



## **LOCAL PENSION COMMITTEE – 7 SEPTEMBER 2018**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **ACTION AGREED BY INVESTMENT SUBCOMMITTEE (ISC)**

#### **Purpose**

1. The purpose of this report is to provide the Committee with an update following the meeting of the Investment Sub Committee on 11 July 2018.

#### **Background**

2. Millennium Global is a currency investment specialist employed by the Leicestershire Pension Fund since April 2006. Millennium trade currency positions on behalf of the Fund with the aim of generating a financial return. The Programme operates independently from the currency hedge, managed by Kames, that aims to reduce the Fund's currency exposure from its investment in global assets.
3. At this time none of the other partner funds in LGPS Central have expressed an interest in programmes similar to Millennium's. It is therefore assumed that the Programme will be managed locally for as long as it is maintained.
4. Due to the requirement to retain local oversight over the investment and a recent fall in performance, the Subcommittee were asked to review the investment.

#### **Review**

5. At its meeting on the 11 July 2018 the Investment Subcommittee was asked to consider the Leicestershire Pension Fund's existing investments in Millennium Global.
6. Briefing notes were received from the Funds Independent Investment Advisor and Hymans Robertson to support the review.
7. Millennium attended the meeting and provided a presentation covering their investment process, the performance of the Leicestershire Programme and future expectations.
8. Following the presentation by Millennium the ISC decided that the Leicestershire Pension Fund should continue to invest in the Millennium currency programme, maintaining a 3% target volatility against a notional programme size of £350m and that officers be requested to review the size of the programme, as part of the next annual investment review.

**Appendix**

9. Report of the Investment Subcommittee – 11 July 2018

**Recommendation**

10. It is recommended that the report be noted.

**Equality and Human Rights Implications**

11. None.

**Officers to Contact**

Mr C Tambini, Director of Corporate Resources  
Tel: 0116 305 6199      Email: [Chris.Tambini@leics.gov.uk](mailto:Chris.Tambini@leics.gov.uk)

Mr D Keegan, Assistant Director Strategic Finance and Property  
Tel: 0116 305 7668      Email: [Declan.Keegan@leics.gov.uk](mailto:Declan.Keegan@leics.gov.uk)