

**Minutes of a meeting of the Local Pension Committee held at County Hall,  
Glenfield on Friday, 26 February 2016.**

**PRESENT:**

Leicestershire County Council

Mr. G. A. Hart CC (Chairman)  
Mr. S. J. Hampson CC  
Mr. Max Hunt CC  
Mr. K. W. P. Lynch CC

Mr. P. C. Osborne CC

Leicester City Council

Cllr Deepak Bajaj  
Cllr Lynn Moore

District Council Representative

Cllr. Malise Graham MBE

University Representative

Mr. J. Shuter

Staff Representatives

Mr. N. Booth  
Miss. J. Dean

Independent Advisers and Managers

Mr. S. Jamieson	Kames Capital
Mr. A. Green	Hymans Robertson
Mr. B. McKay	Hymans Robertson
Ms. A. Cranston	Hymans Robertson
Mr. T. Hoare	Hymans Robertson

396. Minutes of the previous meeting.

The minutes of the meeting held on 22 January 2016 were taken as read, confirmed and signed.

397. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

398. Questions asked by members.

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

399. Urgent items.

There were no urgent items for consideration.

400. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting. No declarations were made.

401. Presentation by Fund Actuary.

The Committee received a presentation by the Fund's Actuary concerning the methods used to produce the Pension Fund's actuarial valuation which was required every three years. The presentation also detailed a suggested method of deriving some of the key assumptions in the 2016 valuation (minute 402 below refers). A copy of the presentation marked '6' is filed with these minutes.

RESOLVED:

That the presentation be noted.

402. Recommended Method of Deriving Key Actuarial Assumptions For 2016 Actuarial Valuation.

The Committee considered a report of the Director of Corporate Resources which recommended a method of deriving some of the key assumptions used as part of the actuarial valuation of the Leicestershire Pension Fund. A copy of the report marked '7' is filed with these minutes.

The Committee acknowledged that the actuarial valuation, which would set the contribution rates for the employer members of the Leicestershire Pension Fund for a three year period beginning 1 April 2017, would need to take into account a number of factors, some of which, such as inflation, salary growth and pension increases, would be based on calculated assumptions.

Once the Actuary had set individual valuation contribution rates for all employers within the Fund, an employer forum would be held to present the outcome of the valuation. In addition, employers would be consulted upon the contents of the Fund's Funding Strategy Statement which would need to be approved by the Local Pension Committee.

The Director added that agreement by the Committee on how the three key actuarial assumptions were derived would show a willingness to manage the financial position of the Pension Fund in an open manner which focused on the best long term interest of both employers and the Fund.

RESOLVED:

That the actuarial assumptions set out in paragraph 26 of the report be used in the 2016 actuarial valuation of the Fund for discount rate, salary growth and pension increase.

403. Summary Valuation of Pension Fund Investments and Performance of Individual Managers.

The Committee considered a report of the Director of Corporate Resources, the purpose of which was to present a summary valuation of the Fund's investments at 31 December 2015 together with figures showing the performance of individual managers. A copy of the report is filed with these minutes, marked '8'.

RESOLVED:

That the report be noted.

404. Performance Assessment of Local Pension Committee and Investment Subcommittee.

The Committee received a report by the Director of Corporate Resources, the purpose of which was to provide members with an opportunity to consider the Committee's performance over the past year. A copy of the report marked '9' is filed with these minutes.

It was noted that members of the Committee would continue to be invited to internal and external training sessions and receive training during formal meetings by way of presentations by investment advisors and/or officers.

RESOLVED:

That a report concerning member training, including a proposed future training schedule, be considered by the Committee at its next meeting.

405. Funding update as at 31 December 2015.

The Committee considered a report by Hymans Robertson which presented the funding projection at 31 December 2015. A copy of the report, marked '10', is filed with these minutes.

RESOLVED:

That the report be noted.

406. Market Report.

The Committee received a presentation by Kames Capital concerning global market conditions. A copy of the presentation, marked '11', is filed with these minutes.

RESOLVED:

That the presentation be noted.

407. Exclusion of the Public.

RESOLVED:

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the

likely disclosure of exempt information as defined in paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Act.

408. Kames Capital Quarterly Report.

The Committee considered an exempt report by Kames Capital, a copy of which marked '13' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

409. KKR - Quarterly Report.

The Committee considered an exempt report by KKR, a copy of which marked '14' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

410. Kempen Capital Management Quarterly Report.

The Committee considered an exempt report by Kempen Capital Management, a copy of which marked '15' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

411. Kleinwort Benson Investors - Quarterly Report.

The Committee considered an exempt report by Kleinwort Benson Investors, a copy of which marked '16' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

412. Ruffer - Quarterly Report.

The Committee considered an exempt report by Ruffer, a copy of which marked '17' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

413. Pictet Quarterly Report.

The Committee considered an exempt report by Pictet, a copy of which marked '18' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

414. Aviva Investors - Quarterly Report.

The Committee considered an exempt report by Aviva Investors, a copy of which marked '19' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

415. Millennium Global - Quarterly Report.

The Committee considered an exempt report by Millennium Global, a copy of which marked '20' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

416. IFM Investors - Quarterly Report.

The Committee considered an exempt report by IFM Investors, a copy of which marked '21' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

417. Legal and General Investment Management - Quarterly Report.

The Committee considered an exempt report by Legal and General, a copy of which marked '22' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

418. Stafford Timberland - Quarterly Report

The Committee considered an exempt report by Stafford Timberland, a copy of the which marked '23' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

419. Delaware Investments - Quarterly Report.

The Committee considered an exempt report by Delaware Investments, a copy of which marked '24' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

420. Ashmore - Quarterly Report.

The Committee considered an exempt report by Ashmore, a copy of which marked '25' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

421. Aspect Capital - Quarterly Report.

The Committee considered an exempt report by Aspect Capital, a copy of which marked '26' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

422. JP Morgan - Quarterly Report.

The Committee considered an exempt report by JP Morgan, a copy of which marked '27' is filed with these minutes. The report was not for publication by virtue of paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.