



WILTSHIRE PENSION FUND COMMITTEE

MINUTES of a MEETING held at COUNTY HALL, TROWBRIDGE on MONDAY, 4TH NOVEMBER, 2002.

PRESENT: Mr D Lay (Chairman), Mr BE Atfield, Mr PCB Coleman, Mrs CR Coleman, Miss MF de Rhé-Philipe and Mr KC Wren.

Also in attendance:

Mr D Green Trade Union Representative

Representing Hymans Robertson

Mr J Hastings

Representing Baring, Houston & Saunders

Mr N Cooper
Mr I Whittock

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60. **Apologies** Apologies for absence were received from Mr DJ Benfield.
61. **Minutes of Previous Meetings** Summary versions of the minutes of the Committee meetings held on 22nd, 23rd and 25th July, 2002 were presented.
62. **Chairman's Announcements**
- (1) The Chairman welcomed Ms S Schofield, Deputy County Treasurer and Mr D Broome, Principal Accountant on their first attendance at a meeting of this Committee.
 - (2) The Chairman introduced and welcomed Mr J Hastings, Senior Partner, Hymans Roberts who was attending the meeting in place of Mr G Henshilwood.
63. **Wiltshire Pension Fund Annual Report and Financial Statements 2001-02**
The Committee received the Annual Report and Financial Statements for 2001-02.

Resolved: *To receive and note the Annual Report and Financial Statements.*

64. **Employer Body Representation** On considering a report by the County Treasurer,

Resolved:

- (1) *To propose to the employer bodies that one voting member be added to the Committee representing the Other Scheduled Bodies (10.3% of membership) with a deputy from the Admitted Bodies (5.3% of membership) who could also attend as a non-voting member those meetings that that member was not required to deputise.*
- (2) *To request that the County Treasurer, in making this proposal on behalf of the Committee, suggests that representation either comes from the largest employer body or group of employer bodies in each category, or that the employer bodies make nominations for membership of the Committee from the two categories.*

64. **Consultation on the Future of the Local Government Pension Scheme**
Consideration was given to a report by the County Treasurer which reviewed the contents of the Government's discussion paper on Retirement Benefit Package options, particularly for new entrants. Comments were invited for submission to the Office of the Deputy Prime Minister, these now to be submitted by 17th April, 2003 (formerly 14th February, 2003).

Whilst accepting the general principles and aims of the discussion paper, members did make the following points:-

- There was a need to ensure that a new revised Scheme possessed the maximum amount of flexibility so as to cater for a workforce with different needs and expectations.
- Although the existing Scheme was expensive, a new Scheme should recognise that a large number of employees will continue to spend at least the majority of their careers working in Local Government.
- Any changes to the existing Scheme should be based on hard data covering Scheme membership periods of service, transfers to and from the Scheme and ill health retirements.
- Whilst it was appreciated that it may be necessary for the amount contributed by employees, currently 6%, to be reviewed, some information as to the amount of increase likely to be required should be made available.

Resolved: *To defer consideration of this matter and to request the County Treasurer to prepare a draft response for consideration at the next meeting covering the above points.*

65. **Date of Next Meetings**

Resolved: To agree the following schedule of dates for meetings in 2003-04, all meetings starting at 10.30am:-

- *Tuesday, 4th February, 2003 – Baillie Gifford and Capital International will be present.*
- *Wednesday, 23rd April, 2003 – Western Asset Management will be present.*
- *Monday, 21st July, 2003 – Baillie Gifford and Capital International will be present.*
- *Friday, 24th October, 2003 – Northern Trust and Baring Houston & Partners will be present.*
- *Tuesday, 27th January, 2004 – Baillie Gifford and Capital International will be present.*

66. **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 Nos. 67 to 70 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 7 of Part I of Schedule 12A to the Act.

67. **Minutes of Previous Meeting**

Resolved: To confirm and sign the minutes of the Committee meetings held on 22nd, 23rd and 25th July, 2002.

68. **Implementation of Revised Investment Strategy** On considering reports by the County Treasurer,

Resolved:

- (1) *To note the successful transition from the previous investment management arrangements to the revised arrangements and to confirm the benchmarks and out-performance targets as set out in the appendix to this report.*
- (2) *To agree to the revision of arrangements for review meetings with the Fund's investment managers as set out in paragraph 25 of this report.*
- (3) *To agree to the apportionment of Fund new monies to each manager, as suggested in paragraphs 29 to 31 of this report, subject to final confirmation of the detailed arrangements between the County Treasurer and Hymans Robertson.*
- (4) *To agree to the deferment of a decision to direct new money to any alternative asset classes such as private equity and hedge funds.*

69. **Progress Report** The County Treasurer made a report on investment activity and performance of the Fund for the period from 1st to 18th September, 2002, the date on which the previous investment management arrangements terminated.

Resolved: To note the contents of the County Treasurer's report.

70. **Property Mandate** The Committee considered a report by the Fund's new Property Manager, Baring Houston & Saunders, on action taken to date and on policy for the next period.

Mr N Cooper and Mr I Whittock answered questions concerning the report.

Resolved: To note the information contained in the report and to agree the target portfolio as detailed by Baring Houston & Saunders.

(Duration of meeting: 10.30am to 12.30pm)

The Officer who has produced these minutes is Roger Bishton, Democratic & Members' Services, direct line (01225) 713035.

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