

WILTSHIRE PENSION FUND COMMITTEE

DRAFT MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 14 JULY 2010 AT .

Present:

Cllr Tony Deane (Chairman), Cllr Charles Howard (Vice Chairman), Mr Tim Jackson, Cllr David Jenkins, Cllr Des Moffatt, Cllr Jeff Osborn, Cllr Sheila Parker and Cllr Peter Stoddart

Also Present:

Mr Paul Potter – Hymans Robertson
Mr Jim Edney – Independent Pensions Advisor
Mr David Anthony – Head of Pensions, Wiltshire Council
Mrs Caroline Dix – Fund Investment and Accounting Manager, Wiltshire Council
Ms Anna Thurman – Democratic Services Officer, Wiltshire Council

40. Membership Changes

The Chairman advised the Committee that notification had been received on 7th July 2010 that Mrs Irlene Cooper had decided to resign from the committee.

The committee originally agreed to appoint the additional member from

- Transferee Admission Bodies
- Education Scheduled Bodies

The Committee discussed the issues surrounding nominations for a replacement and it was,

Resolved

That officers will write to the above bodies inviting nominations from which the Chairman and Vice Chairman would seek a representative to become a Member of the Committee.

41. Apologies for Absence

Apologies were received from Martin Donovan, Chief Finance Officer.

42. **Minutes**

Resolved

To confirm and sign the minutes of the meeting held on 13th May 2010.

43. **Chairman's Welcome, Introduction and Announcements**

The Chairman updated the committee on the following items.

- Quarterly Investment Monitoring - this was the 5th meeting that has been added this year to try and reduce the length of the agendas at other meetings and enable the Committee to question 2 investment managers per meeting. It was noted that there was no quarterly progress report for the investments as Quarter ended on 30th June.
- Implementation of Stabilisation Policy for 2010 Valuation - Following the last Committee meeting the principle of stabilisation policy was agreed to be applied to secure employers with the adoption of a mechanism that limits increases/decreases in contributions to +1 or - 1% per annum applied from April 2014 onwards.

Officers wrote to secure employers within the Fund explaining the stabilisation policy on 4th June 2010 seeking comments. The only significant response was received from Swindon Borough Council who supported the principle but questioned the freezing of contribution rates until 2014.

- Positional updates on Cessation following implementation of policy in February 2010 were given.

44. **Declarations of Interest**

There were none.

45. **Public Participation**

There were no members of the public present.

46. **Wiltshire Pension Fund Risk Register**

Head of Pensions presented a report that delivered an update on the Risk Register for the Wiltshire Pension Fund, and he detailed two changes in the Risk Register since the previous meeting.

- PEN006 – Significant rises in employer contributions due to increases in liabilities.
- PEN 007 – Significant rises in employer contributions due to poor/negative investment returns

As a Stabilisation Policy for secure employers was agreed by the Committee the risk of significant rises in employer contribution rates has now reduced (shown in Risk PEN006a and PEN007a). This limits increases in employer contribution rates for the Secure Employers within the Fund. There is still a likelihood that non-secure employers will face significant increases, work is being undertaken to find a solution but does remain a significant risk (Risk PEN006b and PEN007B shown as red).

Resolved

To note the report.

47. Members Training Update

Head of Pensions updated the group on Members' Training, in light of the revised Myners Principles and publication of the CIPFA's Knowledge and Skills framework (KSF).

The revised Myners Principles requires the administering authorities to ensure that:

1. decisions are taken by persons or organisations with the skills, knowledge advice and resources necessary to make them effectively and monitor their implementation; and
2. those persons or organisations have sufficient expertise to be able to evaluate and challenge the advice they receive, and manage conflicts of interest.

There are 6 areas within the KSF which are identified as core technical requirements for those working in public sector pension finance.

1. pensions legislative and governance context
2. pensions accounting and auditing standards
3. financial services procurement and relationship management
4. investment performance and risk management
5. financial markets and products knowledge
6. actuarial methods, standards and practices

Discussion developed in respect of issues surrounding self assessment, highlighted knowledge gaps that would inform Members' training plans. It was,

Resolved

- a) to note the impact on Members training as a result of the publication of the CIPFA Knowledge and Skills Framework; and
- b) that members would undertake self assessment and then have an organised one to one with either the Head of Pensions or Fund Investment and Accounting Manager, to help to inform Training Plans to be completed by the end of September 2010; and
- c) to note a revised Members Training Plan based on the results of the high level self-assessment will be presented to the December Committee meeting for approval; and
- d) to agree to adopt the role of profile for the Chairman and Vice Chairman as outlined in appendix A; and
- e) to agree that officers assess the Chairman's and Vice Chairman's training requirements to agree with the requisite skills needed to undertake the principal responsibilities of the post and to produce them a separate training plan along with feedback on their current performance.

48. **Date of Next Meeting**

The date of the next meeting of the Wiltshire Pension Fund will take place on Wednesday 15th September 2010.

49. **Urgent Items**

There were no urgent items.

50. **Exclusion of the Public**

Resolved

To agree 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 Nos. 15 - 21 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 1 & 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.

51. **Wiltshire Pension Fund Administration Budget 2008-09 - Outturn Statement**

The Head of Pensions introduced a report on the Pension Fund administration budget 2009-10.

Resolved

That the report be noted.

52. **Fauchier Partners - Review of Previous Period and Plans for the Future**

Peter Vincent and Dan Higgins from Fauchier Partners LLP reviewed the previous period and outlined plans for the future.

Resolved

To note the information contained in the report and the investment policy detailed by Fauchier Partners.

53. **Western Asset Management - Review of Previous period and Plan for the Future**

Simon Gregory and Dipankar Shewaram from Western Asset Management reviewed the previous period and outlined plans for the future.

Resolved

To note the information contained in the report and the investment policy detailed by Western Area Asset Management.

(Duration of meeting: 10.30 am - 1.00 pm)

The Officer who has produced these minutes is Anna Thurman, of Democratic & Members' Services, direct line 01225 718379, e-mail anna.thurman@wiltshire.gov.uk

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