

WILTSHIRE PENSION FUND COMMITTEE

DRAFT MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 14 SEPTEMBER 2012 AT THE PRATCHETT ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Cllr Tony Deane (Chairman), Cllr Brian Ford, Cllr Charles Howard (Vice Chairman), Mr Tim Jackson (Associate Member), Cllr Des Moffatt, Cllr Mark Packard, Mr Mike Pankiewicz, Cllr Sheila Parker and Cllr Fleur de Rhe-Philippe

Also Present:

Cllr John Brady, Mr Jim Edney and Joanne Holden

94 **Membership**

There were no changes to Membership of the Committee

95 **Attendance of Non-Members of the Committee**

None.

96 **Apologies**

Apologies were received from Mrs Lynda Croft.

97 **Minutes of the Previous Meeting**

Resolved:

To confirm and sign as a correct record the minutes of the Committee meeting held on 25 July 2012.

98 **Chairman's Announcements**

The Chairman reported that arrangements were being made for a Training Day for Members of this Committee to be held on either 16 or 23 October 2012, the subjects being Investment Management and the Role of the Regulator. Further

details would be sent to all Members of the Committee shortly and he hoped that all Members would be able to attend.

99 **Declarations of Interest**

There were no declarations of interest.

100 **Public Participation and Councillors' Questions**

There were no members of the public present or councillors' questions.

101 **Pension Fund Risk Register**

The Committee received a report by the Service Director, Finance which provided an update in changes to the Fund's Risk Register.

It was noted that Risk PEN012: Over-reliance on key officers had now reduced from red to green to reflect the implementation of the Pension Team restructure.

Resolved:

To note the update of the Risk Register and measures being taken to mitigate the current high and medium risks.

102 **Budget Monitoring 2012-13 Report**

Consideration was given to a report by the Service Director, Finance about the current budget monitoring position for the Wiltshire Pension Fund for the year based on the latest position.

Resolved:

To note the current position.

103 **Officers Training Update**

The Committee received a report by the Service Director, Finance which gave an update on the training plans being implemented for Officers as part of the CIPFA Knowledge & Skills Framework (KSF).

Resolved:

To note the on-going activities in relation to Officers' training.

104 **External Audit Report**

The Committee received the draft Final Audit Report for the Wiltshire Pension Fund prepared by KPMG, the Council's external auditor, which was presented by Ms Gemma Broom assisted by Ms Megan Lumsdaine.

Ms Broom explained that there were no matters that would cause KPMG to delay issuing their certificate of completion of the audit and it was anticipated that an unqualified audit opinion on the financial statements within the Authority's report would be issued by 30 September 2012. KPMG also anticipated that an unqualified opinion on the Annual Report would be issued by 1 December 2012.

Members of the Committee thanked Ms Broom for her report and also the Officers for achieving such a satisfactory external audit.

Resolved:

To note the contents of KPMG's draft Final Audit on the 2011-12 Annual Report for the Wiltshire Pension Fund.

105 **Internal Audit Report Update**

Consideration was given to a report by the Service Director, Finance which provided an update on actions undertaken since the Internal Auditors' Report to the Wiltshire Pension Fund from their 2011/12 audit which was presented to this Committee at its meeting on 23 May 2012.

Appended to the report was an Action Plan which highlighted the developments which had taken place since May 2012. It was noted that although there were no high level risks identified by Internal Audit, three medium level risks had been found.

It was further reported that Officers would continue to work with SWAP to monitor the implementation of all the recommending actions and further updates would be provided at future meetings of this Committee.

Resolved:

To note the Action Plan update to address the issues raised during the 2011/12 Internal Audit of the Wiltshire Pension Fund.

106 **Actuarial Update on 2014 LGPS, 2013 Triennial Valuation and Current Issues**

The Committee received a presentation by Mr Peter Summers of Messrs Hymans Robertson, the Fund's Actuary, about their view on the proposed Local Government Pension Fund (LGPS) changes, the forthcoming triennial valuation and other current issues.

107 **Date of Next Meeting**

Resolved:

To note that the next meeting was scheduled to be held on Thursday 6 December 2012, starting at 10.30am.

108 **Urgent Items**

There were no urgent items.

109 **Exclusion of the Public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Minute Numbers 110-113 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

110 **Update on the Implementation of the Dynamic Currency Hedging Programme**

On considering a confidential report by the Service Director, Finance,

Resolved:

To note the updated position in respect of the implementation of the Dynamic Currency Hedging programme with Berenberg.

111 **Investments Quarterly Progress Report**

Consideration was given to a confidential report by the Service Director, Finance on investment activity and performance of the Fund for the quarter to 30 June 2012, together with a review of investment managers' performance for the same period prepared by Messrs Mercer.

Resolved: To note the Fund's investment activity and performance.

112 **Investment Structure Review Update**

Consideration was given to a confidential report by Messrs Mercer that reviewed and proposed potential amendments to the Fund's fixed income allocations.

After some discussion,

Resolved:

To continue to monitor the situation and to report further to the next meeting on 6 December 2012.

113 **M&G: Review of 2011-12 and Plans for the Future**

The Committee considered the Annual Report by M & G Investments which outlined action taken during the past year and policy for the next period.

Mr J Atkin and Mr G Parker answered questions concerning the report.

Resolved:

To note the information contained in the report and the investment policy proposals as detailed by M & G Investments.

(Duration of meeting: 10.30 am - 1.40 pm)

The Officer who has produced these minutes is Roger Bishton, of Democratic Services, direct line 01225 713035, e-mail roger.bishton@wiltshire.gov.uk

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