

ITEM NO: 3(b)

GREATER MANCHESTER PENSION FUND MANAGEMENT PANEL

1 July 2011

Commenced: 10.15am

Terminated: 12.30pm

Present: Councillor K Quinn (Chair)

Councillors: Buckley, Cooney, J Fitzpatrick, Harrison, J Lane, Middleton, Pantall (Stockport), Pennington (Salford), Sullivan, Sweeton and Whitley.

Apologies for absence: Councillors Ambler, Smith, Ricci, Taylor, Baldwin (Wigan), Mitchell (Trafford), White (Bolton) and Lone (Manchester).

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. CHAIR'S OPENING REMARKS

The Chair welcomed everyone to the meeting and introduced new Members, Councillor Grimshaw representing Bury Council and Councillor Houle, representing Oldham Council.

3. MINUTES

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 4 March 2011 were signed as a correct record.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 4 March 2011 were signed as a correct record.

4. LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

(a) Urgent Items

The Chair announced that there were no urgent items for consideration at this meeting.

b) Exempt Items

RESOLVED

That under Section 100 (A) of the Local Government Act 1972 the public be excluded for the following items of business on the grounds that:

- (i) they involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the act specified below; and
- (ii) in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information for reasons specified below:

<u>Items</u>	<u>Paragraphs</u>	<u>Justification</u>
7, 10, 11, 12, 14, 15, 16, 17, 18, 19, 21	3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 1&10, 3&10	Disclosure would or would be likely to prejudice the commercial interests of the Fund and/or its agents, which could in turn affect the interests of the beneficiaries and/or tax payers.

5. INFORMATION SERVICES WORKING GROUP

The Minutes of the proceedings of the Information Services Working Group held on 8 April 2011 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

6. ETHICS AND AUDIT WORKING GROUP

The Minutes of the proceedings of the Ethics and Audit Working Group held on 8 April 2011 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

7. ALTERNATIVE INVESTMENTS WORKING GROUP

The Minutes of the proceedings of the Alternative Investments Working Group held on 15 April 2011 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

8. PROPERTY WORKING GROUP

The Minutes of the proceedings of the Alternative Investments Working Group held on 15 April 2011 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

9. ADDITIONAL WORKING GROUP

The Chair proposed that an additional Working Group be created in order to consider options for pursuing business development opportunities.

He suggested the composition of the Working Group as follows:

Councillor Quinn (Chair), Councillor Smith, Councillor Middleton, Councillor Harrison, Councillor Cooney, Councillor Taylor, Councillor Pantall and a Union/Employee Representative.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

10. 1 ST PETER'S SQUARE – ADDITIONAL INVESTMENT

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

11. APPOINTMENTS

RECOMMENDED

That membership of the Greater Manchester Pension Fund Working Groups for the Municipal Year 2011/12 be as follows:

<u>Working Group</u>	<u>Membership</u>
Ethics and Audit	Councillors: Middleton (Chair), Ambler, Lone, Mitchell, Pantall, Grimshaw, Harrison, Sullivan, White, Messrs: Llewellyn, and Mulryan
Information Services	Councillors: P Harrison (Chair), Grimshaw, Lone, Middleton, Pantall, Lambert, White, Messrs: Fraser and Rayner
Alternative Investments	Councillors: Cooney (Chair), Baldwin, Pennington, Ricci, Lambert, Houle, Buckley, Ms Baines and Mr Mulryan
Property	Councillors: Taylor (Chair), Baldwin, Lane, Pennington, J Fitzpatrick, M Smith, Sweeton, Whitley, Messrs Mulryan and Thompson

12. THE INDEPENDENT PUBLIC SERVICE PENSION COMMISSION'S FINAL REPORT (THE HUTTON REPORT)

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

13. TREASURY CONSULTATION – FAIR DEAL POLICY

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

14. 2010 ACTUARIAL VALUATION

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

15. REPORTS OF THE MANAGERS

Representatives of Capital International and UBS Global Asset Management attended before Members of the Panel to comment on their investment strategy and to answer questions raised by the Advisers and Members.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

16. INVESTMENT STRATEGY

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

17. LOCAL INVESTMENT

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

18. PENSION OFFICE ACCOMMODATION

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

19. EXTENSION OF ACTUARY'S CONTRACT

Mr Bowie, Actuary to the Fund, left the room during the consideration of this item.

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

Mr Bowie rejoined the meeting at this juncture.

20. SPECIAL OPPORTUNITIES PORTFOLIO: APPROVAL OF INVESTMENT TYPE

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

21. SUMMARY VALUATION OF THE PENSION FUND INVESTMENT PORTFOLIO AS AT 31 DECEMBER 2010 AND 31 MARCH 2011

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

22. UNDERWRITING, STOCKLENDING AND COMMISSION RECAPTURE

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

23. EXTERNAL MANAGERS' PERFORMANCE

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

24. MAIN FUND AND LONG TERM PERFORMANCE (WM REVIEW 2010)

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

25. LONG TERM PROPERTY PERFORMANCE (IPD REVIEW 2010 ETC)

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

26. CASH MANAGEMENT

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

27. PROPERTY INVESTMENTS UNIT – QUARTERLY REPORT

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

28. A DIGEST OF STATISTICS

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

29. ACCOUNTING FOR PENSION COSTS – FRS 17/IAS 19

A report of the Executive Director of Pensions was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

30. MEMBER TRAINING

It was noted that the next meeting of the Management/Advisory Panel on 9 September 2011 would be preceded by a mandatory training session for all Members.

The Executive Director of Pensions would advise Members of external training events.

CHAIR