



WILTSHIRE PENSION FUND COMMITTEE

MINUTES of a MEETING held at COUNTY HALL, TROWBRIDGE on TUESDAY, 4TH FEBRUARY, 2003.

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

Also in attendance:

Mr C Capel Trade Union Representative

Representing Hymans Robertson

Mr G Henshilwood

Representing Capital International

Mr P Armitage
Dr N Osborne

Representing Baillie Gifford & Co.

Mr E Hocknell
Mr N Morecroft

1. Minutes of Previous Meeting

***Resolved:** To confirm and sign the minutes of the Committee meeting held on 4th November, 2002.*

2. Chairman's Announcements

- (1) The Chairman informed the meeting that Mr TR Webb, Funds Manager was due to retire from the County Council at the end of March, 2003 and, accordingly, this would be the last occasion that he would be attending a meeting of this Committee. The Chairman warmly thanked Mr Webb for all the helpful advice he had offered to this Committee and its predecessor Sub-Committee over many years and wished him a long and happy retirement. These sentiments were endorsed by other members of the Committee.

- (2) The Chairman reported that a website had just been set up for the Wiltshire Pension Fund, namely www.wiltshirepensionfund.org.uk. The site was already live on the Internet and would also be available on the County Council Intranet within the next few weeks. The website seeks to provide useful information for Scheme members and the Fund's employer bodies about the Local Government Pension Scheme and the operation of the Fund.

3. **Employer Body Representation** On considering a report by the County Treasurer on the responses received from the employer bodies on the Committee's proposals from the meeting on 4th November, 2002,

Resolved:

- (1) *To recommend to the County Council:-*

- (i) *that one voting representative be added to the Wiltshire Pension Fund Committee, to represent those employer bodies, and in particular the admitted bodies, whose interests are not currently represented,*
- (ii) *That provision for a deputy for the additional voting representative be made, and that the deputy also be allowed to attend meetings of the Committee attended by the voting member, and*
- (iii) *that the additional voting representative and deputy be selected from individuals nominated by employer bodies not currently represented on the Committee.*

- (2) *Subject to the County Council agreeing to the recommendations (1) (i) to (iii) above, to request the County Treasurer to seek nominations and to make an appointment of the additional voting representative and deputy, after consultation with the Chairman and the Vice-Chairman of the Committee.*

4. **Consultation on the Future of the Local Government Pension Scheme** Consideration was given to a report by the County Treasurer which set out a draft response to the Office of the Deputy Prime Minister's (ODPM) consultation, as requested by the Committee at its last meeting.

Resolved: *To approve the draft response to the ODPM's Discussion Paper.*

5. **Local Government Pension Scheme (Management & Investment of Funds) Regulations 1998 – Prudential Benchmarks**

Resolved: *To receive and note a letter dated 27th November, 2002 from the ODPM inviting comments on proposals contained in the letter and the County Treasurer's response of 20th January 2003.*

6. **Date of Next Meeting**

Resolved: *To note that the next regular meeting of the Committee would be held on Wednesday, 23rd April, 2003, starting at 10.30am.*

7. **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. 8 to 12 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.

8. **Pension Fund Administration Budget 2003-04** On considering a report by the County Treasurer,

Resolved:

- (1) To approve the Pension Fund Administration Budget for 2003-04, as set out in Appendix 1 to the report.
- (2) To delegate authority to the County Treasurer to agree variations to the Budget, subject to reporting these retrospectively to the Committee.

9. **Implementation of Revised Investment Strategy – Rebalancing Rules** On considering a report by the County Treasurer,

Resolved:

- (1) To adopt the rebalancing rules, as detailed in the appendix to the report.
- (2) To delegate the execution of these rules to the County Treasurer and/or the Fund's global custodian, Northern Trust.
- (3) To request that the County Treasurer report back to the Committee on the actual operation of the rules once they have been put in place.

10. **Progress Report** Consideration was given to a report by the County Treasurer on investment activity and performance of the Fund for the quarter ended 31st December, 2002.

Resolved:

- (1) To note the contents of the County Treasurer's report.
- (2) To agree that:-
 - (i) Northern Trust be the sole provider of investment performance data in respect of the total Fund and in respect of the Fund's five managers compared with the Fund's bespoke benchmarks, with effect from 1st January 2003.
 - (ii) WM Company continues to provide investment performance data, at the total Fund level only compared with the Local Authority universe, with effect from 1st January 2003.

- (iii) *Hymans Robertson be requested to prepare an annual report for the Committee based on performance data provided by Northern Trust, and*
- (iv) *The formal monitoring of performance of the five investment managers under the Fund's new investment management arrangements commence from 1st January, 2003.*

11. **Review of Investments: Capital International** The Committee considered a report by Capital International on action taken to date and on policy for the next period.

Mr P Armitage and Dr N Osborne answered questions concerning the report.

Resolved: To note the information contained in the report and to agree the investment policy proposals as detailed by Capital International.

12. **Review of Investments: Baillie Gifford & Co.** The Committee considered a report by Baillie Gifford & Co. on action taken to date and on policy for the next period.

Mr E Hocknell and Mr N Morecroft answered questions concerning the report.

Resolved: To note the information contained in the report and to agree the investment policy proposals as detailed by Baillie Gifford & Co.

(Duration of meeting: 10.00am to 12.40pm)

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

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