

AGENDA

Meeting: Investment Sub-Committee
Place: Kennet Room - Wiltshire Council Offices, County Hall,
Trowbridge
Date: Thursday 13 September 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.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

Chairman's Briefing:	Date	Time	Place
	13 September	10am	Kennet Room

Membership:

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

Recording and Broadcasting Information

Wiltshire Council may record this meeting for live and/or subsequent broadcast on the Council's website at <http://www.wiltshire.public-i.tv>. At the start of the meeting, the Chairman will confirm if all or part of the meeting is being recorded. The images and sound recordings may also be used for training purposes within the Council.

By entering the meeting room you are consenting to being recorded and to the use of those images and recordings for broadcasting and/or training purposes.

The meeting may also be recorded by the press or members of the public.

Any person or organisation choosing to film, record or broadcast any meeting of the Council, its Cabinet or committees is responsible for any claims or other liability resulting from them so doing and by choosing to film, record or broadcast proceedings they accept that they are required to indemnify the Council, its members and officers in relation to any such claims or liabilities.

Details of the Council's Guidance on the Recording and Webcasting of Meetings is available on request. Our privacy policy can be found [here](#)

Parking

To find car parks by area follow [this link](#). The three Wiltshire Council Hubs where most meetings will be held are as follows:

County Hall, Trowbridge
Bourne Hill, Salisbury
Monkton Park, Chippenham

County Hall and Monkton Park have some limited visitor parking. Please note for meetings at County Hall you will need to log your car's registration details upon your arrival in reception using the tablet provided. If you may be attending a meeting for more than 2 hours, please provide your registration details to the Democratic Services Officer, who will arrange for your stay to be extended.

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 **Welcome** **10:30am**

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

2 **Apologies**

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

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

To consider the Part 1 (public) minutes of the meeting held on 7 June 2018.

4 **Declarations of Interest**

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

5 **Chairman's Announcements**

To receive any announcements through the Chairman.

6 **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 6 September** 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.

7 **Date of next meeting**

The next ordinary meeting of the Sub-Committee will be held on 22 November 2018.

8 **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.

9 **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 10 – 14 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.

10 **Investment Quarterly Progress Report & Review of Manager Performance** **10:40am**
(Pages 11 - 64)

Confidential reports on investment performance are circulated for consideration.

11 **Brunel Pension Partnership Update** **11:00am**

A verbal update on the progress of Brunel Pension Partnership to be provided by the interim Investment Manager.

12 **Infrastructure Investment Options** **11:10am**
(Pages 65 - 70)

The Sub Committee is invited to consider options for infrastructure investment within the target allocation of 5% of assets to infrastructure.

13 **CBRE Global Investors Manager Presentation** (Pages 71 - 136) **12:00pm**

The Sub Committee is invited to hear a confidential update from CBRE on the performance of the investment portfolio and consider next steps for the mandate.

14 **Minutes** (Pages 137 - 142)

To confirm the Part 2 (confidential) minutes of the meeting held on 7 June 2018.

Close 1:30pm

This page is intentionally left blank

INVESTMENT SUB-COMMITTEE

PART 1 MINUTES OF THE INVESTMENT SUB-COMMITTEE MEETING HELD ON 7 JUNE 2018 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Cllr Tony Deane (Chairman), Cllr Gordon King and Cllr Roy While, Mike Pankiewicz, Jo Holden, Dave Willers and Jim Edney.

Also Present:

Cllr Philip Whitehead

17 Election of a Chairman

Nominations were invited for the position of Chairman. Cllr King nominated Cllr Deane, which was seconded by Cllr While.

Cllr Deane thanked members for their selection, and was pleased with the progress of the Fund over the last 12 months due to the hard work of officers and advisers.

Resolved:

To appoint Cllr Deane as Chairman for the forthcoming year.

18 Membership

It was explained that Cllr Tim Swinyard had been appointed to the Committee.

19 Apologies

There were no apologies for absence.

20 Minutes

Resolved:

To confirm the minutes of the meeting held on 21 February 2018.

21 **Declarations of Interest**

There were no declarations of interest.

22 **Chairman's Announcements**

The Chairman advised the Wiltshire Pension Fund Committee would soon receive the Wiltshire Pension Fund accounts and audit results for consideration, as in previous years. The Committee would need to provide an assurance to Wiltshire Council's Audit Committee it had reviewed the accounts. The timing should be that this assurance be available before Wiltshire Council's Audit Committee reviewed Wiltshire Council's accounts, which would include those of the Pension Fund.

23 **Public Participation and Councillors Questions**

There were no members of the public present.

24 **Date of next meeting**

The next meeting of the Sub Committee was to be held on 13 September 2018.

25 **Urgent items**

There were no urgent items.

26 **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 27 - 34 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.

27 **Investments Quarterly Progress Report & Review of Manager Performance**

Officers and advisors introduced an investment quarterly progress report for the Sub Committee to consider.

Resolved:

To note the report on investments and request officers invite CBRE to present to the next meeting to explain performance attribution.

To agree that cash not currently invested in infrastructure be invested in gilts until such a time as further investment in UK infrastructure was deemed appropriate.

28 Risk Management

The Sub Committee was invited to consider risk management techniques, following the training day on 9 May.

A note from Mercer on decision making in Brunel Pension Partnership was also included.

Resolved:

To agree to invite applications for a risk manager to manage the Fund's equity risk in phase 1 of the framework and consider an LDI strategy using the same manager and updated flightpath in phase 2 as detailed in steps A-C of the report. The potential managers to be invited to the next Investment Sub Committee meeting to present.

29 Flight Path- Governance Procedures

Reports explained the second Flight Path level had been passed and proposed an implementation framework for re-risking in the case of a funding level fall.

Resolved:

To note the activation of the second Flight Path trigger and note the assurances.

To agree the re-risking approach outlined by Mercer and authorise officers to implement the policy.

30 Baillie Gifford Manager Presentation

Representatives from Baillie Gifford updated on the performance of the mandate.

Resolved:

To note the update from Baillie Gifford.

31 Barings Manager Presentation

Representatives from Barings updated on the performance of the mandate.

Resolved:

To note the update from Barings.

32 Loomis Sayles Manager Presentation

Representatives from Loomis Sayles updated on the performance of the portfolio.

Resolved:

To note the update from Loomis Sayles.

33 Investec Manager Presentation

Representatives from Investec updated the Sub Committee on the performance of the portfolio.

Resolved:

To note the update from Investec.

To request that officers undertake research to identify any overlap in the companies investment managers were invested in.

34 Minutes

Resolved:

To confirm the Part 2 minutes of the meeting held on 21 February 2018.

(Duration of meeting: 10.30 am - 3.40 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

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank