

Minutes of the meeting of the **Pension Fund Committee** held on 27 November 2014 at 10.30am in the Rose Room, Endeavour House, Ipswich.

Present: Councillors Peter Bellfield (Chairman) Andrew Reid (Vice Chairman), Michael Bond, Richard Smith MVO, John Field, Bryony Rudkin, Bert Poole, Bill Knowles (District Council Representative), Steve Warner (Unison Representative)

Supporting officers present: Paul Finbow (Corporate Finance Specialist), Sharon Tan (Specialist Accountant (Pensions)) Geoff Dobson (Director of Resource Management) Lynn Wright (Strategic Payroll and Pensions Manager) and Ann McPherson (Democratic Services Officer).

Advisers
Present:

Mark Stevens (Independent Professional Adviser)
Matt Woodman (Hymans Robertson)

Public Participation Session

There were no applications to speak in the Public Participation Session.

1. **Apologies for Absence and Substitutions**

Apologies were received from Councillor Peter Byatt who was substituted by Councillor Bryony Rudkin and Councillor Derek Redhead.

2. **Declarations of Interest and Dispensations**

Councillor Andrew Reid and Councillor Richard Smith MVO, and Steve Warner declared a non-pecuniary interest in all of the items on the Agenda by virtue of the fact that they are contributing members to the Suffolk Pension Fund.

3. **Minutes of the Previous Meeting**

The minutes were confirmed as a correct record and signed by the Chairman.

4. **Investment Advisors Report**

The Committee received a report at Agenda Item 4 from Hymans Robertson on the investment performance of the Pension Fund for the quarter to September 2014. The Committee requested that a letter be sent to M&G regarding their current performance.

Decision: The Committee agreed to note the report

Reason for Decision: The report contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There were none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There were none reported.

5. **Information Bulletin: Investment Performance**

The Committee received a report at Agenda Item 5 on the benchmark allocation and investment performance report for the quarter ended 30 September 2014.

Decision: The Committee agreed to note the Bulletin.

Reason for Decision: The bulletin contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There were none considered

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There were none reported

6. **Investment Advisors Report**

The Committee received a report at Agenda Item 6 from Mark Stevens, reviewing the investment markets in relation to the Pension Fund

Decision: The Committee agreed to note the report.

Reason for Decision: The report contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There was none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There were none reported.

Councillor Alan Murray joined the meeting for Agenda Item 7

7. **Tobacco Investment**

The committee received a report at Agenda Item 7 setting out the issues around divesting from tobacco holdings as reported by the investment managers and suggested alternative investments. The View of all investment managers was that divesting from tobacco holdings would be detrimental to return at this time.

Proposed by Councillor Richard Smith and seconded by Councillor Bert Poole, a named vote was called for on the proposal to undertake further work to disinvest from tobacco companies in line with the County Council's request.

Decision: The Committee agreed to continue work and take legal advice as the next step in the process. The voting was as follows:-

For: Councillors Bellfield, Reid, Bond, Field, Rudkin, Knowles and Steve Warner

Against: Councillors Poole and Smith

Reason for Decision: The report contained matters relevant to the Committee under its Terms of Reference.

Alternative options: Not to continue with further work.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There were none reported

8. **Governance Review**

The Committee received a report at Agenda Item 8 setting out the most recent consultation in regards to the creation and operation of Local Pension Boards.

The Committee heard that regulations would not be in place until early January 2015 at the earliest. However, to ensure that recommendations would be ready to go to December Council, the Committee were told that despite the possibility of slight differences, they would need to progress this to the Constitution Working Party as quickly as possible.

Decision: The Committee agreed to approve the recommendations in the report.

Reason for Decision: The report contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There were none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There was none reported.

9. **Recent Developments**

The Committee received an Information Bulletin at Agenda Item 9 on the administration of the pension scheme. Lynn Wright explained the issue of abatement to the committee. It was agreed that an item on abatement be added to the Agenda for the February meeting.

Decision: The Committee agreed to note the bulletin.

Reason for Decision: The bulletin contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There were none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There were none reported

10. **Forward Work Programme**

The Committee received a copy of the Forward Work Programme at Agenda Item 10.

It was agreed to add an item on abatement to the plan as well as an item for Pantheon to present at a future meeting.

Decision: The Committee agreed to note the Forward Work Programme

Reason for Decision: The Forward Work Programme is a responsibility of the Committee under its Terms of Reference.

Alternative options: There were none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There was none reported.

11. **Urgent Business**

There was none reported

12. **Exclusion of the Public**

The Committee agreed that Agenda Item 13 should be taken without the public, including the press, present.

13. **Asset allocation Review**

The Committee received a report at Agenda Item 16 from Hyman Robertson on the future asset allocation of the fund.

Decision: The Committee agreed to accept, with minor amendments as discussed in the meeting, the recommendations outlined in the report.

Reason for Decision: The report contained matters relevant to the Committee under its Terms of Reference.

Alternative options: There were none considered.

Declarations of interest: Declarations of Interest are recorded at Minute No.2 of these minutes.

Dispensations: There was none reported.

The meeting closed at 13.10pm.

