

## **GREATER MANCHESTER PENSION FUND ADVISORY PANEL**

**12 April 2019**

**Commenced: 10.00am**

**Terminated: 12.25pm**

**Present: Councillor Cooney (in the Chair)**

**Councillors: Grimshaw (Bury), Halliwell (Wigan), Mistry (Bolton), Mitchell (Trafford), O'Neill (Rochdale) and Pantall (Stockport)**

**Employee Representatives:**

**Mr Drury (UNITE), Mr Flatley (GMB), Ms Fulham (UNISON), Mr Llewellyn (UNITE), Mr McDonagh (UNISON) and Mr Thompson (UNITE)**

**Local Pensions Board Members (in attendance as observers):**

**Councillors Fairfoull and Cooper, David Schofield**

**Advisors:**

**Mr Bowie and Mr Powers**

**Apologies for absence: Councillors Warrington, Ball (Oldham) and Barnes (Salford); Lynn Brown and Peter Moizer (Advisors to the Fund)**

### **63. APPOINTMENT OF CHAIR**

#### **RECOMMENDED**

**In the absence of the Chair, Councillor Warrington, that Councillor Cooney be appointed in the Chair for this meeting only.**

### **64. CHAIR'S OPENING REMARKS**

Councillor Cooney, in the Chair, began by explaining that the Chair, Cllr Brenda Warrington and Lynn Brown were absent as they were presenting in a Municipal Journal shortlisted award that clashed with the meeting. He also noted the apologies from Professor Peter Moizer one of very few in his over 30 year tenure. He unfortunately has been summoned to London to talk about examination review board criteria.

Councillor Cooney further explained that the Fund had been very busy particularly following Councillor Paul Doughty, Chair of the Northern LGPS, stepping down from his role as Chair, and that he (Councillor Cooney) had been nominated and agreed by Members of the Northern LGPS Shadow Joint Committee as the Chair of the Northern LGPS going forward.

Cllr Cooney explained that during the first week of January 2019, the Minister issued a consultation on his draft statutory guidance on Pooling. Representatives of the Northern LGPS had met with the Minister last week in order to discuss Northern LGPS' and the Fund's objections to the consultation and proposed guidance. They further reminded the Minister of the Fund's 'constancy of purpose', which had meant the Fund had outperformed other Local Authority pension funds on a like for like basis by £3.5 billion. Since pooling commenced in 2016, £1.5 billion 'added value' had been achieved. A Pooling update was an item later on the agenda.

As well as meeting the Minister, representatives of the Fund attended the LAPFF All party Parliamentary Group, chaired by Clive Betts MP, which was also considering the Draft Statutory Guidance on Asset Pooling in the Local Government Pension Scheme, where concerns were raised in respect of moving too quickly to a particular model without using the correct process. It was proposed that the APPG could recommend that evaluation of pooling experience so far could go on the agenda of the MHCLG (Ministry) Select Committee for an inquiry in the Autumn.

Clive Betts said that it would be helpful if the importance of the issue was shared more widely amongst MPs and so he suggested Pension Funds should contact MPs to ask them to write to Committee Chair, Clive Betts MP. This would be taken up with local MPs.

The Chair reported that the total Fund valuation as of today was £24.1 billion, which marginally exceeded the predicted end of 3 year Total Fund valuation of £23.8 billion. This was up from £22.5 billion as at 31/12/18 in the dashboard. The Fund had now more than recovered the Q4 2018 'losses' when there was a significant drop before Christmas.

The funding level had increased to about 98% and remained above that identified in the previous valuation and the Fund remained on track compared to actuarial expectation.

It was also reported that the final tranche of First Group assets from West Yorkshire Pension Fund had been received making a total of just over £450 million.

Councillor Cooney commented on the excellent attendance and engagement at the Northern LGPS Stakeholder event held in January 2019 at Aintree Racecourse, where the Responsible Investor Policy was launched. A summary of the event was detailed on the Northern LGPS website.

