

Pensions Committee

24 June 2008

<u>Present:</u>	Councillor	Ann McLachlan (Chair)	
	Councillors	George Davies R K Moon H Smith	F M Doyle S L Rowlands G C J Watt
<u>Deputies</u>	Councillors	J Hale	A Taylor
<u>Co-opted members</u>	Councillors	Anne Ibbs (Sefton) N Keats (Knowsley) G Pearl (St Helens)	
<u>Apologies</u>		Jayne Brown (Non District Council Employers)	

1 MINUTES

The Acting Monitoring Officer and Proper Officer submitted the minutes of the meeting held 31 March 2008 which were received by Council on 21 April 2008.

Resolved - That the minutes be received.

2 DECLARATIONS OF INTEREST

Members were asked to consider whether they had any personal or prejudicial interests in connection with any item(s) on the agenda and, if so, to declare them and state what they were.

No declarations were made.

3 APPOINTMENT OF VICE-CHAIR

The Pensions Committee was requested to appoint a vice chair.

Resolved - That Councillor Harry Smith be appointed vice chair of Pensions Committee.

4 AUDIT PLAN

Mike Thomas, District Auditor gave a detailed presentation to the committee on the Audit Plan 2008/09.

PENSIONS COMMITTEE - 24 JUNE 2008

The Director of Finance further submitted a report informing Members of the proposed planning arrangements underlying the statutory audit by the Audit Commission for the year 2008/09. He submitted a copy of the detailed plan prepared by the Audit Commission as an appendix to his report.

Resolved-

- 1. That the District Auditor be thanked for his presentation.**
- 2. That the report and plan be noted.**

5 MERSEYSIDE PENSION FUND ACCOUNTS: YEAR ENDED 31 MARCH 2008

The Director of Finance submitted a report and presented the accounts and financial statements which would in due course be contained in the Annual Report of Merseyside Pension Fund 2007/2008.

The accounts were required to be approved by the Pensions Committee prior to presentation to the Audit Commission.

Resolved - That the accounts and financial statements of Merseyside Pension Fund for the year ended 31 March 2008 be approved.

6 ISSUES FACING MERSEYSIDE PENSION FUND

The Director of Finance submitted a report informing Members of the principal issues facing Merseyside Pension Fund over the next twelve months.

Resolved - That the report be noted.

7 LGPS REFORM UPDATE

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

Resolved - That the report be noted.

8 INVESTMENT PERFORMANCE 2007 - 2008

The Director of Finance submitted a report outlining the investment performance of Merseyside Pension Fund for the year ended 31 March 2008 as reported by the WM Company.

PENSIONS COMMITTEE - 24 JUNE 2008

Resolved - That the investment performance of the Fund in the year ended March 2008 be noted.

9 ILL HEALTH REGULATIONS

The Director of Finance submitted a report informing Members of the latest information on ill health arrangements issued by the Department for Communities and Local Government (DCLG) on 16 and 22 April 2008.

Resolved - That the report be noted.

10 HM TREASURY CONSULTATION: UPDATING THE MYNERS PRINCIPLES

The Director of Finance submitted a report informing Members of a consultation paper received from HM Treasury regarding proposals to update the Myners principles and develop a comprehensive suite of authoritative best practice tools giving further assistance for pension fund trustees to improve investment decision-making and governance.

Resolved - That the response submitted to the consultation be noted.

11 FUTURE COST SHARING IN THE LGPS

The Director of Finance submitted a report informing Members of a response submitted to the Department for Communities and Local Government (DCLG) to the recent Consultation paper "Sustaining The Local Government Pension Scheme in England and Wales."

Resolved - That the report be noted.

12 REPRESENTATION ON OUTSIDE BODIES

The Director of Finance submitted a report requesting Pensions Committee to review positions held by Elected Members on external bodies on behalf of Merseyside Pension Fund.

