

**Minutes of a meeting of the Local Pension Committee held at County Hall,  
Glenfield on Friday, 10 November 2017.**

**PRESENT:**

Leicestershire County Council

Mr. P. C. Osborne CC (Chairman)	Mr. Max Hunt CC
Mr. L. Breckon JP CC	Mrs. R. Page CC
Dr. S. Hill CC	

Leicester City Council

Cllr Dr Lynn Moore (Leicester City Council)  
District Council Representative

University Representative

Staff Representatives

Mr. R. Bone	Jackie Dean
Nick Booth	

Independent Advisers and Managers

57. Minutes of the previous meeting.

The minutes of the meeting held on 1 September 2017 were taken as read, confirmed and signed.

58. Question Time.

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

59. Questions asked by members.

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

60. Urgent items.

There were no urgent items for consideration.

61. 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.

62. 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 30 September 2017. A copy of the report is filed with these minutes, marked '6'.

RESOLVED:

That the report be noted.

63. Funding Update as at 30 September 2017.

The Committee considered a report by Hymans Robertson which presented the funding projection at 30 September 2017. A copy of the report, marked '7', is filed with these minutes.

In response to questions from members, the Director of Corporate resources explained that overall the Fund's asset's had continued to perform above the benchmark and whilst at present the Fund's liabilities remained high, it was hoped that they would decrease over time.

RESOLVED:

That the report be noted.

64. Action Agreed by the Investment Subcommittee.

The Committee received a report by the Director of Corporate Resources, the purpose of which was to inform members of the decisions taken by the Investment Subcommittee as its meeting on 11 October 2017. A copy of the report marked '8' is filed with these minutes.

RESOLVED:

That the report be noted.

65. Risk Management and Internal Controls.

The Director of Corporate Resources presented a report, the purpose of which was to detail any concerns relating to the risk management and internal controls of the Fund. A copy of the report is filed with these minutes, marked '9'.

The Board noted the inclusion within the register of the risks associated with pooling of assets within LGPS Central and the consequences should it fail to deliver a long term net investment return. The Director stated that the governance structure of LGPS Central would allow for issues of concern to be raised by member funds and officers would be monitoring the pool's performance closely.

RESOLVED:

That the report be noted.

66. Pension Fund Annual Report and Accounts 2016/17.

The Committee considered a report of the Director of Corporate Resources, the purpose of which was to present the Annual Report and Accounts of the Pension Fund 2016/17 for approval. A copy of the report is filed with these minutes, marked '10'.

The Director reported that the Fund's membership had continued to grow over the past year and was expected to rise further as auto- enrolment continued to be introduced by the Fund's employers. It was noted that the annual report contained a complete list of the Fund's employing bodies as at 31<sup>st</sup> March 2017, including the names of academy trusts (rather than individual schools) which were members of the Fund.

RESOLVED:

That the Pension Fund Annual Report and Accounts for 2016/17 be approved.

67. Impact of investment pooling onto the role of the Local Pension Committee - Presentation.

The Committee considered a presentation by the Director of Corporate Resources which provided an update to members concerning the progress made towards the formation of the Local Government Pension Scheme (LGPS) Central Investment Pool. A copy of the report presentation marked '11' is filed with these minutes.

The Director reported that the LGPS Central Pool, of which the Leicestershire Fund would be one of 9 member schemes, was on schedule to meet the requirement to be operational by April 2018.

Arising from discussion the following was noted;

- Following the establishment of LGPS Central, the Local Pension Committee would continue to set the Leicestershire Fund's strategic asset allocation thereby deciding which types of investments the Fund would invest in;
- The restructuring of assets belonging to the 9 Funds which made up LGPS central would be managed over several years. This would result in some of the Fund's investment managers continuing to work for the Fund, via LGPS Central, until new investment manager selection processes were conducted by the pool;
- Under the new arrangements, closed end fund type investments, of which the Leicestershire Fund owned several, would be left to mature and end naturally before the assets were transferred to the pool.

RESOLVED:

That the presentation be noted.

68. Market Update.

The Committee considered an update concerning the current financial market conditions. A copy of the update documents produced by the Independent Investment Advisor and Kames Capital are filed with these minutes marked '12'.

RESOLVED:

That the update be noted.

69. Exclusion of the Press and Public.

RESOLVED:

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the meeting for the remaining items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Act.

70. Kames Capital Quarterly Report.

The Committee considered an exempt report by Kames Capital, 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.

71. Aspect Capital Quarterly Report.

The Committee considered an exempt report by Aspect Capital, 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.

72. Kleinwort Benson Investors Quarterly Report.

The Committee considered an exempt report by Kleinwort Benson, 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.

73. Ruffer Quarterly Report.

The Committee considered an exempt report by Ruffer, 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.

74. Pictet Quarterly Report.

The Committee considered an exempt report by Pictet, 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.

75. Millennium Global Quarterly Report.

The Committee considered an exempt report by Millennium, 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.

76. Delaware Investments Quarterly Report.

The Committee considered an exempt report by Delaware Investments, 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.

77. JP Morgan Quarterly Report.

The Committee considered an exempt report by JP Morgan, 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.

78. Legal and General Investment Manager Quarterly Report

The Committee considered an exempt report by Legal and General Investment Manager, a copy of 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.

79. Ashmore Quarterly Report.

The Committee considered an exempt report by Ashmore, 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.

80. Stafford Timberland Quarterly Report.

The Committee considered an exempt report by Stafford Timberland, 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.

81. Kempen Capital Quarterly Report.

The Committee considered an exempt report by Kames 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.

That the report be noted.

82. IFM Investors Quarterly Report.

The Committee considered an exempt report by Kames Capital, 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.

83. Aviva Investors Quarterly Report.

The Committee considered an exempt report by Aviva Investors, a copy of which marked '28' 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.

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10 November 2017

CHAIRMAN