

AT A MEETING of the PENSION FUND PANEL of the County Council held at The Castle, Winchester on Friday 26 September 2014.

Chairman:
p Councillor M. Kemp-Gee

Councillors:

p C. Carter	a P. Latham
p C. Connor	p T. Rolt
p A. Gibson	p B. Tennent
p A. Joy	p T. Thacker

Substitute Councillor:

p (F. Pearce Conservative substitute member)

Co-opted members:

p Councillor P. Giddings (Test Valley Borough Council)
p Councillor J. Leek (Basingstoke and Deane Borough Council)
p Councillor H. Mason (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

91 **APOLOGIES FOR ABSENCE**

Councillor Latham and Carolan Dobson gave their apologies.

92 **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.

93 **CONFIRMATION OF MINUTES**

The minutes of the meeting held on 11 July 2014 were confirmed.

94 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman thanked Ian Howell, Head of Investment and Borrowing, on his retirement for his support to the Pension Fund Panel over a significant number of years.

The Chairman reminded the members of the Panel that the Fund's Annual Employers Meeting will take place on 23 October 2014 at Ashburton Hall in Elizabeth II Court in Winchester.

The Chairman invited Councillors Thacker, Connor and Giddings to update the Panel on their attendance at the Local Government Chronicle Investment Summit.

95 **IMPLEMENTATION OF THE PENSION BOARD - UPDATE**

The Panel received a report of the Director of Corporate Resources (item 5 in the Minute Book) updating the Panel following the County Council's response to the Government's consultation paper on draft Local Government Pension Scheme Governance Regulations including the creation of Pension Boards. The Panel noted that the proposals for the Hampshire Pension Board will be reported to Cabinet for a recommendation to the County Council, but that this is dependant on the publication of final regulations by the Government.

96 **PENSION FUND CASH – ANNUAL REPORT 2013/14**

The Panel considered a report of the Director of Corporate Resources (Item 6 in the Minute Book) which summarised the activities of the Director in managing the Pension Fund's cash balance during 2013/14. The Panel had agreed an Annual Investment Strategy earlier in the year and the cash balance had been managed in accordance with that Strategy throughout the year. The average cash balance during 2013/14 was £77.7m and the Fund's surplus from its dealings with members was £17.5m.

RESOLVED:

That the outturn report on the Pension Fund's cash management in 2013/14 be approved.

97 **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 Paragraphs 1, 2 and 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.

98 **MINUTES OF PREVIOUS MEETING HELD ON 11 JULY 2014
(EXEMPT APPENDIX)**

The exempt minutes of the meeting held on 11 July 2014 were confirmed with corrections made to the date of the previous meeting.

99 **PENSION FUND CASH – ANNUAL REPORT FOR 2012/13 – EXEMPT
APPENDIX**

The Panel noted an exempt Appendix from the Director of Corporate Resources (Item 9 in the Minute Book) concerning the management of the Pension Fund's cash balance in 2013/14. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

100 **INVESTMENT UPDATE**

The Panel received and noted an exempt report from the Director of Corporate Resources (Item 10 in the Minute Book) updating the Panel about the progress of the Pension Fund's investments. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

101 **INVESTMENT STRATEGY REVIEW NEXT STEPS**

The Panel considered an exempt report from the Director of Corporate Resources (Item 11 in the Minute Book) following the Panel's review of the Fund's Investment Strategy in July 2014. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]

102 **ALTERNATIVES INVESTMENTS PORTFOLIO - UPDATE**

The Panel considered an exempt report from the Director of Corporate Resources (Item 12 in the Minute Book) updating the Panel on the progress of the Fund's Alternative Investments portfolio. [SUMMARY OF A MINUTE WHICH CONTAINS EXEMPT INFORMATION]