At the last meeting of the Management Panel, discussion ensued with regard to a press article raising concerns that the Fund along with other Local Government Pension Schemes, were holding shares in BAE Systems, a multinational defence, security, and aerospace company and was the largest defence contractor in Europe and World's third largest defence company. It was also the largest manufacturer in Britain sustaining thousands of jobs.

Due to the complex nature of such issues, Councillor Cooney confirmed that the Fund had asked LAPFF to commission some work and advice into particular concerns and a scoping paper had been prepared on engagement with Defence companies who had sales to Saudi Arabia, which would be discussed by LAPFF the following week.

Councillor Cooney advised that the Chair had been approached by the Midland Bank Clawback Campaign in respect of the Fund's almost £200 million shareholding in HSBC plc seeking support for their resolution for the abolition of 'clawback' of state pension from HSBC's defined benefit pension scheme, which the proponents of the resolution argued that this practice disproportionately penalises the lowest paid scheme members. He further advised that, following contact with PIRC, an alert had been forwarded to all LAPFF members recommending that members vote for the resolution primarily to encourage the Company to procure an independent actuarial review of the case.

The Fund had also joined the initiative targeting Facebook, Google and Twitter that the NZ Super Fund announced earlier in the month. The objective of the engagement was for social media companies to strengthen controls to prevent the live streaming and distribution of objectionable content, such as the shootings that took place in Christchurch on Friday 15 March 2019.

Representatives and Trustees of the fund continued to receive calls to disinvest from Fossil Fuel companies and assertions that the Fund was investing in fracking. Councillor Cooney gave assurances that the Fund was not supporting or investing in fracking, although it does have substantial investment in traditional fossil fuel companies such as Centrica (formerly known as British Gas).

Members were advised that the Fund had committed to becoming carbon neutral by 2050 and was continually looking to accelerate this without jeopardising the fund's ability to meet its liabilities and maintain relatively low contribution rates from employers. An exercise was undertaken last year to understand the Fund's Carbon footprint in order to have a clear baseline from which to measure progress. Progress would be regularly evaluated in line with the Fund's objectives of maintaining

long-term financial performance, taking care to avoid stranded assets and ensuring that affordable and sustainable pensions for employers and taxpayers could continue to be delivered.

It was explained that the Fund would continue to use its position on the LAPFF and the Institutional Investor's Group on Climate Change to engage with and challenge companies in which it had an interest. 80% of the Fund's stakeholders agreed that this consultative approach was more effective than divesting holdings to others, who may not share the same commitment to responsible investment.

With this in mind, the Fund co-filed a BP Resolution requesting that BP set out its business strategy consistent with the goals of the Paris Agreement on climate change. BP's board planned to support the resolution at their Annual General Meeting this year. This action demonstrated that the Fund was helping to ensure that climate change was firmly on the boardroom agenda, which was especially important for the oil and gas sector.

The Fund had also signed up to 'Just Transition', as delivering a just transition would be key to the UK's success in building a zero-carbon and resilient economy. It was noted, however, that this needed to be done in a sustainable way that supported an inclusive economy, with a particular focus on workers and communities across the country. The Paris Agreement on climate change stated that its Parties take into account 'the imperatives of a just transition of the workforce and creation of decent work and quality jobs in accordance with nationally defined development priorities'. It was hoped that a representative of 'Just Transition' would present to a future meeting of the Management Panel.

## **65. DECLARATIONS OF INTEREST**

There were no new declarations of interest submitted by Members.

## **66. MINUTES**

The Minutes of the proceedings of the meeting of the Annual General Meeting held on 19 October 2018 were noted.

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 18 January 2019 were signed as a correct record.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 18 January 2019 were signed as a correct record.

