

PENSION COMMITTEE

MINUTES of a meeting of the Pension Committee held at Committee Room, County Hall, Lewes on 31 May 2016.

PRESENT Councillors Richard Stogdon (Chair) Councillors Frank Carstairs, Bob Standley and David Tutt

LEAD MEMBERS Councillor David Elkin

ALSO PRESENT

Marion Kelly, Chief Finance Officer
Ola Owolabi, Head of Accounts and Pensions
Wendy Neller, Pensions Strategy and Governance Manager
John Shepherd, Finance Manager (Pension Fund)
Brian Smith, Regional Operations Manager
Jason Bailey, Pension Services Manager
William Marshal, Hymans Robertson
Paul Potter, Hymans Robertson
William Bourne, Independent Adviser
Harvey Winder, Democratic Services Officer

1 MINUTES

1.1 The Committee RESOLVED to agree the minutes of the meeting held on 15 March 2016 as a correct record.

2 APOLOGIES FOR ABSENCE

2.1 There were no apologies for absence.

3 DISCLOSURE OF INTERESTS

3.1 Cllr Stogdon declared a personal interest in items 7 & 8 as a trustee of funds operated by Ruffer.

4 URGENT ITEMS

4.1 The Chair raised the issue of moving the start time of the Committee back to 10:00am for the 8 September 2016 meeting onwards.

4.2 The Committee RESOLVED to agree this proposal.

5 PENSION BOARD MINUTES

5.1 The Committee considered the draft minutes of the Pension Board meeting held on 12 May 2016.

5.2 The Committee RESOLVED to note the draft minutes.

6 LOCAL GOVERNMENT PENSION SCHEME (LGPS) INVESTMENT POOLING

6.1 The Committee considered a report by the Chief Operating Officer providing an update on the Government's requirement for Local Government Pension Scheme (LGPS) funds to pool investments.

6.2 The Committee raised concerns about:

- whether the ACCESS pooled fund managers would perform as well as the East Sussex Pension Fund (ESPF);
- the complexity in holding poorly performing investment managers to account under the new system;
- the delays in being able to pool the property portfolios of the separate pension funds ;
- being responsible for the performance of the ESPF – as the Pension Committee – but not having sufficient influence over the appointment of fund managers.

6.3 The Committee RESOLVED to:

- 1) note the report and its appendices;
- 2) authorise the Chief Operating Officer, in consultation with Chair of the Pension Committee, to submit the refined, detailed response of the East Sussex Pension Fund and ACCESS Pool to the Government by 15 July 2016; and
- 3) communicate any significant changes to the submission to the rest of the Committee, Chair of the Pension Board, and independent advisor, prior to submission on 15 July 2016.

7 QUARTERLY PERFORMANCE REPORT - HYMANS ROBERTSON

7.1 The Committee considered two presentations by Hymans Robertson on:

- the performance of fund managers during the first quarter of 2016.
- the Rebalancing Policy for East Sussex Pension Fund (ESPF).

7.3 The Committee RESOLVED to agree to the proposed rebalancing of the ESPF in accordance with the proposals presented by Hymans Robertson.

8 FUND PERFORMANCE - RUFFER (ABSOLUTE RETURN)

8.1 The Committee considered a presentation from the fund manager Ruffer on their fund performance.

9 REPORTING BREACHES POLICY AND PROCEDURE

9.1 The Committee considered a report by the Chief Operating Officer on the Reporting Breaches Policy.

9.2 The Committee RESOLVED to agree the Reporting Breaches Policy.

10 DISCRETIONARY POLICY STATEMENT

10.1 The Committee considered a report by the Chief Operating Officer providing an update on the Local Government Pension Scheme (LGPS) discretions for the administering authority and employers.

10.2 The Committee RESOLVED to note the report.

11 DRAFT PENSION FUND ANNUAL REPORT - 2015/16

11.1 The Committee considered a report by the Chief Operating Officer on the East Sussex Pension Fund's draft 2015/16 Annual Report.

11.2 The Committee resolved to note the East Sussex Pension Fund's draft 2015/16 Annual Report.

12 EXTERNAL AUDIT PLAN FOR EAST SUSSEX PENSION FUND 2015/16

12.1 The Committee considered a report by the Chief Operating Officer on the Pension Fund external audit plan for 2015/16.

12.2 The Committee RESOLVED to approve the Pension Fund external audit plan for 2015/16.

13a OFFICERS' REPORT - BUSINESS OPERATIONS

13a.1 The Committee considered a report by the Chief Operating Officer updating it on the work of Orbis Business Operations.

13a.2 The Committee resolved to:

- 1) Note the report and its appendices;
- 2) request that Orbis Business Operations maintains RAG ratings for its new KPIs; and
- 3) request to be consulted on the proposed KPIs at a future date.

13b OFFICERS' REPORT - GENERAL UPDATE

13b.1 The Committee considered a report by the Chief Operating Officer providing a general update on issues involving the East Sussex Pension Fund.

13b.2 The Committee RESOLVED to note the report.

14 PENSION FUND COMMITTEE FORWARD PLAN 2016/17

14.1. The Committee considered a report by the Chief Operating Officer setting out the Committee's proposed Forward Plan for 2016/17.

14.2 The Committee RESOLVED to note the updated Pension Committee Forward Plan, Pension Board Forward Plan, Training Log, and the Joint Training date.

The meeting ended at 2.13 pm.

Councillor Richard Stogdon
Chair