

AGENDA

Meeting: Investment Sub-Committee
Place: The Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Thursday 7 June 2018
Time: 10.30 am

Please direct any enquiries on this Agenda to Libby Johnstone, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718214 or email libby.johnstone@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225) 713114/713115.

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Chairman's Briefing:	Date	Time	Place
	7 June	10am	Kennet Room

Membership:

Cllr Tony Deane	Cllr Gordon King
Cllr Roy While	Cllr Tim Swinyard

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Public Participation

Please see the agenda list on following pages for details of deadlines for submission of questions and statements for this meeting.

For extended details on meeting procedure, submission and scope of questions and other matters, please consult [Part 4 of the council's constitution](#).

The full constitution can be found at [this link](#).

For assistance on these and other matters please contact the officer named above for details

PART 1

Items to be considered when the meeting is open to the public

1 **Election of a Chairman** **10:30am**

To elect a Chairman for the forthcoming year 2018/19.

2 **Membership**

To note the following changes to the membership of the Sub-Committee:

- Cllr Tim Swinyard (Swindon Borough Council) to replace Cllr Steve Weisinger on the Wiltshire Pension Fund Committee and Sub-Committee.

3 **Apologies**

To receive any apologies for absence or substitutions for the meeting.

4 **Minutes** (*Pages 7 - 10*)

To consider the Part 1 (public) minutes of the meeting held on 21 February 2018.

5 **Declarations of Interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

6 **Chairman's Announcements** **10:30am**

To receive any announcements through the Chairman.

7 **Public Participation and Councillors Questions**

The Council welcomes contributions from members of the public.

Statements

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named above for any further clarification.

Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution. Those wishing to ask questions are required to give notice of any such questions in writing to the officer named above (acting on behalf of the Corporate Director), no later than 5pm on **Thursday 31 May**

2018 in order to be guaranteed a written response prior to the meeting. Any question received between the above deadline, and no later than 5pm two clear working days before the meeting, may only receive a verbal response at the meeting.

Please contact the officer named on the first page of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

Details of any questions received will be circulated to Committee members prior to the meeting and made available at the meeting and on the Council's website.

8 **Date of next meeting**

The next ordinary meeting of the Sub-Committee will be held on 13 September 2018.

9 **Urgent items**

Any other items of business which, in the opinion of the Chairman, should be considered as a matter of urgency. Urgent items of a confidential nature may be considered under Part II of this agenda.

10 **Exclusion of the public**

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 11 – 18 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

PART 2

Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed.

11 **Investments Quarterly Progress Report & Review of Manager Performance** (Pages 11 - 62) **10:40am**

Confidential reports update the Committee on the performance of the Fund's investments as to the end of March 2018.

12 **Risk Management** (Pages 63 - 70) **11:10am**

To consider risk management techniques, following the training day on 9 May.

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INVESTMENT SUB-COMMITTEE

PART 1 MINUTES OF THE INVESTMENT SUB-COMMITTEE MEETING HELD ON 21 FEBRUARY 2018 AT KENNET ROOM, COUNTY HALL.

Present:

Cllr Tony Deane (Chairman), Jim Edney, Joanne Holden, Cllr Gordon King and Cllr Roy While

Also Present:

Stuart Dark and Mike Pankiewicz

1 Welcome

The Chairman welcomed those present to the meeting.

2 Apologies

Apologies for absence were received from Cllr Steve Weisinger, Cllr Philip Whitehead and Michael Hudson.

3 Minutes

Resolved:

To confirm the Part 1 minutes of the meeting held on 8 November 2017.

4 Declarations of Interest

There were no declarations of interest.

5 Chairman's Announcements

There were no Chairmans Announcements.

6 Public Participation and Councillors Questions

There were no members of the public present.

7 **Date of next meeting**

It was noted the next meeting was to be held on 7 June 2018.

8 **Urgent items**

There were no urgent items.

9 **Exclusion of the public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Minute Numbers 10-16 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

10 **Investment Quarterly Progress Report**

Officers and advisers gave an update on the performance of the Fund's investments for the last quarter.

Resolved:

To note the Investment Quarterly Progress Report and verbal update provided by officers and advisers at the meeting.

To request an item be tabled for the next meeting to discuss the performance of the CBRE mandate.

To request officers and the Chairman of the Wiltshire Pension Fund Committee raise the issue of performance-related manager fees with Brunel Pension Partnership as a matter for consideration when awarding contracts.

11 **Wiltshire Pension Fund Flight Path**

Officers presented a report explaining the Fund's Flight Path trigger had been reached, for members to consider.

Resolved:

To note the activation of the Flight Path trigger.

12 Risk Management Framework

Officers and advisers presented a range of options to manage risk.

Resolved:

To note the recommendation to use the ‘retain equity risk’ approach as a benchmark for comparing against both a static equity protection strategy and a dynamic approach and the next step to provide further training and background on each of these risk management proposals, and;

To defer further decision on risk management until members have completed this training.

13 Pensions & Investments Research Consultants Ltd Presentation

Janice Hayward, Client Services Manager, and Alan MacDougall, Managing Director, from PIRC have a presentation on the company’s work to support responsible investment.

Resolved:

To thank PIRC for the informative presentation and agree to take forward consideration of their recommendations with officers.

To consider the ESG matters raised by PIRC at the next Committee training event.

14 Equity Portfolio- Carbon Footprint Analysis

The Sub-Committee considered an analysis undertaken by Mercer to assess the carbon footprint of the Fund’s equity portfolios.

Resolved:

To note the findings from Mercer’s carbon footprinting analysis and to continue data collecting and discussion on ESG matters at the next training event.

To agree the Sub Committee, in consultation with Mercer, develop questions for Investment Managers on their carbon footprint and their views on other ESG metrics by which they should be measured.

To request the questions raised by PIRC in respect of ESG issues be raised with Brunel Pension Partnership.

15 Brunel Pension Partnership Update

The Fund's Investments Manager provided an update on progress within Brunel Pension Partnership.

Resolved:

To note the update on the progress of Brunel Pension Partnership.

16 Minutes

Resolved:

To confirm the Part 2 minutes of the meeting held on 8 November 2017.

(Duration of meeting: 10.30 am - 1.50 pm)

The Officer who has produced these minutes is Libby Johnstone, of Democratic Services, direct line 01225 718214, e-mail libby.johnstone@wiltshire.gov.uk

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