

# minutes



Meeting PENSIONS COMMITTEE

Date Monday, 19<sup>th</sup> April 2004 (commencing at 11.30 am)

## membership

Persons absent are marked with `A`

## COUNCILLORS

J Carter (Chair)

D E Pulk (Vice-Chair)

M Brandon Bravo OBE	A	R A Poynter
T H Butler	A	Vicki Smailes
M J Cox	A	John R Stocks
Mrs K L Cutts		David Taylor
G Gilfoyle		Maureen Tewson
Tom Pettengell	A	M Warner
A Mrs Sheila Place		

## ALSO IN ATTENDANCE

Councillor B G Smith

Mr J Dunstan – Trade Unions

## MINUTES

The Minutes of the last meeting of the Committee held on 9<sup>th</sup> January 2004, having been previously circulated, were confirmed and signed by the Chair.

## APOLOGIES FOR ABSENCE

Apologies for absence were received from:-

Councillor Mrs Sheila Place  
Councillor Mrs V A Smailes  
Councillor John R Stocks  
Councillor M Warner

## DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

There were no declarations of interest made by Members or Officers.

## **LOCAL GOVERNMENT PENSION SCHEME AMENDMENT REGULATIONS 2004**

The Director of Resources reported on amendments being made to the Regulations concerning revised procedures for the Internal Dispute Resolution Procedure (coming into force on 1<sup>st</sup> June 2004), the change in minimum membership period giving rise to entitlement to Scheme benefits, the requirement to provide all Fund Members with a benefit statement within twelve months of 1<sup>st</sup> April 2004 and the requirement on Administering Authorities to produce a Funding Strategy Statement. In addition, he was able to report that the Government would not be proceeding with proposals to make changes in the way that ill health retirements are treated.

### **RESOLVED:-** **2004/006**

That the report be noted.

## **LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 1997 – APPLICATION FOR ADMITTED BODY STATUS**

A motion in terms of resolution number 2004/007 was moved by the Chair and duly seconded. Following discussion on the issues set out in the report the motion was put to the vote and declared to be carried following a show of hands. It was therefore:-

### **RESOLVED:-** **2004/007**

That the Child Migrants Trust be admitted to the Pension Scheme subject to the Trust undertaking to sign an appropriate admission agreement.

In accordance with the provisions of Standing Order number 7.3 relating to Committees and Sub-Committees, Councillors M Brandon-Bravo and Mrs K L Cutts asked that it be recorded that they abstained from voting on the motion.

## **CORPORATE GOVERNANCE SERVICES**

### **RESOLVED:-** **2004/008**

- (1) That the Pension Fund subscribe to the PIRC Corporate Governance Service for UK Equities for 2004/05 and
- (2) that the Pension Fund subscribe to the European Corporate Governance Service for 2004/05.

## **TRUSTEE ACTIVITY AND TRAINING BUDGET 2004/05**

### **RESOLVED**

**2004/009**

- (1) That a Trustee Activities and Training budget of £114,000 be approved for 2004/05 and
- (2) that the Pension Fund subscribe to the National Association of Pension Funds, the Local Government Pensions Committee and the UK Social Investment Forum in 2004/05.

## **EUROPEAN PROPERTY GROWTH FUND**

### **RESOLVED:-**

**2004/010**

- (1) That the attendance of the Chair and an Officer on a property inspection of properties within the European Property Growth Fund to be held in Brussels and Paris on 22/23 April 2004 be approved and
- (2) that it be noted that all costs in connection with the inspection will be met by Standard Life Investments, the Managers of the above Fund.

## **EXCLUSION OF THE PUBLIC**

### **RESOLVED:-**

**2004/011**

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the remaining item of business on the agenda on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 7, 8 and 9 of part 1 of schedule 12A to the Act.

With regard to the position of those persons in attendance at the meeting, it was further:-

### **RESOLVED:-**

**2004/012**

That the representative of the Trade Unions be invited to attend the meeting for the following item.

## **EXEMPT INFORMATION ITEM**

### **HERMES FOCUS FUNDS**

The Director of Resources reported that since this matter was discussed at last month's meeting of the Pensions Investment Sub-Committee further information

had now been supplied on the practice which Hermes wished to use in relation to funds prior to investment and that he needed to seek the Committee's agreement to this proposal.

The Director explained that before drawing down contributions to the Funds set out in the report it was Hermes's wish to invest this into derivatives rather than leaving in cash. The Fund's Statement of Investment Principles prohibited this practice but, on this occasion, he felt that he could recommend approval to this approach. In the circumstances, it was:-

**RESOLVED:-**  
**2004/013**

- (1) That investments of £10 million be made in each of the Hermes European Focus Fund and the Relational Investors LLC, subject to the Director of Resources being satisfied with the associated contractual arrangements and
- (2) that the Fund's Statement of Investment Principles be varied as indicated as above in connection with these investments.

The meeting closed at 11.50 am.

**CHAIR**

M\_19April04