

**MINUTES OF A MEETING OF THE PENSIONS AND INVESTMENT COMMITTEE
HELD AT COUNTY HALL, LLANDRINDOD WELLS
ON THURSDAY 7TH FEBRUARY 2013**

PRESENT: County Councillor A.G. Thomas (Chairman)

County Councillors P.J. Ashton, E.A. Jones, T.G. Turner and G.P. Vaughan

In attendance: Rachel Hammonds and Hannah Coleman of AON Hewitts.

1.	APOLOGIES	PIC1 – 2013
-----------	------------------	--------------------

Apologies for absence were received from John Steadman, the employers' representative.

2.	DECLARATIONS OF INTEREST	PIC2 – 2013
-----------	---------------------------------	--------------------

County Councillors P.J. Ashton, E.A. Jones, A.G. Thomas, T.G. Turner and G.P. Vaughan and declared interests as members of the Local Government Pension Scheme.

3.	MINUTES	PIC3 – 2013
-----------	----------------	--------------------

The Chairman was authorised to sign the minutes of the meeting held on 6th December 2012 as a correct record.

4.	COLEG POWYS	PIC4 – 2013
-----------	--------------------	--------------------

The Committee considered the consequences of the proposed merger of Coleg Powys with Neath Port Talbot College on the Pensions Fund.

RESOLVED	Reason for Decision:
<p>To authorise the use of approach B on the basis of advice received from the Pension Fund Actuary, ie that Coleg Powys/Neath Port Talbot College should apply to the Secretary of State for a direction to substitute the Swansea Pension Fund for the Powys Pension Fund in respect of all Coleg Powys members of the Powys Pension Fund including deferred and pensioner members, in accordance with Schedule 4 (2A) and (2B) of the Local Government Pension Scheme (Administration) Regulations 2008.</p>	<p>As per report</p>

5.	CAREERS CHOICES DEWIS GYFRA LTD	PIC5 – 2013
-----------	--	--------------------

The Committee noted that with effect from 1st April 2013 a new company would take over responsibility for the provision of Careers Services in Wales from the current 6 regional providers. A novation agreement had been signed to ensure that transferring staff's pension rights continued to be provided within the LGPS.

RESOLVED	Reason for Decision
That the report be noted.	As per report

6.	COUNCILLORS' PENSIONS	PIC6 – 2013
-----------	------------------------------	--------------------

The Committee noted a statement from the Parliamentary Under-Secretary of State for Communities and Local Government, Brandon Lewis MP that the Government does not agree with the provision of the Local Government Pension Scheme for councillors and that, subject to consultation, it is proposed to remove access to the LGPS for councillors from 1st April 2014 with no further accrual from this date and protection for accrued rights for those councillors who are already members of the scheme.

The Committee felt that this would be a backward step and that it would do nothing to encourage democratic participation, particularly from people trying to combine council service with a career. The Committee asked for the report to be sent to all members of Council.

RESOLVED	Reason for Decision
The Chair of the Committee be authorised to write to the Under-Secretary of State setting out the Committee's opposition to the proposal.	Withdrawing Councillors' pensions will act as a disincentive to people putting themselves forward for election.

7.	PUBLIC SERVICE PENSIONS BILL	PIC7 – 2013
-----------	-------------------------------------	--------------------

The Committee received the report setting out the main provisions of the draft Public Services Pension Bill.

RESOLVED	Reason for Decision:
To note that a further paper will be prepared in due course.	As per report

8.	LOCAL GOVERNMENT PENSION SCHEME (MISCELLANEOUS) REGULATIONS 2012	PIC8 – 2013
-----------	---	--------------------

The Committee received the report setting out the amendments introduced by the Local Government Pension Scheme (Miscellaneous) Regulations 2012 which had come into force on 1st October 2012.

RESOLVED	Reason for Decision
That the report be noted.	As per report

9.	LGPS 2014 – DRAFT REGULATIONS	PIC9 – 2013
-----------	--------------------------------------	--------------------

The Committee was advised that the Pensions Manager had responded to the consultation on the new Local Government Pension Scheme 2014 via the Pension Officers' group he served on.

RESOLVED	Reason for Decision
That the report be noted.	As per report

10.	LGPS 2014 – SHADOW PENSIONS BOARD	PIC10 – 2013
------------	--	---------------------

The Committee received the report on the creation of a shadow pensions board. It was anticipated that the WLGA would be invited to join on behalf of Welsh authorities administering pension funds.

RESOLVED	Reason for Decision
That the report be noted.	As per report

11.	SUPPORTED LIVING SERVICE TRANSFERS	PIC11 – 2013
------------	---	---------------------

The Committee noted that staff employed in the Supported Living Service had been transferred under TUPE arrangements to a company and that staff would be eligible to remain in the LGPS through an admission agreement with the company.

RESOLVED	Reason for Decision
That the report be noted.	As per report

12.	GOVERNANCE POLICY STATEMENT FOR THE POWYS COUNTY COUNCIL PENSION FUND	PIC12 – 2013
------------	--	---------------------

This item was withdrawn and would be reported to the next meeting.

13.	CONFIDENTIAL MATTERS	PIC13 – 2013
------------	-----------------------------	---------------------

RESOLVED to exclude the public for the following items on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

14.	QUARTERLY INVESTMENT REPORT	PIC14 – 2013
------------	------------------------------------	---------------------

The Committee received the Aon Hewitt report for the quarter to 31 December 2012. The fund had grown from £377m to £388m in the quarter with all managers with the exception of Aviva Investors outperforming their benchmarks. It was agreed to invite them to the next meeting.

15.	MEDIUM TERM ASSET ALLOCATION UPDATE	PIC15 – 2013
------------	--	---------------------

The Committee was advised that the Fund's performance since the inception of the Medium Term Asset Allocation project on 1 March 2011 to the end of December 2012 was 10.8% compared to the benchmark of 11.0%. This meant that no performance fee was due to Aon Hewitt. The MTAA had increased the value of the Fund by £3.45m. Aon Hewitt recommended adding the Emerging Markets Debt Fund to the MTAA as yields were so low in Europe and the USA. It was agreed to put this on the agenda for the next meeting.

16.	AUTHORISED SIGNATORIES	PIC16 – 2013
------------	-------------------------------	---------------------

RESOLVED that the revised list of authorised signatories for bank and financial transactions in respect of the Powys County Council Pension Fund be approved.

The Chairman agreed that the following matter could be dealt with as a matter of urgency in light of press reports regarding a Wales Audit Office report on the Swansea pension fund. Members were advised that there had to be separate bank

accounts for pension fund transactions and council transactions. This was the case with the Powys Pension fund but further advice was being sought from WAO.

It was agreed to arrange a further meeting before the end of February to consider the potential benefits of collaboration between the 8 Welsh pension funds.

A.G. THOMAS
CHAIR