

DURHAM COUNTY COUNCIL

At a Meeting of the Pension Fund Committee held at the County Hall Durham on Monday 28 January 2008 at 10.00 a.m.

Present:

Councillor B Walker in the Chair

Members:

Councillors Carr, Coates, Hunter, Martin, Ord, and Pye

District Council Members nominated by the Durham County District Councils Association:

Councillors D Jackson, G K Robinson and P Ward

Advisers

County Council Officers:

County Treasurer	-	Mr S Crowe
Principal Accountant	-	Mrs H Appleton
Assistant Head of Legal Services	-	Mrs C Longbottom

Independent Advisors:

P J Williams	-	Mr P J Williams
--------------	---	-----------------

Apologies for absence were received from Councillor O'Donnell

A1 Minutes

The Minutes of the meetings held on 29 October and 18 December 2007 were confirmed and signed by the Chairman. In relation to Item A6 of the Minutes of 29 October 2007, the County Treasurer advised that no change should be made to the list of dates of future meetings.

**A2 Graphs Showing Movements in Stock and Share Indices since
1 January 2007**

The County Treasurer submitted graphs showing movements in the Financial Times All Share UK Equities Index, Government Bond Index and Government Bonds Index Linked Index since 1 January 2007 (for copy see file of Minutes).

**A3 Graphs Showing Movements in Stock and Share Indices since
1 January 2007**

The County Treasurer submitted graphs showing movements in the FTA World Index - Japan, FTA World Index - North America, FTA World Index - Europe and FTA World Index - Pacific Ex-Japan since 1 January 2007 (for copy see file of Minutes).

A4 Pension Fund Investments

The Committee considered a report of the County Treasurer which provided an overview of the transactions by Fund Managers during the period 1 October 2007 to 31 December 2007 and showed how the value of the portfolio had changed during the quarter (for copy see file of Minutes).

Resolved:

That the report and the recommendation included therein be approved.

A5 Admitted Body Status – Informal Consultation Exercise

The Committee considered a Report of the County Treasurer advising Members of an informal consultation exercise on Admitted Body Status and seeking authority to respond to the consultation document by 10 April 2008 (for copy see file of Minutes).

Resolved:

That the report and the recommendations included therein be approved.

A6 Guidance of Governance Compliance Statement

The Committee considered a report of the County Treasurer seeking approval for the Governance Compliance Statement (for copy see file of Minutes).

A Member of the Committee commented that there should be a move towards more direct representation from Trade Unions.

Resolved:-

That the report and the recommendation included therein be approved.

A7 Third-tier Ill Health Benefits

The Committee considered a report of the County Treasurer regarding a recent consultation exercise on a proposal to introduce a third tier level of ill health benefits in the New-look Local Government Pension Scheme (for copy see file of Minutes).

Resolved:-

That the report be noted.

A8 Rule of 85 Protections

The Committee considered a report of the County Treasurer advising Members of the latest position in the Government's consultation on extending the 'Rule of 85' protections (for copy see file of Minutes).

Resolved:-

That the report be noted.

A9 Award of Manager Mandates

The Committee noted a report of the County Treasurer informing Members of the award of the contracts for the Manager Mandates and the start of transition (for copy see file of Minutes).

Resolved:-

That the report be noted.

The Chairman of the meeting was of the opinion that the following item of business was of sufficient urgency to warrant consideration.

A10 Actuarial Valuation as at 31st March 2007

The Committee considered a report of the County Treasurer informing Members of the results of the Actuarial Valuation for 31st March 2007. Members of the Committee expressed concern at district level. The County Treasurer confirmed that district finance officers were appraised of the situation. In response to a query from a Member of the

Committee, the County Treasurer informed the Members that the reduction in the figures for the Police and Fire Authorities was due to their payrolls increasing significantly, which had led to the rate of contributions decreasing.

Resolved:

That the report be considered by the Chair and Vice-Chair of the Pension Fund Committee in consultation with the County Treasurer for a report back to a future meeting of the Committee.