensation from the Standards Committee in respect of his wife.

45. **MINUTES**

RESOLVED that the Minutes of the Special Pension Fund Committee held on 3 December 2014 and Pension Fund Committee held on 4 December 2014 be approved as correct records.

46. **TO ESTABLISH A LOCAL PENSION BOARD ADMINISTERING AUTHORITY**

The Chief Treasury and Technical Officer presented a (for information) report which informed the Committee of the Administering Authority's proposals to establish a Local Pension Board in line with LGPS (amendment) (Governance) Regulations 2015. It was noted that Council had agreed to establish a Local Pension Board, in line with the regulations, on 3 March 2015.

47. **HOSTING THE CLASS AGM 23-24 JUNE 2015**

The Chief Treasury and Technical Officer presented a report which sought approval for the City and County of Swansea Pension Fund to host the CLASS AGM on 23-24 June 2015. Details of the proposed arrangements for the AGM were provided and it was outlined that the cost to host the business side of the event would be covered by Heywood, the leading supplier of pension administration software for the Local Government Pension Scheme, who were sponsoring the event.

RESOLVED that the hosting of the CLASS AGM on 23-24 June 2015 be approved.

48. **CESSATION OF CONTRACTING OUT/RECONCILIATION OF GUARANTEED MINIMUM PENSIONS**

The Chief Treasury and Technical Officer presented a report which sought approval of the purchase of software to assist with the reconciliation of guaranteed minimum pensions (GMPs) against those held by HMRC, the parameters of GMP reconciliation and appointment of a Temporary Grade 4 Assistant Pensions Officer.

The Committee considered the information contained in the report.

RESOLVED that:

- (1) the purchase of GMP reconciliation software be approved;
- (2) a tolerance level of £2 per week difference in the GMP be used where there is a discrepancy;

- (3) where overpayments to pensioners are identified, the pensions are corrected but not recovered;
- (4) an existing Grade 4 Officer be re-graded to Grade 6 and an additional Grade 4 appointed for the duration of the exercise.

49. **CITY AND COUNTY OF SWANSEA PENSION FUND BUSINESS PLAN 2015/16**

The Chief Treasury and Technical Officer presented the City and County of Swansea Pension Fund Business Plan 2015/16 which provided a working framework for the Pension Fund's programme of work for 2015/16.

It was added that in line with best practice, the Pension Fund produced a business plan to inform its work programme for the forthcoming 12 month period. The Business Plan for 2015/16 was attached at Appendix 1.

The Pension Fund was asked to note and approve the attached Business Plan for the Year 2015/16, noting the timescale and responsibility for key action points throughout the year. The document was a dynamic document and will be revised and amended throughout the year as necessary.

The Committee considered the information contained within the report.

RESOLVED that the City and County of Swansea Pension Fund Annual Business Plan 2015/16 be noted and approved.

50. **EXCLUSION OF THE PUBLIC**

The Committee was requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it/they involve(s) the likely disclosure of exempt information as set out in the exclusion paragraph of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, relevant to the item(s) of business set out in the report.

The Committee considered the Public Interest Test in deciding whether to exclude the public from the meeting for the items of business where the Public Interest Test was relevant as set out in the report.

RESOLVED that the public be excluded for the following items of business.

(CLOSED SESSION)

51. **GLOBAL PRIVATE EQUITY ASSET ALLOCATION**

The Chief Treasury and Technical Officer presented a report which sought approval to recommit to the appointed Global Private Equity Fund Manager.

RESOLVED that the recommendation made in the report be approved.

52. **INVESTMENT SUMMARY**

The Chief Treasury and Technical Officer provided a (for information) report which presented the investment performance for the quarter Year ended 31 December 2014. Attached at Appendix 1 of the report were the Quarterly Investment Summaries for the Pension Fund for the quarter ended 31 December 2014.

53. **PRESENTATIONS - FUND MANAGERS**

(1) A joint presentation was provided by Sergio Jovele and Rob Lamb on behalf of Partners Group - Global Property.

(2) A joint presentation was provided by Graeme Rutter and Lyndon Bolton on behalf of Schroders-UK Property.

Questions in relation to the content of the presentations were asked at the end of each presentation by the Committee and responses were provided by the respective Fund Managers.

The contents of the presentations were noted and the Chair thanked each of the Fund Managers for attending the meeting.

54. **INDEPENDENT CORE ADVISOR'S REPORTS**

The report presented the economic update and market commentary from the perspective of the appointed Independent Investment Advisors. Mr N Mills provided an economic and market update and Mr V Furniss provided an Investment Report for the quarter ended 31 December 2014.

The content of each report was noted by the Committee and the Independent Advisors were thanked for their reports.

The meeting ended at 11.50 a.m.

CHAIR