

AGENDA

Meeting: Investment Sub-Committee
Place: The West Wiltshire Room - County Hall, Trowbridge BA14 8JN
Date: Wednesday 13 September 2017
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
	13 September	10am	West Wilts Room

Membership:

Cllr Tony Deane	Cllr Gordon King
Cllr Roy While	Cllr Steve Weisinger

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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 **Membership** 10:30am

To note any changes to the membership of the Sub-Committee.

2 **Attendance of non-members of the Sub-Committee**

To note the attendance of any non-members of the 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 6 July 2017.

5 **Declarations of Interest**

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

6 **Chairman's Announcements**

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 Wednesday 6 September 2017 in order to be guaranteed a written response prior to the meeting. Any question received between the above deadline, and no later than 5pm Friday 8 September 2017, 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 23 November 2017.

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 – 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.

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 **Investment Quarterly Progress Report** *(Pages 11 - 62)* **10:35am**

Three confidential reports, including one from Mercer are circulated updating the Committee on the performance of the Fund's investments as to the end of June 2017.

12 **Investec Emerging Market Multi Asset Mandate Update** **11:05am**

The Head of Pensions will provide a verbal update on the on-going review of the Investec mandate as requested by the Investment Sub Committee.

13 **CBRE Currency Hedging Update** **11:10am**

The Head of Pensions will provide a verbal update on the proposal to implement currency hedging on the global property mandate.

- 14 **Wiltshire Pension Fund Strategy Review** *(Pages 63 - 68)* **11:15am**
Mercer presents a high level annual review of the Fund's strategy in light of current market conditions and proposes priorities for the next 12 months for the Sub-Committee to consider.
- 15 **Brunel Pension Partnership Update** **12:00pm**
A verbal update will be provided by the Head of Pensions on the latest developments with the establishment of the Brunel Pension Partnership to meet the Government's proposal for pooling of investments by April 2018.
- 16 **Minutes** *(Pages 69 - 76)* **12:10pm**
To confirm the Part 2 (confidential) minutes of the meeting held on 6 July 2017.

Close 12:15pm

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INVESTMENT SUB-COMMITTEE

PART 1 MINUTES OF THE INVESTMENT SUB-COMMITTEE MEETING HELD ON 6 JULY 2017 AT THE WEST WILTSHIRE ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

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

Also Present:

Mike Pankiewicz

1 Election of a Chairman

Nominations were invited for the position of Chairman.

Cllr Tony Deane advised he would be happy to Chair the Sub-Committee until such a time as the Vice Chairman wished to take over.

Resolved:

To appoint Cllr Tony Deane as Chairman of the Sub- Committee.

2 Membership

Cllr Roy While had replaced Cllr Charles Howard on the Sub Committee.

The attendance of Swindon Borough Council members on the Sub Committee and full Wiltshire Pension Fund Committee was discussed and it was agreed that efforts would be made with Swindon Borough Council to improve attendance.

Resolved:

To note changes to the membership as detailed above.

That Swindon Borough Council be contacted to discuss how to improve engagement at Pension Fund meetings.

3 **Attendance of non-members of the Sub-Committee**

Chris Ashton and Shruti Moraes from the Wiltshire Pension Fund were in attendance.

4 **Apologies**

Apologies for absence had been received from Cllr Steve Weisinger.

5 **Minutes**

Resolved:

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

6 **Declarations of Interest**

Cllr While declared for transparency purposes that he was a member of the Wiltshire Pension Fund.

7 **Chairman's Announcements**

There were no Chairman's Announcements.

8 **Public Participation and Councillors Questions**

There were no members of the public present.

9 **Date of next meeting**

The next meeting of the Sub Committee was to be held on 13 September 2017.

10 **Urgent items**

There were no urgent items.

11 **Exclusion of the public**

Resolved:

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 Minute numbers 12 – 19 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.

12 **CBRE Property Proposal**

The Sub Committee considered a report on increasing the non-UK Investment limit of the CBRE mandate above 25% and the possible introduction of a currency hedging arrangement.

Resolved:

To maintain the current percentage asset allocation to global property.

To delegate to officers progress a currency hedging arrangement, on the condition that the matter be reported to the Sub Committee for further discussion should any material issue arise.

13 **Liability Driven Investing**

A confidential report demonstrated the use of leverage in a Liability Driven Investment programme for members to consider.

Resolved:

To note the presentation and examples of leverage in a Liability Driven Investment programme

14 **Investment Quarterly Progress Report**

The Strategic Pension Manager presented the Investment Quarterly Progress Report for the Fund.

Resolved:

To note the performance of the Fund's investments and update provided by officers and advisers at the meeting.

15 **Barings- Review of 2016-17 and Plans for the Future**

Representatives from Barings presented on the performance of the mandate for 2016-17 and their plans for the future.

Resolved:

To note the update provided by Barings.

16 **Baillie Gifford- Review of 2016-17 and Plans for the Future**

Representatives from Baillie Gifford presented a review of the mandate's performance for 2017-18 and their plans for the future.

Resolved:

To note the update from Baillie Gifford.

17 Loomis Sayles- Review of 2016-17 and Plans for the Future

Representatives from Loomis Sayles presented a review of the mandate's performance 2016-17 and their plans for the future.

Resolved:

To note the update from Loomis Sayles.

18 Investec- Review of 2016-17 and Plans for the Future

Representatives from Investec provided a review of the mandate's performance in 2016-17 and their plans for the future.

Resolved:

To note the update from Investec.

19 Minutes

Resolved:

To confirm the Part 2 minutes of the meeting held on 1 March 2017.

(Duration of meeting: 10.35 am - 3.15 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

Press enquiries to Communications, direct line (01225) 713114/713115

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