## **67. 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, 8a, 8b, 9a, 9b, 10, 11, 12, 17, 18, 19, 20, 21, 22, 23 ,24, 25, 26, 27, 28, 29, 30, 31, 32, 33	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.

## 68. LOCAL PENSIONS BOARD

The Chair of the Local Pensions Board, Councillor Fairfoull, reported that it had been a productive meeting where discussion related to the cost management process, proposed improvements to LGPS benefits and the appeal by Government of findings of age discrimination in the Judges and Firefighters pension schemes which could also have implications for the LGPS. Member benefits looked set to be amended and changed in the near future.

Discussion also ensued in respect the Government's consultation seeking to apply the new Fair Deal policy within the LGPS. Government was seeking to strengthen pension's protections for transferred employees and to standardise a new procedure of entry into the LGPS for admission bodies.

In addition to reports on administration, internal audit activities and meeting the requirements of the Pensions Regulator, the Board received a summary of take-up of the pensions tax support offered to affected members of the Fund.

**RESOLVED**

**That the Minutes of the proceedings of the Local Pensions Board held on 14 February 2019 be noted.**

## 69. POLICY AND DEVELOPMENT WORKING GROUP

The Minutes of the proceedings of the meeting of the Policy and Development Working Group held on 8 March 2019 were considered.

Councillor Cooney, in the Chair, reported that discussion at the meeting had included the regular assessment of GMPF's fund managers against the manager monitoring framework and the ongoing progress in forming the Northern LGPS.

As already mentioned, the recent consultation on new pooling guidance was seeking to make significant changes to the pooling agenda and was quite a change of policy. The Working Group supported the response of the Northern LGPS to the consultation and agreed to also submit responses from GMPF.

The progress of the GLIL infrastructure portfolio and the Impact and Invest for Growth portfolios were also discussed.

## RECOMMENDED

- (i) That the Minutes be received as a correct record;**

- (ii) **In respect of Investment Initiatives – GLIL, that the actions proposed on additional investment initiatives to be taken by officers in consultation with the Chair of the Fund, be noted; and**
- (iii) **In respect of Pooling Update:**
  - **that the recent progress of the Northern LGPS and the implications of the new pooling guidance recently released for consultation be noted;**
  - **that separate responses to the consultation be submitted from Greater Manchester Pension Fund and Northern LGPS; and**
  - **Details of press releases to date in respect of Northern LGPS be circulated to Members.**

## **70. INVESTMENT MONITORING AND ESG WORKING GROUP**

The Minutes of the proceedings of the meeting of the Investment Monitoring and ESG Working Group held on 21 December 2018 were considered.

The Chair of the Working Group, Councillor Cooney, reported that Legal & General updated Members on their Corporate Governance activity and provided examples of key engagements along with voting statistics for 2017.

Members were also provided with an informative update from PIRC on the draft Responsible Investment Policy for Northern LGPS, as agreed at the January 2019 meeting of the GMPF Management Panel. The policy differed from other pools' as it was also focused locally, it was tailored to the pool and made clear that meaningful ESG activity must take account of important holdings and of unique investments, such as infrastructure.

The Policy set out core governance expectations and stressed good employment practices. It also highlighted the ESG risks related to public service provision, and emphasised pre-disclosure of all voting decisions which made the Northern LGPS by far the most transparent UK investor. It also advocated ensuring 100% of assets were compatible with net zero-emissions ambition by c.2050. The finalised policy was launched at the Northern LGPS Stewardship Day at Aintree Racecourse in January 2019.

### **RECOMMENDED**

- (i) **That the Minutes be received as a correct record; and**
- (ii) **In respect of CDP (formerly the Carbon Disclosure Project), that the Working Group accept the invitation for the Fund to become a signatory to the four CDP information requests outlined in the report, subject to an annual administration fee of £1,115 plus VAT.**

## **71. ADMINISTRATION, EMPLOYER FUNDING AND VIABILITY WORKING GROUP**

The Minutes of the proceedings of the meeting of the Administration, Employer Funding and Viability Working Group held on 21 December 2018 were considered.

