

Minutes

PENSION FUND CONSULTATIVE GROUP

MINUTES OF THE MEETING OF THE PENSION FUND CONSULTATIVE GROUP HELD ON THURSDAY 15 MARCH 2012, IN MEZZANINE ROOM 3, COUNTY HALL, AYLESBURY, COMMENCING AT 10.03 AM AND CONCLUDING AT 10.37 AM.

MEMBERS PRESENT

Mr F Downes, Pension Fund Committee Representative (Chairman)
Mrs J Eubank, Employee Representative
Ms T Pearce, Chiltern District Council Representative
Ms L Turvey, Admitted Body Representative - Fremantle Trust
Mr M Chard, Employee Representative
Mr G Waghorn, Milton Keynes Council
Ms J Edwards, BCC Finance Representative
Mr I Thompson, Thames Valley Police

OFFICERS PRESENT

Mr C Thompson, Principal Pensions Officer
Mrs M Keyworth, Democratic Services Officer
Mrs E Wheaton, Democratic Services Officer (Observer)

AGENDA ITEM

1. APOLOGIES / CHANGES IN MEMBERSHIP

Members were informed that Chris Daltry has replaced Ann Cobban as the People and Places Representative.

Apologies were received from Chris Daltry, Stuart Cox and Mark Preston.

Members were also informed that Liz Wheaton would be taking over as Clerk to the meeting. The Chairman, on behalf of the Group, thanked Maureen Keyworth for her support to the meeting in the past years.



INVESTOR IN PEOPLE



2. MINUTES

The minutes of the meeting held on 1 December 2011 were agreed as a true record.

3. UPDATE ON LGPS REFORM

At the last meeting in December, members discussed the proposals for the LGPS contained in the consultation, which were due to come into effect in April 2012. These proposals would only be in place for three years until the new Scheme came into force in April 2015.

Since that meeting, the LGA wrote to the Chancellor, expressing concern regarding the impact of the increase in contributions and the possibility of an increase in opt outs. In January 2012 Government announced that a proposed way forward for reform of the LGPS had been agreed. A single solution to long and short term issues would be addressed by the early introduction of the new Scheme in April 2014. The new Scheme would include proposals for the pension being based on career average earnings and zero increase in employee contributions for all or most members. Retention of members would be encouraged by offering a flexible retirement option. It was hoped that this would be agreed by April 2012 with the new regulations being put in place by 31 March 2013.

It was noted that the Pension Fund Committee would be submitting their comments on the new proposal. It was hoped that because the LGA was involved further discussions would be less contentious and the Chairman said he was pleased that there was Union involvement.

It was also noted that there had not been much press coverage regarding the new proposal but the DCLG had attended discussions.

There would be protection for current members for up to 10 years before retirement and members would have protection for benefits accrued up to 2015

A member asked whether there had been any suggestions for combining Pensions, i.e. a South East Fund. The Pensions and Investments Manager said that this had been discussed and there was a proposal for five super funds, but currently this had not been progressed. It would be difficult to manage because of local accountability. There had been similar discussions in Wales and Scotland, but they had pulled back.

The Pension Fund Consultative Group commented on the proposals

4. ADMINISTRATION TEAM PERFORMANCE

Members received the report from the Service Director (Finance & Commercial Services). The following was noted:

- Since the last meeting of the group the number of tasks being completed over target has consistently remained below 1.5%.
- In November 2011 36 new deaths were notified and letters to the next of kin or persons dealing with the estate of the deceased, were sent out the same day notification was received.
- Also in November 149 estimates of benefits were calculated, of these 54 related to redundancy and only two were calculated outside the target time.
- During the reporting period there were 3,500 new starters and 2,500 leavers. The

breakdown of these statistics was contained in the report attached to the agenda.

The Group was asked to note there would be an employer training day on 30 April. Details of the day would be contained in the newsletter and all employers were encouraged to send a representative.

In answer to a member's question about how many people were in the Administration Team, it was noted there were approximately 15 members of staff dealing with the day to day administration. The Chairman considered this was not a large number of people considering the amount of work undertaken.

5. DATE OF NEXT MEETING

The next meeting of the Pension Fund Consultative Group will be held on 6 December 2012 at 10.00am in Mezzanine Room 2.

The Chairman asked the members about the content of the meetings and whether there were any other issues they wished to discuss. A member suggested issues around the year end close down. It was noted that this would be covered at the Employer Training Day.

6. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

7. CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 1 December 2012 were agreed as a correct record.

8. FUND MANAGERS' PERFORMANCE

Members received the report of the Pensions and Investments Manager which gave a breakdown of how the Pension Fund performed during the quarter ending 31 December 2011.

The Pension Fund Consultative Group noted the performance of the Pension Fund's fund managers for the fourth quarter of 2011, ending 31 December 2011 and commented as appropriate.

CHAIRMAN