

AT A MEETING of the PENSION FUND PANEL of the County Council held at The Castle, Winchester on Friday 20 December 2013.

Chairman:
a Councillor M.N. Kemp-Gee

Councillors:

p C. Carter	p P. Latham
p C. Connor	p T. Rolt
p A. Gibson	p B. Tennent
p A. Joy	p T. Thacker (in the chair)

Co-opted members:

p Councillor P. Giddings (Test Valley Borough Council)
p Councillor J. Leek (Basingstoke and Deane Borough Council)
p Councillor G. Vernon-Jackson (Portsmouth City Council)
p Councillor S. Barnes-Andrews (Southampton City Council)
p Dr C. Allen (pensioners' representative)
p Mr P. Reynolds (employee representative)

Independent Adviser:
a C. Dobson

46 **APOLOGIES FOR ABSENCE**

Councillor M.N Kemp-Gee and C. Dobson gave their apologies. In the absence of Councillor M.N. Kemp-Gee, Councillor T. Thacker (Vice-chairman) chaired the meeting.

47 **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

48 **CONFIRMATION OF MINUTES**

The minutes of the meeting held on 8 November 2013 were confirmed, subject to a correction to Exempt Minute 40.

49 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman reminded Panel members to complete and return their Training Needs Analysis forms.

50 **DEPENDANTS' BENEFITS**

The Panel considered a report of the Head of Pensions Services (item 5 in the Minute Book) outlining the benefits payable to dependants under the Local Government Pension Scheme (LGPS) regulations and providing a plan for improving scheme members' awareness of dependants' benefits.

The Head of Pensions Services explained that when changes were made to LGPS regulations on dependants' benefits they were rarely backdated for existing members. As a result there could be significant differences in the benefits due to individual scheme members. This added layer of complexity had led to some members planning on the basis of incorrect assumptions about the level of benefits payable to their dependants. These complexities were a result of changes introduced by the scheme regulations and were not a result of local discretion. A plan had been prepared for better communications with members with the aim of improving their understanding of dependants' benefits.

RESOLVED:

That the plan for improving member awareness of dependant benefits under the LGPS regulations be noted.

51 **PENSION FUND CASH MONITORING REPORT AND ANNUAL INVESTMENT STRATEGY 2014/15**

The Panel considered a report of the Director of Corporate Resources (item 6 in the Minute Book) on the Annual Investment Strategy for 2014/15 and the policy for managing the Pension Fund's cash balance. The draft Annual Investment Strategy had been prepared taking into account advice from the County Council's treasury management advisers, Arlingclose.

RESOLVED:

- (a) That the Annual Investment Strategy for 2014/15 be approved.
- (b) That this Annual Investment Strategy be implemented from the date of this meeting for the remainder of 2013/14.
- (c) That the Director of Corporate Resources be authorised to manage the Pension Fund's cash balance in accordance with the policy set out in the report.

52 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED:

That the public be excluded from the meeting during the following items of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

53 **PENSION FUND CASH MONITORING REPORT AND ANNUAL INVESTMENT STRATEGY 2014/15 (EXEMPT APPENDIX)**

The Panel received and noted an exempt appendix (Item 8 in the Minute Book) to the report from the Director of Corporate Resources on the Annual Investment Strategy for 2014/15. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

54 **ALTERNATIVE INVESTMENTS PORTFOLIO - UPDATE**

The Panel considered an exempt report from the Director of Corporate Resources (Item 9 in the Minute Book) providing an update on a number of matters affecting the Pension Fund's alternative investments portfolio. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

55 **TACTICAL ASSET ALLOCATION - UPDATE**

The Panel considered an exempt report from the Director of Corporate Resources (Item 10 in the Minute Book) providing an update on the Pension Fund's tactical asset allocation portfolio. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

56 **INVESTMENT UPDATE INCLUDING RECENT PERFORMANCE RETURNS**

The Panel considered an exempt report from the Director of Corporate Resources (Item 11 in the Minute Book) updating the Panel about the progress of the Pension Fund's investments. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]