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AT A MEETING of the Hampshire Pension Fund Panel and Board of HAMPSHIRE COUNTY COUNCIL held at Mitchell Room, EII Podium, Winchester on Friday, 29th March, 2019

a Councillor M. Kemp-Gee

Elected members of the Administering Authority (Councillors):

p C. Carter	p A. Joy
p A. Dowden	p P. Latham
p A. Gibson	p J. Glen
a B. Tennent	p T. Thacker (vice-chairman)
p D. Mellor	

Employer Representatives (Co-opted members):

a Councillor J. Smith (Portsmouth City Council)
a Councillor T. Cartwright (Fareham Borough Council)
p Councillor M. Chaloner (Southampton City Council)
p Mr D. Robbins (Churchers College)

Scheme Member Representatives (Co-opted members):

p Dr C. Allen (pensioners' representative)
p Mr N. Wood (scheme members representative)
p Mrs V. Arrowsmith (deferred members' representative)
p Mrs S. Manchester (substitute scheme member representative)

Independent Adviser:

p C. Dobson

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

149. APOLOGIES FOR ABSENCE

Cllrs Kemp-Gee, Tennent, Cartwright and Smith sent their apologies.

150. 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.

Ms Dobson reminded the committee that she is an independent non-executive director of Aberdeen Standard Fund Managers Ltd, but that this does not prevent her fulfilling her role in advising the Panel and Board.

151. CONFIRMATION OF MINUTES (NON-EXEMPT)

The minutes of the Pension Fund Panel and Board held on 15 February 2019 were confirmed.

The Director of Corporate Resources confirmed to the committee that a response to the Government's consultation on new draft Investment Pooling Guidance will be sent by ACCESS and Hampshire County Council. The Director also updated the Panel and Board that Essex County Council as the host of ACCESS' Support Unit is in the final stage of making an appointment to the role of Director.

152. CHAIRMAN'S ANNOUNCEMENTS

The Chairman reminded the members of the committee of the importance of completing their training needs analysis to inform the Panel and Board's annual training plan.

The Chairman invited members to provide feedback on any recent training courses that they had attended. Cllr Gibson commented on a recent seminar he had been to.

153. GOVERNANCE: CHANGE TO FUNDING STRATEGY STATEMENT

The Panel and Board received a report of the Director of Corporate Resources (Item 5 in the Minute Book) setting out a technical change to the Funding Strategy Statement (FSS) which will allow the Fund Actuary to use the new Investment Strategy and revised calculation of Capital Market Assumptions in calculations for new and exiting employers prior to the 2019 valuation.

The Director informed the committee that the Fund's Actuary will bring a discussion paper to a meeting with her on 3 April outlining proposals for a review of the Pension Fund's grouping mechanism. Following this meeting it is proposed that employers are engaged on the potential changes to the grouping mechanism, prior to any redrafting of the FSS.

RESOLVED:

- (a) That the proposed technical changes to the Funding Strategy Statement were approved.

- (b) That authority is delegate to the Director of Corporate Resources to consult with employers on proposals to change the way in which they are grouped for funding purposes.

154. GOVERNANCE: ADMINISTRATION STRATEGY CHANGES AND FAIR DEAL CONSULTATION RESPONSE

The Panel and Board received a report of the Director of Corporate Resources (Item 6 in the Minute Book) seeking approval for some minor changes to the Administration Strategy, and to share the proposed response to the current Fair Deal consultation.

The Director informed the Panel and Board that the Administration Strategy needs to be amended in light of recent LGPS amendment regulations which have an impact on some of the Fund's discretionary policies. In addition, two beneficial changes to administration processes have been made as part of the new partnership arrangement with West Sussex and these need to be reflected in the Strategy.

The committee extend their thanks to Pension Services for their hard work in commencing the delivery of pensions administration services to West Sussex Pension Fund.

The Ministry for Housing, Communities and Local Government (MHCLG) has issued a consultation on the new Fair Deal proposals. These proposals are intended to strengthen the pension protection afforded to employees in the LGPS who are compulsorily transferred to third party service providers. A response on behalf of the administering authority has been drafted for consideration and approval by the Pension Fund Panel and Board that highlights that the proposed changes will increase the administrative burden on both the employer and the administering authority and could lead to greater confusion for scheme members.

155. EXCLUSION OF THE 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.

156. CONFIRMATION OF THE EXEMPT MINUTES OF THE PREVIOUS MEETING

The exempt minutes of the Pension Fund Panel and Board held on 15 February 2019 were confirmed.

157. INVESTMENT: PENSION FUND'S CUSTODIAN PERFORMANCE REPORT

The Panel and Board considered the exempt report from the Director of Corporate Resources (Item 9 in the Minute Book) detailing the performance of the Pension Fund's custodian. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

158. INVESTMENT - INVESTMENT UPDATE

The Panel and Board received an exempt report from the Director of Corporate Resources (Item 10 in the Minute Book) updating the Panel and Board on the performance of the Pension Fund's investments. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

159. INVESTMENTS - ALTERNATIVE INVESTMENTS PORTFOLIO UPDATE

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

Chairman,

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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