

AGENDA

Meeting: Investment Sub-Committee

Place: County Hall, Bythesea Road, Trowbridge, BA14 8JN

Date: Thursday 27 February 2020

Time: 10.30 am

Please direct any enquiries on this Agenda to Jessica Croman, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718262 or email jessica.croman@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

Membership:

Cllr Tony Deane (Chairman)
Cllr Brian Ford

Cllr Gordon King
Cllr Simon Jacobs

Substitutes:

Cllr Derek Brown OBE
Cllr Matthew Dean
Cllr Sarah Gibson
Cllr Gavin Grant

Cllr Robert Jandy
Cllr Bob Jones MBE
Cllr Fleur de Rhé-Philippe MBE
Cllr Ian Thorn

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

AGENDA

Part 1

Items to be considered when the meeting is open to the public

1 **Membership**

To 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 5 - 8*)

To consider the Part 1 (public) minutes of the meeting held on 28/11/2019.

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 20/02/2020 in 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 2/07/2020.

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 10-16 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** *(Pages 9 - 64)*

To receive a quarterly update on investments

11 **Investment Manager Database** *(Pages 65 - 80)*

To receive an update.

12 **Responsible Investment Quarterly Update** *(Pages 81 - 114)*

To receive an update.

13 **Accounting Update** *(Pages 115 - 122)*

To receive a update.

14 **Minutes** *(Pages 123 - 128)*

To confirm the Part 2 (confidential) minutes of the meeting held on 28/11/2019.

15 **Partners Group Presentation**

Presentation from Partners Group on their infrastructure portfolio.

16 **Brunel Presentation**

Presentation from Brunel on their private markets portfolios.

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

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

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