The Chair of the Working Group, Councillor J Fitzpatrick, reported that the group had discussed the Fund's review of Additional Voluntary Contributions arrangements in great length. AVCs allowed Scheme members to pay more to build up extra savings for their retirement. Objectives of the review included assessing the current choice of default fund and giving consideration to reducing the wide number of legacy AVC provider inherited from other LGPS funds.

Discussion also ensued regarding the communications work that had been taking place recently. Of particular note, was the communication work performed to raise the profile of 'My Pension'. My Pension was the online functionality introduced for active members so that they could change their contact details or get up-to-date estimates of their pensions.

Updates were also provided on the continued progress of ongoing projects such as GMP reconciliation and the move to receiving pay and contributions data from employers on a monthly basis.

**RECOMMENDED**

**That the Minutes be received as a correct record.**

## **72. PROPERTY WORKING GROUP**

The Minutes of the proceedings of the Property Working Group held on 20 December 2018 were considered.

Councillor Cooney, in the Chair, advised that, in addition to the quarterly reports from La Salle and GVA there was a consideration of the overall allocation to Property and the performance. Work had continued on this outside of the meeting and conclusions would be reached in June and would feed into the Investment Strategy.

**RECOMMENDED**

**That the Minutes be received as a correct record.**

## **73. NORTHERN LGPS UPDATE**

The Assistant Director of Pensions, Funding and Business Development, provided an update on recent activity of the Northern LGPS and other relevant developments related to pooling assets across the LGPS in England and Wales.

It was explained that on 3 January 2019, MHCLG released new draft statutory guidance on LGPS asset pooling for 'informal' consultation, a copy of which was appended to the report. Parties that were being consulted included pools, administering authorities and local pension boards.

The guidance set out the requirements on administering authorities and was intended to replace previous pooling guidance, in particular the LGPS Investment Reform Criteria and Guidance issued in November 2015.

As per discussion at the previous meeting, the draft statutory guidance had blurred the original four criteria in the 2015 guidance. In its place, the guidance had six sections covering: structure and scale, governance, transition of assets to the pool, making new investments outside the pool, infrastructure investment and reporting. The presentation delivered to the Northern LGPS Shadow Joint Committee at its previous meeting considered in further detail the potential implications of the draft statutory guidance.

A letter was sent on 8 February 2019 to the Minister responsible for Local Government Pensions, Rishi Sunak MP, requesting a meeting to discuss the implications of the draft guidance for Northern LGPS. A copy of the letter was appended to the report.

An initial Northern LGPS response to the consultation was sent to the Minister on 19 March 2019, a copy of which was appended to the report. A detailed commentary on individual paragraphs of the new guidance was also provided as an appendix to the Pool's response. This had been drafted by the Pool's legal advisor Squire Patton Boggs. The Chambers, previously used by the Pool, had been instructed to provide opinion on specific aspects of the new draft guidance and how this interacted with existing legislation. Final opinion was received on 28 March 2019 and this was sent to Government (copy of which was appended to the report).

Separate to the joint Northern LGPS response, the GMPF Management Panel and Local Board had sent their own individual responses to the consultation which included support for the Pool response. Links to the responses were provided in the report.

Members were advised that all of the responses to the consultation had been made publically available on the GMPF website and it was expected that they would receive some press coverage. Coverage of the Northern LGPS to date was summarised in an appendix to the report.

Following receipt of the initial Northern LGPS response to the consultation, the Minister's office sought to arrange a meeting with the Northern LGPS shadow joint committee and the meeting had taken place on 3 April 2019.

Government had not announced any expectation of when it may publish consultation responses or issue final guidance. An update would be provided at the next meeting of the Panel in July 2019.

