

Investment Sub-Committee

MINUTES OF THE INVESTMENT SUB-COMMITTEE MEETING HELD ON 28 NOVEMBER 2019 AT WEST WILTSHIRE ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Tony Deane (Chairman), Cllr Simon Jacobs, Cllr Robert Jandy (Substitute) and Cllr Gordon King

Also Present:

Anthony Fletcher and Mike Pankiewicz

48 **Membership**

It was noted that Cllr Simon Jacobs had been appointed as Vice Chairman to the Wiltshire Pension Fund Committee and the Investment Sub Committee.

49 **Apologies**

Apologies were received from Cllr Brian Ford who was substituted by Cllr Robert Jandy.

50 **Minutes**

RESOLVED

The minutes of the meeting held on 5 September 2019 were approved as a true record and signed by the Chairman.

51 **Declarations of Interest**

There were no declarations of interest.

52 **Chairman's Announcements**

There were no announcements.

53 **Public Participation and Councillors Questions**

There were no members of the public present.

54 **MiFID II Compliance**

Richard Bullen, Fund Governance & Performance Manager, introduced the item noting that the Fund's training strategy for members during 2020/21 had been developed to incorporate the knowledge & understanding requirements expected for MiFID II compliance. Whilst not a requirement it was agreed that as a matter of good governance Investment sub-Committee (ISC) members would self-certify that they remained competent to carry out their duties and responsibilities associated with taking the investment decisions on behalf of the full committee of the Fund. To maintain the Fund's 'Professional Investor' status implemented on 3 January 2018, it was recognised that a framework of measures would occur enabling continued compliance which would include an annual baseline review of ISC member competence.

Anthony Fletcher, Independent Advisor at MJ Hudson Allenbridge, explained that as the WPF had opted for 'professional investor' status in 2018, it was subject to less investor protections than a retail client. It was noted that the Fund's appointment of professional advisers such as MJ Hudson Allenbridge & Mercer Ltd reinforced the Fund's test of MiFID II compliance agreed between the Scheme Advisory Board & the FCA. It was also commented that senior officers of the Council, notably the S151 Officer, should also have investment experience, however similar to ISC members this could be mitigated through the use of professional advisers by the Fund.

For completeness Mr Bullen asked both the Fund's professional advisers, Mr Fletcher of MJ Hudson Allenbridge & Mr Ross Palmer of Mercer Ltd to confirm their qualification to act as the Fund's advisers. Both parties confirmed that they were qualified, maintained a record of continued professional development & were consequently fully compliant with MiDFID II regulations.

There was a brief discussion on whether MiFID II self-certification should be requested of Wiltshire Pension Fund Committee (WPFC) members too. However, it was agreed that as it was the ISC members who took the decisions on behalf of the full committee only the ISC members should formally self-certify their competence. It was noted that all members of both committees would follow the 2020/21 training strategy.

RESOLVED

The members of the ISC agreed to sign the self-certification letter.

Confirmation was received from the Fund's Investment Advisers that they continued to remain competent to provide investment advice to the Wiltshire Pension Fund.

55 **Date of next meeting**

The next meeting of the ISC would take place on the 27 February 2020.

56 **Urgent items**

There were no urgent items.

57 **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 Item Numbers 58-65 because it was 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.

58 **Investment Quarterly Progress Report**

Jenny Devine, Head of Pension Fund Investments, gave an update on the Fund's investment performance to 30 September 2019.

RESOLVED

The committee noted the reports and updates provided at the meeting;

59 **Investment Manager Database**

The Investment Manager introduced the item. Members noted that they were happy with the report and no questions were asked.

RESOLVED

The report was noted.

60 **Mercer's Quarterly Report**

A brief overview was given noting that no changes were recommended.

61 **Responsible Investment Quarterly Update Report**

The Investment Manager explained that the responsible investment quarterly update would be a standing item on the agenda going forward which would update members on responsible investment issues and welcomed feedback/questions on the report.

RESOLVED

The Committee noted the report and the progress that was being made towards implementing responsible investment related issues.

62 **Accounting Update Report**

The Investment Manager invited the committee to ask questions on the report in which there were none.

RESOLVED

The report was noted.

63 **Minutes**

RESOLVED

The minutes of the meeting held on the 5 September 2019 were approved.

64 **Presentation from CBRE**

The Committee received a presentation from CBRE on how the WPF's investments were being managed and had the opportunity to ask questions.

RESOLVED

The Committee thanked CBRE for their presentation

65 **Presentation from Investec**

The Committee received a presentation from Investec on how the WPF's investments were being managed and had the opportunity to ask questions.

RESOLVED

The Committee thanked Investec for their presentation

(Duration of meeting: 10.30 am - 2.15 pm)

The Officer who has produced these minutes is Jessica Croman of Democratic Services, direct line 01225 718262, e-mail jessica.croman@wiltshire.gov.uk

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