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PENSIONS COMMITTEE

Monday, 6 April 2009

<u>Present:</u>	Councillor	AR McLachlan (Chair)	
	Councillors	G Davies F Doyle W Duffey T Harney	R Moon L Rowlands H Smith G Watt
	Councillors	J Brown, Non District Council Employer A Ibbs, Sefton Council N Keats, Knowsley Council G Pearl, St Helens Council	
<u>In attendance:</u>		Phil Goodwin Paul Wiggins David Walsh	
<u>Apologies</u>	Councillors	D Kirwan	Councillor R Oglethorpe (Liverpool City Council)

85 DECLARATIONS OF INTEREST

Members were asked to consider whether they had any personal or prejudicial interests in connection with any item on the agenda.

No declarations were made.

86 MINUTES

The Director of Law, HR and Asset Management submitted the minutes of the meeting held 14 January 2009.

Resolved – That the minutes be received.

87 FINANCE DEPARTMENT PLAN 2009/10

The Director of Finance submitted a report setting out how the Finance Department would contribute to the overall delivery of Council aims and priorities during 2009/10, in the context of the Corporate Plan.

He reported that the Departmental Plan contained a number of objectives which linked to the aims and priorities of the Council. They included targets against which performance and achievement would be measured.

The Director reported that the document informed the annual budgeting process and provided the basis for detailed service plans which identified how the various divisions and sections would deliver the aims and objectives of his Department. He

reported that this in turn would flow through into the individual team members' Key Issue Exchange process.

Resolved - That the Finance Department Plan 2009/10 be approved.

88 **POLICY ON COMMUNICATIONS WITH MEMBERS AND EMPLOYING AUTHORITIES**

The Director reported In accordance with the Scheme Regulations the Authority was required to regularly review and publish a statement of policy concerning how it communicates with members and employing authorities

Resolved - That the updated Communications Policy Statement be approved.

89 **LGPS REFORM UPDATE**

The Director of Finance submitted a report informing Members of progress with the production of regulations and other guidance by the Department for Communities and Local Government (DCLG) following the introduction of the revised LGPS on 1 April 2008.

Resolved - That the report be noted.

90 **UPDATED GOVERNANCE COMPLIANCE STATEMENT**

The Director of Finance submitted a report providing details of the updated Governance Compliance Statement which MPF was required to publish to reflect recent changes made in order to ensure full compliance with the best practice standards issued by the Department for Communities and Local Government (DCLG).

Resolved – That the updated governance compliance statement be approved.

91 **INVESTMENT REGULATIONS CONSULTATION**

The Director of Finance submitted a report informing Pensions Committee that the Department for Communities and Local Government (DCLG) published draft regulations on 6 February 2009 to consolidate the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998 (“the investment regulations”) SI 1998/1831, and to make various amendments. A consultation exercise was open until 3 April 2009.

He outlined the scope of the proposals and detailed the proposed regulations, the key proposals, and the response.

Resolved - That Pensions Committee note the response by the Director of Finance to the proposed amendments to the investment regulations.

92 **STRATEGIC PROPERTY ADVISERS**

The Director of Finance submitted a report informing Pensions Committee of the progress to date of the procurement exercise to appoint a Strategic Property Investment Adviser.

He reported that Pensions Committee scheduled to take place on 24 June had been moved to 18 June.

Resolved – That the timetable be agreed.

93 **NATIONAL ASSOCIATION OF PENSION FUNDS CONFERENCE (NAPF)**

The Director of Finance submitted a report asking members of Pensions Committee if they wished to be represented at the NAPF Local Authority Conference, to be held in Birmingham from 18 May to 20 May 2009.

Resolved - That Councillor McLachlan, Chair of Pensions Committee attend the conference.

94 **CIPFA ANNUAL CONFERENCE**

The Director of Finance requested Members to consider whether there should be representation at the CIPFA Annual Conference to be held in Manchester from 23 June to 26 June 2009.

Resolved - That Councillor McLachlan, Chair of Pensions Committee attend the conference.

95 **JULY TRAINING EVENT**

The Director of Finance submitted a report advising Members of arrangements for a training event at the Cunard Building on 2 July 2009.

Resolved – That members make every effort to attend the training day.

96 **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

97 **THEMATICS FUND OF FUNDS PORTFOLIO**

The Director of Finance submitted a report informing Members of the progress to date in establishing an internally managed investment portfolio incorporating a Fund of Funds based on forward looking global investment “themes”.

Resolved – That the report be noted.

98 **ADMISSION APPLICATION - COLAS**

The Director of Finance submitted a report informing Members of his decision taken under delegation, to approve the application received from Colas, a transferee admission body for admission to Merseyside Pension Fund. The Company has secured a Highway and Engineering Services contract from 1 April 2009 with Wirral Council.

Resolved - That the approval of the application for admission body status, received from Colas by the Director of Finance be noted.

99 **ADMISSION APPLICATION - ASSOCIATED CLEANING CONTRACTORS**

The Director of Finance submitted a report informing Pensions Committee of his decision taken under delegation, to approve the application received from Associated Cleaning Contractors, a transferee admission body for admission to Merseyside Pension Fund.

Resolved - That the approval of the application for admission body status received from Associated Cleaning Contractors by the Director of Finance be noted.

100 **VENTURE HOUSE NEWBURY**

The Director of Finance submitted a report informing Pensions Committee of the outcome of the recent tendering exercise in respect of reinstatement, repair and redecoration work to an industrial property located in Newbury which was owned by MPF as part of the direct property investment portfolio. The tendering exercise had been conducted on behalf of MPF by CB Richard Ellis (CBRE).

Resolved - That the acceptance of the lowest tender in the sum of £84,562.38 plus VAT be noted.

101 **MINUTES OF INVESTMENT MONITORING WORKING PARTY 25 FEBRUARY 2009**

The Director of Finance submitted the minutes of the Investment Monitoring Working Party held 25 February 2009.

Resolved – That the minutes be agreed.

102 **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR**

103 **RECLAMATION OF UK WITHHOLDING TAX**

The Director of Finance submitted a report informing Members of the engagement of KPMG by the Fund to assist in the recovery of UK withholding tax (WHT) suffered on Manufactured Overseas Dividend income arising from stocklending.

He reported that the claim could achieve substantial tax repayments and was supported by existing European Court of Justice and European Free Trade Association (ECJ/EFTA) case law.

Resolved

1. That the Fund's decision to engage KPMG to undertake the reclamation of WHT on MODs be noted.

2. That the Fund joining the GFA be agreed.

104 **VOTE OF THANKS**

The Chair reported that as this was the final Pensions Committee for the municipal year she wished to thank fellow members and officers for their help and support throughout the year.

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