Resolved -

1. That the resignation of former Councillor Susan Brown from the Executive of LAPFF and from the IIGCC be noted.

2. That the nomination of Councillor Ann McLachlan for election to the Executive of LAPFF be confirmed.

PENSIONS COMMITTEE - 24 JUNE 2008

13 **BANK SIGNATORIES**

The Director of Finance submitted a report seeking approval to amend the personnel nominated on the existing bank mandates with Royal Bank of Scotland and State Street, the Fund's Global Custodian, and to amend the limit at which an MPF cheque needs a second signature.

Resolved -

1. That the Royal Bank of Scotland, Liverpool, and State Street be authorised to accept cheques and other instructions on behalf of MPF signed in accordance with existing mandates by the following:-

Director of Finance Ian E. Coleman

Deputy Director of Finance David L. H. Smith

Head of IT Services John O. Carruthers

Head of Revenues, Benefits

and Customer Services Malcolm J. Flanagan

Head of Financial Services Thomas W. Sault

Head of Support Services Stephen J Rowley

Head of Change Jacqueline Roberts

Deputy Head of Pension Fund Peter G. Mawdsley

Financial Controller Gerard F. Moore

2. That the value at which MPF cheques require a second signature is increased from £5,000 to £10,000.

14 **JULY TRAINING EVENT**

The Director of Finance submitted a report reminding Members of the training event at the Cunard Building arranged for 1 July 2008.

Resolved - That the report be noted.

PENSIONS COMMITTEE - 24 JUNE 2008

15 THE LGPS TRUSTEES CONFERENCE

The Director of Finance submitted a report requesting that Pensions Committee consider attendance for members at the LGPS trustees conference organised by the Local Government Employers to be held in Cardiff on 23 and 24 October 2008.

Resolved -

1. That members submit their intention to attend the conference to the Director of Finance.

2. That the matter of attendance for Wirral members be submitted to Cabinet as an approved duty.

15 LOCAL GOVERNMENT CHRONICLE INVESTMENT CONFERENCE

The Director of Finance submitted a report requesting Pensions Committee to consider if it wished to be represented at the Local Government Chronicle (LGC) Investment Conference to be held in Newport on 3 to 5 September 2008.

Resolved -

1. That Councillors; Ann McLachlan (Chair), Bill Duffey(Spokesperson) and Tom Harney(Spokesperson) be nominated to attend the conference.

2. That the matter of attendance be referred to Cabinet as an approved duty.

16 TREASURY MANAGEMENT ANNUAL REPORT

The Director of Finance submitted his annual report on Treasury Management for the 2007/08 financial year which complies with the reporting requirements of the Code of Practice for Treasury Management in Local Authorities.

Resolved - That the report be noted.

17 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved - That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act.

PENSIONS COMMITTEE - 24 JUNE 2008

18 **PRIVATE EQUITY STRATEGY 2008-2011**

The Director of Finance submitted a report recommending that Members note an investment programme for private equity for the period 2008-2011.

Resolved -

1. That Members note the Private Equity programme and that it is subject to changes in circumstance.

2. That Officers continue to report progress on private equity programme to IMWP, quarterly, and Pensions Committee on an annual basis.

19 **ADMISSION BODY APPLICATION – TAYLOR SHAW CATERING, TOWNFIELD PRIMARY SCHOOL, OXTON, BIRKENHEAD**

The Director of Finance submitted a report informing Members of a decision taken under delegated powers, to approve the application received from Taylor Shaw Catering for admission to the Merseyside Pension Fund. He reported that the Company was a contractor which took on the catering services at Townfield Primary School, Oxtton, Birkenhead with effect from 1 April 2007.

Resolved - That the approval of the application for admission body status, received from Taylor Shaw Catering, be noted

20 **ADMISSION BODY APPLICATION – LIBERATA (UK)**

The Director of Finance submitted a report informing Members of a decision taken under delegated powers, to approve the application received from Liberata (UK) for admission to the Merseyside Pension Fund. The Company was a contractor which took on the Local Government Association financial, HR, facilities management and print and design services, with effect from 1 May 2008.

