

ITEM NO: 3(b)

GREATER MANCHESTER PENSION FUND MANAGEMENT PANEL

3 December 2010

Commenced: 10.00am

Terminated: 12.35pm

Present: Councillor K Quinn (Chair)

Councillors: Ambler, Baldwin (Wigan), Buckley, Cooney, Doubleday, J Fitzpatrick, P Harrison, W Harrison, J Lane, Middleton, Mitchell (Trafford), Pantall (Stockport), Pennington (Salford), M Smith, Sullivan, Sweeton, Taylor.

Apologies for absence: Councillors: Beeley, Ricci, J Smith (Manchester), White (Bolton)

52. DECLARATIONS OF INTEREST

There were no declarations of interest.

53. MINUTES

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 10 September 2010 were signed as a correct record.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 10 September 2010 were signed as a correct record.

The Minutes of the proceedings of the Annual General Meeting held on 10 September 2010 were signed as a correct record.

54. LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

(a) Urgent Items

The Executive Director of Pensions informed the Panel that First Choice Homes, Oldham (FCHO), Oldham Metropolitan Borough Council's Arms Length Management Organisation (ALMO) for their housing stock, was currently going through the process of switching to a Registered Social Landlord and Oldham MBC acted as guarantor for the new employer.

Oldham MBC had now confirmed that they were prepared to act as guarantor for transferring staff, but not new staff. FCHO required a separate agreement for new staff. Panel approval was required for an admission agreement without a guarantor.

The Executive Director of Pensions explained that he was considering the proposal and planned to move forward in consultation with the Chair of the Panel and the Solicitor to the Fund, when further information is available regarding the numbers involved and the requirements of FCHO.

RESOLVED

That the Executive Director of Pensions proceed in consultation with the Chair of the Panel and the Solicitor to the Fund, to make an agreement with FCHO subject to being satisfied on the numbers concerned and the security available for those employees not guaranteed by Oldham.

(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, 12, 15	1&10, 3&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.

55. INFORMATION SERVICES WORKING GROUP

The Minutes of the proceedings of the Information Services Working Group held on 22 October 2010, were considered.

RESOLVED

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

56. ETHICS AND AUDIT WORKING GROUP

The Minutes of the proceedings of the Ethics and Audit Working Group held on 22 October 2010 were considered.

RESOLVED

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

57. ALTERNATIVE INVESTMENTS WORKING GROUP

The Minutes of the proceedings of the Alternative Investments Working Group held on 29 October 2010 were considered.

RESOLVED

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

58. PROPERTY WORKING GROUP

The Minutes of the proceedings of the Alternative Investments Working Group held on 29 October 2010 were considered.

The Chair of the Working Group, Councillor Taylor, made reference to a recent bid by the Property Venture Fund, for a large site on the fringes of Manchester City Centre. Although only in the preliminary stages, the bid increased the Fund's exposure to property beyond the agreed ceiling.

RESOLVED

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

59. PENSIONS INCREASE 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.

60. 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.

61. CIPFA BENCHMARKING

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.

62. MANCHESTER CITY COUNCIL – RESOURCES AND GOVERNANCE OVERVIEW AND SCRUTINY COMMITTEE

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.

63. 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.

64. SUMMARY VALUATION OF THE PENSION FUND INVESTMENT PORTFOLIO AS AT 30 JUNE 2010 AND 30 SEPTEMBER 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.

65. 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.

66. 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.

67. VALUATION UPDATE

A report of the Executive Director of Pensions was submitted and a presentation from the Actuary to the Fund was received.

RESOLVED

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

68. PENSION COMMISSION – PHASE II

A report of the Executive Director of Pensions was submitted and a presentation from the Actuary to the Fund was received.

RESOLVED

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

69. REPORTS OF THE MANAGERS

Representatives of UBS Global Asset Management and Capital International 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.

CHAIR