

Minutes of the Pensions Panel Meeting held on 6 June 2017

Present: Philip Atkins, OBE (Chairman)

Attendance

Derek Davis, OBE
Robert Marshall

Mike Sutherland (Observer)
Stephen Sweeney (Observer)

Also in attendance: Ian Jenkinson (Observer), Graeme Johnston (Hymans Robertson) and David Thomas (Independent Adviser).

Apologies: Carolan Dobson (Independent Adviser).

PART ONE

57. Declarations of Interest

There were no Declarations of Interest on this occasion.

58. Minutes of meeting held on 7 March 2017

RESOLVED – That, subject to the amendment of the date in the fifth line of the fourth paragraph of minute number 46 to read “2017/18”, the minutes of the Meeting of the Pensions Panel held on 7 March 2017 be confirmed and signed by the Chairman.

59. Pension Fund Performance and Portfolio of Investments as at 31 March 2017

The Director of Finance and Resources submitted a summary of the performance of the Pension Fund, together with a portfolio of the Fund’s investments, as at 31 March 2017.

The Panel were informed that the Fund had a market value of £4.6 billion as at 31 March 2017; the highest reported to date. Over the quarter the Fund returned 4.3%, outperforming its strategic benchmark by 0.3%. Equities were the highest returning asset class, followed by Alternatives and Property, whilst Bonds were the lowest. Reassuringly, there were no significant underperformances affecting the excess return of the Fund.

With an absolute return of 22.9% over the year, the Fund had outperformed its strategic benchmark by 0.9%, with the Private Equity and Property portfolios being the biggest contributors to the outperformance. Longer term, annualised returns over the 3 and 5 year time periods were in excess of 11% per annum, which was well above the investment return assumptions used by the Actuary as part of the triennial valuation.

RESOLVED – That the Pension Fund Investment performance and the portfolio of investments for the quarter ended 31 March 2017 be noted.

60. Dates of Future Meetings

- 25 July 2017 (Managers' day) Note by Clerk – This meeting has been cancelled.
- 5 September 2017
- 5 December 2017
- 6 March 2018

All meetings are scheduled to start at 9.30am at County Buildings, Stafford.

61. Exclusion of the Public

RESOLVED - That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraph of Part One of Schedule 12A of the Local Government Act 1972 (as amended) indicated below.

PART TWO

The Panel then proceeded to consider reports on the following issues:

62. Exempt Minutes of the Meeting held on 7 March 2017 (Exemption paragraph 3)

63. Pension Fund Performance and Manager Monitoring for the quarter ended 31 March 2017 (Exemption paragraph 3)

64. Pooling of LGPS Investments

65. Strategic Benchmark Review and Monitoring (Exemption paragraph 3)

- a) Economic and Market Update
- b) Review of Position as at 30 April 2017

66. Responsible Investment (RI) Report Quarter 1 2017 (Exemption paragraph 3)

67. Manager Presentation - JP Morgan Asset Management (Global Equities) (Exemption paragraph 3)

68. Manager Presentation -Longview Partners (Global Equities) (Exemption paragraph 3)

Chairman