

## INVESTMENT AND PENSION FUND COMMITTEE

26 February 2016

Present:-

Devon County Council:-

Councillors Gilbert (Chairman), Edgell, Hannon, Hill, Hosking and Radford

Other Employers

Councillor Fox (Plymouth City Council Substitute)  
Councillor Hicks (South Hams DC – LGA Devon Substitute)  
Ms D Healy (Dartmoor National Park Authority)

Union and Retired Members: Non-Voting Observers:-

Mr Franceschini, Mr Lomax and Ms Rimron

Apologies:-

Councillor Parker Delaz Ajete (Plymouth City Council)  
Councillor Edwards (Exeter – LGA Devon)  
Councillor O'Dwyer (Torbay Council)

Also in Attendance

Mr Tyson (Independent Investment Advisor)  
Mr Bowman (Pension Board Member)  
Mr Hodgins (Standards Committee Member)

**\*116      Announcements**

The Chairman welcomed Mr R Hodgins who was attending the meeting in his capacity as a co-opted, independent Member of the County Council's Standards Committee to observe and monitor compliance with the County Council's ethical governance framework.

**\*117      Minutes**

**RESOLVED** that the minutes of the meeting held on 2 February 2016 be signed as a correct record.

**\*118      LGPS Update: Pooling of Investments**

The County Treasurer updated Members on progress with the proposal to set up a South West Regional pooling arrangement, the Brunel Collective Asset Pool, advising that, inter alia:

- Hampshire had now joined with the South East Pool;
- the Terms of Reference for the Oversight Group were in the process of being drawn up and a meeting would be held in March with a representative from this Committee attending;

- further briefing on the Pooling of Investments would be provided on the Members training day on Friday 27 May 2016;
- that in order to allow time to approve and submit a proposal to Government the next meeting of the Committee in June would ideally need to be postponed by a week.

It was **MOVED** by Councillor Gilbert, **SECONDED** by Councillor Radford and

**RESOLVED** that to allow time to agree and submit a proposal for the Pooling of Investments to Government, the date of the next Committee meeting be moved to Friday 24 June 2016.

**\*119      Actuarial Review 2016**

The Committee received and noted the report of the County Treasurer (CT/16/17) on the planned approach to the 2016 triennial valuation of the Pension Fund.

**\*120      Investment Management Report**

The Committee received the Report of the County Treasurer (CT/16/18) on the current Fund Value and Asset Allocation against target. The County Treasurer reported that the Fund Value at 31<sup>st</sup> December was £3,309.6m. Performance over the financial year to date had seen a negative absolute return of -2.3%, which was significantly below the Fund benchmark, which consequently impacted on the longer term figures meaning that the rolling 3 year return was 1.5% below benchmark and the 5 year return was below benchmark by 0.7%.

**\*121      Treasury Management Strategy**

The Committee considered the Report of the County Treasurer (CT/16/19) outlining the Pension Fund's Treasury Management Strategy for 2016/17.

The County Treasurer highlighted the revised changes to the Treasury Management Policy as set out in the report, which included the reintroduction of the use of money market fund and updated systems to process transactions.

It was **MOVED** by Councillor Gilbert, **SECONDED** by Councillor Radford and

**RESOLVED** that approval be given to the revised Treasury Management Clauses, Treasury Management Policy and Treasury Management Practices as set out in report (CT16/19) and the Treasury Management Strategy for 2016/17 be adopted.

**\*122      Applications for Admitted Body Status**

The Committee noted that the following applications for admitted body status had been approved under delegated powers:

- (a) Libraries Unlimited South West
- (b) IMASS

**\*123      Committee Training**

The County Treasurer reported that a training session would be held on Friday 27 May 2016 for Members of the Investment and Pension Fund Committee and the Pension Board,

with half a day on the progress of Project Brunel (pooling of investments) and a half day on other training requirements of the Committee and Pension Board.

**\*124      Dates of Future Meetings**

Dates of future meetings of the Committee are available at:

<https://new.devon.gov.uk/democracy/calendar/>

**\*125      Exclusion of Press and Public**

**RESOLVED** that the press and public be excluded from the meeting for the following item of business under Section 100(A)(4) of the Local Government Act, 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act, namely information relating to financial or business affairs of another person, other than that of the County Council and disclosure of which would be likely to inhibit the free and frank provision of advice and exchange of views for the purposes of deliberation, in accordance with Section 36 of the Freedom of Information Act 2000, by virtue of the fact that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**\*126      Asset Allocation and Transition to Pool**

(An item taken under Section 100(A)(4) of the Local Government Act 1972 during which the press and public were excluded)

The Committee received the report of the County Treasurer (CT/16/20) reviewing the current strategic asset allocation and proposals to make new arrangements as the Fund moves toward the collective asset pool.

It was **MOVED** by Councillor Gilbert, **SECONDED** by Councillor Edgell and

**RESOLVED** that the approach outlined in Report (CT/16/20) be agreed as the basis for further work on planning the transition to the collective asset pool and the formulation of the new Investment Strategy Statement.

**\*DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.00am and finished at 11.30am.

<p><i>The Minutes of the Committee are published on the County Council's Website at:</i> <a href="http://www.devon.gov.uk/dcc/committee/minutes.html">http://www.devon.gov.uk/dcc/committee/minutes.html</a></p>
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