It was explained that, pending further developments on replacement pooling guidance, it was imperative that the Northern LGPS was fully compliant with the guidance that was currently in force. In order to demonstrate this, two key steps which were required to be completed were the approval of the inter-authority agreement, which would establish the Northern LGPS joint committee and the updating of each fund's Investment Strategy Statement (ISS), in which funds were required to set out their approach to pooling and how their pooling arrangements were in accordance with the guidance. The Directors of GMPF and WYPF had authority from their administering authorities to implement the inter-authority agreement when finalised and MPF was seeking to receive this authority shortly, however some delays had been experienced, due in part to the issuing of the new draft guidance.

Another important piece of the governance framework was each fund's Investment Strategy Statement (ISS). Due to the ongoing dialogue with Government, the Northern LGPS funds had not updated the pooling section of their ISS since they were first published. The Management Panel provided its approval for updates to the GMPF ISS at a previous meeting and this was expected to be published shortly on the GMPF website and as part of the 2019 Annual Report.

The intention was for the pooling section of the ISS to be consistent across all of the Northern LGPS funds, therefore further minor amendments may need to be made following consideration by GMPF's pooling partners.

Updates on the progress of the main ongoing workstreams for the Northern LGPS were set out in the report. LGPS Pooling national developments were also outlined.

The minutes of the meetings of the Northern LGPS Shadow Joint Committee on 22 November 2018 and 10 January 2019 were appended to the report for information.

Detailed discussion ensued in respect of the consultation and the ongoing engagement/dialogue with the Minister's office. The Director of Pensions made further reference to the importance of formalising the governance arrangements for the Joint Committee and each administering authority ratifying their position formally.

## **RECOMMENDED**

**That the content of the report be noted, including developments since the previous meeting in particular the responses submitted to the consultation on new statutory draft guidance.**

## **74. UPDATE ON INVESTMENT MANAGEMENT COST BENCHMARKING**

Consideration was given to a report of the Assistant Director of Pensions, Investments, providing Members with an update on investment management cost benchmarking for the Fund and the Northern LGPS over 2017/18

## **RECOMMENDED**

**That the content of the report be noted.**

### **75. PRESENTATION ON COSTS BENCHMARKING – ‘WHAT GETS MEASURED GETS MANAGED’**

Members received a presentation from John Simmonds, CEM Benchmarking UK Ltd on understanding both GMPF's and Northern LGPS's costs.

The Advisors commented on a very helpful presentation and discussion ensued in respect of the various factors involved in setting an appropriate benchmark.

The Chair thanked Mr Simmonds for his informative presentation.

## **RECOMMENDED**

**That the content of the presentation be noted.**

### **76. REVIEW OF INVESTMENT MANAGEMENT ARRANGEMENTS**

The Assistant Director of Pensions, Investments, submitted a report in relation to the Fund's consideration of Investment Management arrangements. A presentation was also received from John Dickson of Hymans Robertson.

John Dickson, Hymans Robertson, presented the fourth and potentially final part of the Fund's review of investment structure, with stages 1, 2 and 3 having been discussed with the Fund at the July and October 2018 and January 2019 meetings (respectively), of the Management Panel.

Mr Dickson explained that at the October 2018 meeting, much of the focus was on the Fund's approach to accessing equity markets, including the split between index-tracking and active management and the merits of introducing a factor-based investment strategy. An explicit 10% allocation to an index-tracking factor-based equity mandate had since been introduced to the Fund's asset allocation. It was also agreed to adopt a central target position of  $\frac{2}{3}$  active:  $\frac{1}{3}$  index-tracking for the Fund's listed equities and investment grade bonds.

The January 2019 report examined the current split of the Fund's equities by region and manager/mandate including the merits of aggregating the LGIM mandates into a simpler governance structure. To maintain the current active-index tracking split, it was agreed to fund the factor-based equity mandate from the current LGIM holdings, and that any changes to the UK/overseas equities split should take place in the UBS mandate where possible. The Fund's target allocation to alternatives had been increased as agreed and would continue to be funded from the LGIM portfolio. Looking at the ex-Capital assets it was agreed that the allocation to the Fund's specialist managers should be increased as opposed to appointing a replacement multi-asset manager, to ensure that the Fund's governance was not complicated unnecessarily.

