



**Minutes of a meeting of the Investment Subcommittee held at County Hall, Glenfield on Wednesday, 10 October 2018.**

**PRESENT:**

Leicestershire County Council

Mr. L. Breckon (Chairman)  
Dr. S. Hill

Leicester City Council/District Council  
Representative

Cllr. M. Graham MBE  
Cllr. L. Moore

Staff Representative

Mr. R. Bone

**12. Minutes.**

The minutes of the meeting held on 11 July 2018 were taken as read, confirmed and signed.

**13. Question Time.**

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

**14. Questions asked by members.**

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

**15. Urgent Items.**

There were no urgent items for consideration.

**16. 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.

**17. Review of the Ruffer Targeted Return Investment.**

The Subcommittee considered a report of the Director of Corporate Resources,

which provided members with information relating to the Leicestershire Pension Fund's current Ruffer Targeted Return Investment. A copy of the report is filed with these minutes marked '6'.

Arising from discussion, the following points were noted:

- i) Ruffer formed part of the Fund's Targeted Return portfolio alongside Aspect and Pictet. Out of the three Targeted Return investment managers Ruffer had the highest allocation, accounting for slightly over half of the total allocation.
- ii) Members felt the Targeted Return portfolio offered a good alternative to the Fund's significant Equity portfolio.
- iii) It was noted that while Ruffer's performance since June 2009 had been good, the annual performance over the past three years had been 0.7% below benchmark in a market environment that should have been more conducive for them. A view was expressed that considering Brexit and ongoing trade disputes it could be the right time to hold onto the investment in Ruffer.
- iv) Members were reassured that any decision taken would be unlikely to have a material impact on the Funds overall performance. The investment could be further considered within the annual strategy review alongside the other two Targeted Return portfolios and when more was known about LGPS Central's offering.

RESOLVED:

That the report be noted.

#### **18. Date of Next Meeting.**

It was noted that the next meeting would be held on 20 December 2018,

*(This meeting was subsequently cancelled).*

#### **19. Review of the Ruffer Targeted Return Investment - Briefing notes of the Independent Investment Advisor and Hymans Robertson.**

The Subcommittee considered a briefing paper produced by the Fund's Independent Investment Advisor and Hymans Robertson, which was followed by questions from members. A copy of the briefing note is filed with these minutes marked '8'. The note 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 briefing papers be noted.

[At this point Ruffer representatives joined the meeting]

**20. Presentation from Ruffer Targeted Return Investment.**

The Subcommittee received a presentation by representatives from Ruffer Investment Fund which was followed by questions from members. A copy of the presentation is filled with these minutes marked '9'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

*[At this point Ruffer Investment Fund representatives withdrew from the meeting]*

- a) That the presentation delivered by Ruffer Targeted Returns Investment be noted.
- b) That the Leicestershire Pension Fund reduce its target asset allocation in Ruffer's Targeted Return Investment from 6.0% to 4.0% of total Fund assets and allocate the remaining 2.0% to the Fund's current investment in Pictet Asset Management (PS II Dynamic Asset Allocation Fund-EB GBP).

**21. Update on the launch of LGPS Central sub-funds.**

The Subcommittee received an update on the launch of LGPS Central sub-funds. A copy of the report is filled with these minutes marked '10'. 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 update be noted.

Wednesday, 10 October 2018

CHAIRMAN

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