

KENT COUNTY COUNCIL

SUPERANNUATION FUND COMMITTEE

MINUTES of a meeting of the Superannuation Fund Committee held in the on Friday, 8 February 2013.

PRESENT: Mr J E Scholes (Chairman), Cllr J Burden, Mr D C Carr, Mr P Clokie, Mr J A Davies, Ms J De Rochefort, Ms A Dickenson, Mr N Eden Green, Mr P J Homewood, Mr M J Jarvis, Mr J F London, Mr R A Marsh, Mr R J Parry, Mr S Richards and Mrs M Wiggins.

ALSO PRESENT: Miss S Carey

IN ATTENDANCE: Mr A Wood (Corporate Director of Finance and Procurement), Mr N Vickers (Head of Financial Services), Ms A Mings (Treasury & Investments Manager), Ms S Surana (Senior Accountant - Investments), Mr S Tagg (Deputy Pensions Manager), Mrs A Hunter, Principal Democratic Services Officer.

UNRESTRICTED ITEMS

57. Minutes of the meeting held on 16 November 2012

(Item A3)

RESOLVED that the minutes relating to the unrestricted items of the meeting held on 16 November 2012 are correctly recorded and that they be signed by the Chairman.

EXEMPT ITEMS (OPEN ACCESS to Minutes)

RESOLVED that, under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

58. Exempt Minutes of the meeting held on 16 November 2012

(Item C1)

RESOLVED that the minutes relating to the unrestricted items of the meeting held on 16 November 2012 are correctly recorded and that they be signed by the Chairman

59. Invesco

(Item C2 – Mr W Deer and Mr H Ferrand from Invesco Perpetual were in attendance for this item)

Mr Deer and Mr Ferrand gave an update on the Invesco fund and answered Members' questions.

60. Fund Structure

(Item C3 - Report of the Chairman of the Superannuation Fund Committee and the Corporate Director of Finance and Procurement)

- (1) Mr Vickers introduced the report covered a range of issues relating to the management of the Fund.
- (2) **RESOLVED** to note the report.

61. Infrastructure Investment

(Item D1 - Report of the Chairman of the Superannuation Fund Committee and the Corporate Director of Finance and Procurement.

- (1) Mr Vickers introduced the report set out the key issues around Pension Fund investment in infrastructure and related assets.
- (2) Concerns about the potential returns on investment in housing were raised and there was general agreement that any such investments should focus primarily on providing a return for the superannuation fund. In response to a question Mr Vickers said that early exploratory discussions had started with fund managers and a report would be submitted to this Committee in due course.
- (3) Proposed by Mr Davies and seconded by Mr Marsh that the criteria be amended to ensure that there is a viable exit strategy.
- (4) Following discussion it was agreed to amend the recommendations to say that any future approach to infrastructure investing needs to meet, as a minimum, the criteria set out in paragraph 17 of the report and include a viable exit strategy.
- (5) **RESOLVED:**
 - (a) To note the report
 - (b) That any future approach to Infrastructure investing needs to meet, as a minimum, the criteria set out in paragraph 17 of the report subject to the addition of the words “and viable exit strategy” to the last criterion.

62. Pension Administration 6 Month Update

(Item D2 - Report of the Chairman of the Superannuation Fund Committee and the Corporate Director of Finance and Procurement. Patrick Luscombe, Pensions Manager was in attendance for this item)

- (1) The report provided members with a comprehensive update of administration issues including: workload position; achievements against Key Performance Indicators (KPIs); automatic enrolment; fraudulent overpayment cases; framework tender; annual benefit illustrations and CIPFA benchmark survey 2012.
- (2) **RESOLVED** to note the contents of the report.

63. LGPS - Consultation Response

(Item D3 - Report of the Chairman of the Superannuation Fund Committee and the Corporate Director of Finance and Procurement. Patrick Luscombe, Pensions Manager was in attendance for this item)

- (1) This report provided members with the proposed response, to the Department for Communities and Local Government (DCLG) consultation paper relating to the proposed reforms of the Local Government Pension Scheme 2014.
- (2) **RESOLVED** to note the content of the report and endorse the proposed response to the formal consultation presented by the DCLG

64. Application for Admission to the Fund

(Item D4 - Report by the Chairman of the Superannuation Fund Committee and the Corporate Director of Finance and Procurement. Steve Tagg, Deputy Pensions Manager was in attendance for this item)

- (1) The report set out details of applications to join the Pension Fund and a potential admission application relating to Tonbridge and Malling Borough Council's leisure centres and golf centre.
- (2) **RESOLVED:**
 - (a) To admit Medway Community Health Care CIC to the Kent County Council Pension Fund.
 - (b) To admit the successful bidder(s) for the Linked Services Contract(s) to the Kent County Council Pension Fund.
 - (c) To admit the successful bidder for the Maidstone Borough Council Hazlitt Arts Centre contract to the Kent County Council Pension Fund.
 - (d) To admit Caterlink Ltd to the Kent County Council Pension Fund
 - (e) To agree in principle that the admission agreement made by the trust, established by Tonbridge and Malling Borough Council relating to the leisure centres and golf centre, provides for a guarantee from Tonbridge and Malling Borough Council, and any formal application for admission is subject to a further decision by this Committee
 - (f) That once legal agreements have been prepared for the matters at (a) – (d) above, the Kent County Council seal can be affixed to the legal documents.