



WILTSHIRE PENSION FUND COMMITTEE

MINUTES of a MEETING of the WILTSHIRE PENSION FUND COMMITTEE held at
COUNTY HALL, TROWBRIDGE on WEDNESDAY 27 FEBRUARY 2008.

PRESENT:

Miss MF de Rhé-Philipe (Vice-Chairman in the chair), Mr J Caldwell, Mr PCB
Coleman, Mr AN Deane, Mr JR Henning, Mr D Moffatt and Mr JC Noeken.

Also in attendance:

Mr M Pankiewicz Trade Union Representative
Mr T Gravier Trade Union Representative

Mr K Neale Independent Pensions Advisor

Representing Hymans Robertson

Mr P Potter

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1. **Apologies** Apologies for absence were received from Mr T Jackson and Mr
P Stoddart.

2. **Minutes of Previous Meeting**

Resolved: To confirm and sign the minutes of the Committee meeting
held on 28 November 2007.

3. **Chairman's Announcements** The Chairman made the following
announcements:-

NAPF Local Authority Conference 2008 This Conference was due to be
held in Warwickshire from 19 to 21 May 2008. Any member wishing to attend
was encouraged to contact David Broome.

Wiltshire Pension Fund Website The investment reports were now available
on a secure area within the Wiltshire Pension Fund website, full details of
which had recently been circulated to members of this Committee.

4. **Governance Compliance Statement** On considering a report by the Chief Financial Officer,

Resolved: To approve the draft Governance Policy Statement as set out in the appendix to the report, subject to changes to reflect the following policy decisions taken at the meeting:-

- (a) That the appointment of a pensioner representative to the Committee be reconsidered in 2009, when there is expected to no longer be a requirement for a District Council representative.
- (b) That non-voting members of the Committee (currently the two UNISON representatives) have all training and associated expenses paid in the same way as voting members.

5. **Actuarial Valuation 2007** Consideration was given to a report by the Chief Financial Manager which updated the Committee on the final position in relation to the Actuarial Valuation 2007.

Resolved: To note the Employer Contribution Rates on which the Actuary would finalise and sign-off the 2007 Actuarial Valuation, as set out in the appendix to the report.

6. **Wiltshire Pension Fund – Funding Strategy Statement** On considering a report by the Chief Financial Officer,

Resolved: To approve the draft Wiltshire Pension Fund – Funding Strategy Statement, as set out in the appendix to the report.

7. **Update on New Local Government Pension Scheme** On considering a report by the Chief Financial Officer,

Resolved: To note:-

- (a) the risks associated with the delay in finalising the new scheme regulations for pension staff and administration systems in time for implementation on 1 April 2008,
- (b) the Minister's written Statement on Rule of 85 protection, and
- (c) the response to the Department for Communities and Local Government on the proposed ill-health provisions, as attached as the appendix to the report.

8. **Proposed Changes to Currency and Property Mandates** Consideration was given to a report by the Chief Financial Officer which sought the Committee's approval for minor operational changes in relation to two of the Fund's investment mandates.

Resolved:

- (a) To approve a change to ING Real Estate's mandate to allow up to 25% investment in European property funds, with no change to the benchmark.

- (b) To delegate authority to the Chief Financial Officer to vary the percentage of overseas equities to which the passive currency hedge operated by Record Currency Management is applied, after consultation with the Chairman/Vice-Chairman of this Committee and having taken advice from Hymans Robertson.

9. **Date of Next Meeting**

Resolved: To note that the next regular meeting of the Committee would be held on Tuesday 17 June 2008 at 10.30am.

10. **Exclusion of the Public**

Resolved: 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. 11 – 15 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 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.

11. **Wiltshire Pension Fund Administration Budget 2008-09** On considering a confidential report by the Chief Financial Officer,

Resolved: To approve the Wiltshire Pension Fund Administration Budget for 2008-09 as shown in Appendix 1 to the report, totalling £6.985m.

12. **Quarterly Progress Report** Consideration was given to a confidential report by BNY Mellon on investment activity and performance of the Fund for the quarter to 31 December 2007.

Resolved: To note the contents of the report.

13. **Capital International – Review of 2007 & Plans for the Future** The Committee considered the Annual Report by Capital International which outlined action taken during the past year and policy for the next period.

Dr N Osborne and Mr M Ericksen answered questions concerning the report.

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

14. **Baillie Gifford – Review of 2007 & Plans for the Future** The Committee received the annual report by Baillie Gifford which outlined the action taken during the past year and policy for the next period.

Mr N Morecroft and Mr G Callahan answered questions concerning the report.

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

15. **Review of Baillie Gifford & Capital International Mandates** Consideration was given to a confidential report by the Chief Financial Officer which set out the latest position in relation to core mandates managed by Baillie Gifford and Capital International.

After a full discussion and on hearing the views of Mr K Neale, Independent Pensions Adviser and Mr P Potter, representing Hymans Robertson,

Resolved:

- (a) **To make no changes to Baillie Gifford's UK equity mandate at this time, but to formally keep this mandate "on watch" for the next 12 months.**
- (b) **To remove the UK benchmark element of Capital International's current equity mandate, reducing it from approximately 19% of the Fund to 14%, and to formally keep this mandate "on watch" for the next 12 months.**
- (c) **To change the performance target for Capital International's remaining equity mandate (14% of the Fund) to the MSCI World All Countries Index plus 1.5% p.a. (net of fees).**
- (d) **To place the 5% removed from Capital International in a UK FTSE All Share Index Tracker Fund.**
- (e) **To delegate authority to the Chief Financial Officer to source the UK Index Tracker Fund, after consultation with the Chairman / Vice-Chairman, and having taken advice from Hymans Robertson.**

(Duration of meeting: 10.30am – 13.25pm & 2.00pm – 2.35pm)

The Officer who has produced these minutes is Roger Bishton, Democratic & Members' Services, direct line (01225) 713035 or e-mail rogerbishton@wiltshire.gov.uk

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