

Investment and Engagement Sub-Committee

Actions and Agreements 2nd May 2014

Item

1. Introductions and apologies

Ian Greenwood - LAPFF (Chair)
Brian Strutton – GMB
Colin Meech - UNISON
Cllr John Fuller - LGA
Cllr Peter Brayshaw - LAPFF (*substituting for Cllr Kieran Quinn*)
Nigel Keogh – CIPFA (*substituting for Graeme Russell*)
Emelda Conroy - UCEA
Geik Drever - CIPFA
Peter Morris – Practitioners
Bob Claxton - Practitioners
Rodney Barton - Practitioners
Bob Holloway – DCLG
Linda Selman - Hymans Robertson
Colin Cartwright - Aon Hewitt
Andy Farrington - Mercer (*substituting for Jo Holden*)
Jeff Houston - LGA (Secretariat)
Con Hargrave - LGA (Secretariat)

Apologies – Graeme Russell - CIPFA, Cllr Kieran Quinn - LAPFF, Martin Clift - Unite, Alison Hamilton - Barnett Waddingham, Jo Holden - Mercer, Nick Buckland - ALAT

2. Actions and Agreements from 7th January 2014

Agreed - All items confirmed as undertaken or on the agenda for the meeting. The Secretariat met with the Law Commission in January, and the Commission will be making recommendations to the Government on fiduciary duty in pension institutions in June.

3 Draft Nigel Giffin QC opinion of 8th April 2014

Action – Secretariat to send the UNISON legal opinion to Counsel for his consideration.

Agreed - Secretariat to draft and distribute to the sub-committee a question for Counsel on the risks to the LGPS given the different opinions that exist with respect of the ultimate guarantor of the Scheme.

Action – Counsel to be asked about the application of the draft IORP2 in the LGPS and any impacts this would have on the matters which the sub-

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committee has already raised

Agreed - Following the additional questions and clarifications being sought from Counsel, no further advice should be sought by the sub-committee prior to this matter being discussed at Board level.

4. LAPFF Engagement paper

Agreed – Whilst member views do feedback into LAPFF work through local pensions committees, LAPFF are open to a more systematic means of member representation within its organisational structures.

Action - LAPFF to review how the representation of fund members within its structures can best be achieved.

Agreed - Scheme regulations could reasonably require engagement responsibilities for each LGPS pension fund.

Action - Secretariat to propose to DCLG a form of wording which would mandate engagement responsibilities on all LGPS funds.

5. Establishment of Municipal Bonds Agency (MBA)

Agreed - Meeting to be arranged between fund practitioners and the LGA Municipal Bonds Agency team to establish the potential role and usage of such an Agency for the LGPS.

Action – Secretariat to distribute to the sub-committee the full MBA Business Case.

6. AOB

Action - AON Hewitt to send the Secretariat details of the AON Hewitt/ Cass Business School research into passive investment for onward distribution to the sub- committee.

7. Date of next meeting

Thurs 31st July 11am - 1pm
Conference rooms 3 & 4, Local Government House
Smith Square, London, SW1P 3HZ