Resolved - That Members the approval of the application for admission body status, received from Liberata (UK) be noted.

21 **ADMISSION BODY APPLICATION – LIVERPOOL VISION.**

The Director of Finance submitted a report informing Members of a decision taken under delegated powers, to approve the application received from Liverpool Vision, for admission to the Merseyside Pension Fund. The newly formed Company had taken over provision of services from Liverpool City Council and from the existing Liverpool Vision admission body, with effect from 1 May 2008

Resolved - That the approval of the application for admission body status, received from Liverpool Vision be noted.

PENSIONS COMMITTEE - 24 JUNE 2008

22 **REFURBISHMENT AT 135/141 CANNON STREET, LONDON**

The Director of Finance submitted a report requesting acceptance by Pensions Committee of the second lowest tender in respect of reinstatement, repair and redecoration work to a property in London which is 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), property managing agents, who were recommending acceptance of the second lowest tender.

Resolved - That the second lowest tender for refurbishment at 135/141 Cannon Street, London be accepted.

23 **REFURBISHMENT - CUNARD BUILDING, LIVERPOOL**

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 the Cunard Building Liverpool which is owned by MPF as part of the direct property investment portfolio. The tendering exercise was conducted on behalf of MPF by CB Richard Ellis (CBRE), property managing agents.

Resolved - That acceptance of the lowest tender in the sum of £358,356 plus VAT from Jennor (UK) for refurbishment at the Cunard Building, Liverpool be noted.

24 **MINUTES OF THE INVESTMENT MONITORING WORKING PARTY – 16 APRIL 2008 AND 4 JUNE 2008**

The Director of Finance submitted the minutes of the Investment Monitoring Working Party meetings held 16 April 2008 and 4 June 2008.

Resolved - That the minutes be agreed.

25 **MANAGEMENT OF EXTERNAL ACTIVE UK EQUITIES**

The Director of Finance submitted a report informing Members of the progress of the procurement of external active investment managers for UK equities.

Resolved - That the tender assessment procedure be agreed.

26 **MANAGEMENT OF EXTERNAL ACTIVE EUROPEAN EQUITIES**

The Director of Finance submitted a report informing Members of the progress of the procurement of external active investment managers for European equities.

Resolved - That the tender assessment procedure be agreed.

PENSIONS COMMITTEE - 24 JUNE 2008

27 **WESTMINSTER COUNCIL SHARED SERVICES**

The Director of Finance reported that he had withdrawn this report from the agenda.

28 **REFURBISHMENT AT CASTLE CHAMBERS BUILDING LIVERPOOL**

The Director of Finance submitted a report updating Members regarding three separate tender exercises in respect of reinstatement and improvement works at Castle Chambers, Liverpool, which is both owned and occupied by MPF as part of the direct property investment portfolio. He reported that two tender processes were now complete, and appropriate approval was being sought from the Pensions Committee.

He reported that the tendering exercises were being conducted on behalf of Merseyside Pension Fund by CB Richard Ellis (CBRE), property managing agents.

Resolved -

- 1. That the the lowest tender of £1,327,761.50 plus VAT from Morris and Spottiswood for internal refurbishment of Castle Chambers Liverpool be accepted.**
- 2. That the acceptance of the lowest tender of £133,113.55 plus VAT from Rubax Lift for Lift refurbishment be noted.**
- 3. That the Chair of Pensions Committee be authorized to accept the tender for the windows installation which is expected to be received shortly.**

29 **CHANGE OF START TIME FOR THE PENSIONS COMMITTEE**

At its last meeting a number of members recommended that Pensions Committee should commence at 6pm as an alternative to the current start time which is 6.15pm.

Resolved -

- 1. That all briefings for Pensions Committee commence at 16.30pm.**
 - 2. That Pensions Committee commence at 18.00pm for all future meetings.**
-