

AT A MEETING of the PENSION FUND PANEL of the County Council held at The Castle, Winchester on Thursday 9 July 2015.

Chairman:
p Councillor M. Kemp-Gee

Councillors:

p C. Carter	p P. Latham
p C. Connor	p T. Rolt
p A. Gibson	p B. Tennent
a A. Joy	p T. Thacker

Co-opted members:

p Councillor P. Giddings (Test Valley Borough Council)
a Councillor H. Mason (Portsmouth City Council)
a Councillor M. Chaloner (Southampton City Council)
p Dr C. Allen (pensioners' representative)
p Mr P. Reynolds (employee representative)

Independent Adviser:

p C. Dobson

163. **BROADCASTING ANNOUNCEMENT**

The Chairman announced that the press and members of the public were permitted to film and broadcast the meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording for broadcasting purposes.

164. **APOLOGIES FOR ABSENCE**

Councillors Joy, Mason and Chaloner gave their apologies.

165. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

166. **CONFIRMATION OF MINUTES**

The minutes of the meeting held on 19 June 2015 were confirmed with corrections to the numbering and recording Councillor Leek as present at the meeting.

167. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman thanked the Panel members for their attendance at the internal training event held on 3 July 2015 and commented that it was an excellent session.

168. **INTERNAL AUDIT REPORT & OPINION 2014-15**

The Panel considered a report of the Director of Corporate Resources (item 5 in the Minute Book) providing the Pension Fund Panel with the Chief Internal Auditor's opinion on the adequacy and effectiveness of internal control of the Pension Fund. The Chief Internal Auditor's opinion was that 'substantial assurance' can be placed on the County Council's framework of control for the Pension Fund.

RESOLVED:

- (a) That the Chief Internal Auditor's annual report and opinion statement for 2014/15 was accepted.

169. **PENSIONS ADMINISTRATION UPDATE**

The Panel considered and noted a report of the Director of Corporate Resources (item 6 in the Minute Book) giving an update on the administration of the Pension Fund. The Panel noted that there had been a dip in performance, as measured by Pension Services' service standards, following the migration to a new system. During this difficult time priority had been given to ensuring the pension payments were made on time. Now that the new system is fully operational, workloads are reducing and some of the efficiencies of the new system are being felt.

Pension Services have held the Customer Service Excellence (CSE) standard since 2009, and retained the award following a three year full assessment in 2015.

170. **PENSION FUND CASH – ANNUAL REPORT FOR 2014/15**

The Panel considered a report of the Director of Corporate Resources (Item 7 in the Minute Book) which summarised the activities of the Director in managing the Pension Fund's cash balance during 2014/15. The Panel had agreed an Annual Investment Strategy earlier in the year

and the cash balance had been managed in accordance with that Strategy throughout the year. The cash balance at 31 March 2015 was £50.6m.

RESOLVED:

That the outturn report on the Pension Fund's cash management in 2014/15 be approved.

171. **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED:

That the public be excluded from the meeting during the following items of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraphs 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

172. **PENSION FUND CASH – ANNUAL REPORT FOR 2014/15 – EXEMPT APPENDIX**

The Panel noted an exempt Appendix from the Director of Corporate Resources (Item 9 in the Minute Book) concerning the management of the Pension Fund's cash balance in 2014/15. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

173. **MINUTES OF PREVIOUS MEETING HELD ON 19 June 2015 (EXEMPT APPENDIX)**

The exempt minutes of the meeting held on 19 June 2015 were confirmed.

174. **INVESTMENT UPDATE INCLUDING RECENT PERFORMANCE RETURNS**

The Panel considered the exempt report from the Director of Corporate Resources (Item 11 in the Minute Book) updating the Panel about the progress of the Pension Fund's investments. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

175. **PROPERTY PORTFOLIO UPDATE**

The Panel considered the exempt report from the Director of Corporate Resources (Item 12 in the Minute Book) updating the Panel about the

Pension Fund's property investments. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]