Mr Dickson explained that, in October 2018, a high-level decision framework was provided, which highlighted several factors that should influence investors' final decisions, including available governance and ensuring the strategy was true to the Fund's investment beliefs. This had been applied at a high level to the review of the Fund's approach to managing investment grade bonds and its strategic allocation to cash. A key aspect of the decision framework was to acknowledge, and work within the Fund's constraints (e.g. governance budget).

Mr Dickson further explained that one of the constraints that had been assumed in the report, following earlier discussions at the Panel meetings in October 2018 and January 2019, was that no additional managers were appointed at this time, to avoid overly complicating the Fund's governance arrangements.



Mr Dickson then summarised the key points discussed in the report as follows:

- Information on the Fund's existing bond allocation and recommendations around future changes that should be made to the portfolio;
- Current cash holdings and recommendations as to how these may evolve in the short term to more efficiently meet the Fund's liquidity requirements.

Mr Dickson further explained that anticipated items for discussion at the next meeting of the Panel included:

- The precise breakdown of the bond allocation into the simplified two step framework;
- A detailed proposal for the implementation of a default currency hedging policy within the passive bond allocation; and
- A detailed proposal setting out the options for the evolution of the Main Fund's external cash holdings.

The Advisors were then asked to comment.

Mr Powers made reference to the Fund's direction of travel and the importance of the active managers' having sufficient scope to implement their views within their mandates. He further commented on cash management.

## **RECOMMENDED**

**That the content of the report and presentation be noted and that the recommendations, as specified in Section 4 of the Hymans Robertson report, be approved.**

## **77. ASSESSING PERFORMANCE (WITH REFERENCE TO MULTI-ASSET CREDIT)**

William Marshall, Hymans Robertson, delivered a training item on the Multi Asset Credit mandate managed by Stone Harbor, the Fund's most recently funded external mandate.

## **RECOMMENDED**

**That the content of the presentation be noted.**

## **78. PERFORMANCE DASHBOARD**

Consideration was given to a report of the Assistant Director of Pensions, Investments, providing high level, investment performance information, including the value of the Pension Fund Investment Portfolio, the performance of the Main Fund, and the over/under performance of the external Fund Managers against benchmark.

The key information from the Quarter 4 (2018) Performance Dashboard was summarised. The reality of market returns in 2018 was somewhat different to the returns forecast by market commentators who were forecasting low but positive returns. In Q4 2018, both credit and equity markets responded negatively, and volatility as measured by the VIX, rose to over 35% at one point. Uncertainty over the outlook for economic growth, central bank policy and geopolitics all impacted equity markets over Q4 2018 and resulted in the worse annual performance since the global financial crises for many equity markets. Investors appeared to have focussed on the 'bearish' aspects of the economy (e.g. political concerns, trade wars, US government shut down, Brexit and political unrest in France and Italy) leading to a sharp sentiment driven sell-off in equity markets. Performance divergence across global sectors showed defensive stocks, such as utilities, performed strongly as markets fell while more growth orientated and cyclical sectors, such as technology and industrials, underperformed. Oil and gas was the worst performing sector as a result of declining oil prices. In-line with equity market falls, increased economic uncertainty meant rising spreads on most forms of credit assets over the quarter (leading to falls in price), and a rise in government bond prices globally (as safe haven assets were in demand resulting in a decline in government bond yields. Both conventional and index-linked gilt yields fell over the quarter, with

index-linked yields falling more than equivalent conventional yields at medium maturities and by less at longer maturities.

