

Suffolk Pension Fund, 28 November 2016

A committee of Suffolk County Council

Information Bulletin

The Information Bulletin is a document that is made available to the public with the published agenda papers. It can include update information requested by the Committee as well as information that a service considers should be made known to the Committee.

This Information Bulletin covers the following items:

- 1. Voting Activity**
- 2. MIFID II**
- 3. Triennial Valuation**
- 4. College Insolvency consultation**

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1. Voting Activity

The Pension Fund Committee uses the services of Pension Investments Research Consultants (PIRC) to advise it on matters relating to resolutions at annual general meetings in the companies where the Fund has shareholdings and to implement the Committee's policy in relation to voting on its shareholdings.

During the September quarter, the Suffolk Pension Fund voted at 15 company meetings, on 149 resolutions of which 16 were votes opposed to the resolution.

The report produced by PIRC on the voting activity on behalf of the Pension Fund is attached as **Appendix 1**.

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2. MIFID II

The FCA are currently consulting on the implementation proposals for MIFID II. A briefing note prepared by Hymans Robertson is attached as **Appendix 2**.

The directive will initially categorise LGPS Pension Funds as 'retail investor'. However the FCA believes that all LGPS Funds will be eligible to opt up to

'Professional status' should they so wish. The criteria for opting up is set out in **Appendix 2**.

The Pension Fund is in discussion with all its investment managers to ensure that the Fund can continue to invest in the full range of assets as it currently has access to.

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3. Triennial Valuation

The Pension Fund officers worked with Hymans to get an initial set of contribution rates for each employer.

These rates have been sent out to each employer with an explanation as attached in **Appendix 3** and the funding strategy statement approved by the Committee on 22 September. The consultation will run to the end of December.

There are a few employers which have been identified for further engagement and this will happen during the consultation period.

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4. College Insolvency consultation

The Government has announced the completion of its consultation on college insolvency. Having considered the responses the Government intends to proceed with the introduction of a statutory insolvency framework for Further Education and sixth form colleges.

The Government concluded that they would not extend the guarantee that they currently provide to academies to the colleges or sixth forms. This increases the risk to the LGPS funds should one of these establishments become insolvent.

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