Over the quarter total Main Fund assets decreased by just under £1.4 billion to £21.7 billion. Within the Main Fund, there was an overweight position in equities (of around 0.5% versus target). Also, the property allocation continued to be underweight (by around 2%) versus its benchmark.

On a cumulative basis, over the period since September 1987, the Main Fund had outperformed the average LGPS fund, equating to over £3.1 billion of additional assets. The Main Fund underperformed its benchmark over the quarter and 1 year periods but remained ahead of its benchmark over longer time periods (3, 5 and 10 years), mainly due to stock selection. The active risk of the Main Fund was broadly consistent at around 1% over 1, 3, 5 and 10 years but risk in absolute terms (for both portfolio and benchmark) was lower than that observed historically. At the end of Quarter 4, over a 1 year period, all three of the active managers had underperformed their respective benchmarks whilst one manager continued to outperform over longer time periods.

#### **RECOMMENDED**

**That the content of the report be noted.**

### **79. ACTUARIAL VALUATION AND RELATED LGPS DEVELOPMENTS**

Consideration was given to a report of the Assistant Director of Pensions, Funding and Business Development, which informed Members that the next actuarial valuation was due for all LGPS funds in England and Wales with an effective date of 31 March 2019. The report provided an overview of the valuation process.

The report outlined/gave details of:

Funding Strategy Statement;

2016 Valuation results and subsequent experience;

Setting assumptions for the 2019 valuation;

Public Service Pension Scheme cost management process;

Scheme Advisory Board suggested benefit changes;

Pause in the cost cap process;

Advance payments of contributions; and

Preparing for the valuation

#### **RECOMMENDED**

**That the content of the report be noted, including the valuation timescales and the factors potentially impacting the valuation outcomes.**

### **80. GMPF EXTERNAL AUDIT PLAN 2018-2019**

Consideration was given to a report of the External Auditor, Mazars LLP, which set out their approach to the 2018/19 audit.

It was noted that the estimated audit fee for 2018/2019 was £43,383.

#### **RECOMMENDED**

**That the content of the report be noted.**

### **81. PENSIONS ADMINISTRATION UPDATE**

Consideration was given to a report of the Pensions Policy Manager, detailing key items of work affecting or being carried out by, the administration section over the last quarter:

- Business planning objectives;

- Other key projects and work areas;
- Technology and system developments;
- The Pensions Regulator and compliance;
- Administration section performance; and
- Anticipated future challenges.

## **RECOMMENDED**

**That the content of the report be noted.**

## **82. FUTURE TRAINING DATES**

Trustee Training Opportunities were noted as follows:

<b>PLSA Local Authority Conference, Gloucestershire</b>	<b>13-15 May 2019</b>
<b>The Pensions Age Northern Conference, Leeds</b>	<b>13 June 2019</b>
<b>LGPS Local Pension Board Annual Event</b>	<b>26 June 2019</b>
<b>CIPFA Annual Conference, ICC Birmingham</b>	<b>9 – 19 July 2019</b>
<b>PLSA Annual Conference Manchester</b>	<b>16-18 October 2019</b>

## **83. DATES OF FUTURE MEETINGS**

<b>Management/Advisory Panel</b>	<b>19 July 2019 (AGM) 18 October 2019 17 January 2020 17 April 2020</b>
<b>Local Pensions Board</b>	<b>13 June 2019 8 August 2019 11 October 2019 12 December 2019 26 March 2020</b>
<b>Policy and Development Working Group</b>	<b>13 June 2019 19 September 2019 19 December 2019 6 March 2020</b>
<b>Property Working Group</b>	<b>13 June 2019 19 September 2019 19 December 2019 6 March 2020</b>
<b>Investment Monitoring and ESG Working Group</b>	<b>12 July 2019 27 September 2019 20 December 2019 20 March 2020</b>

**Administration and Employer Funding  
Viability Working Group**

**12 July 2019  
27 September 2019  
20 December 2019  
20 March 2020**

**CHAIR**