

AVON PENSION FUND COMMITTEE - INVESTMENT PANEL

Minutes of the Meeting held

Wednesday, 3rd September, 2014, 10.30 am

Members: Councillor Charles Gerrish (Chair), Councillor Patrick Anketell-Jones, Ann Berresford, Councillor Mary Blatchford, Roger Broughton and Councillor Ian Gilchrist

Advisors: Tony Earnshaw (Independent Advisor), Jignesh Sheth (JLT Benefit Solutions) and Guy Hopgood (JLT)

Also in attendance: Tony Bartlett (Head of Business, Finance and Pensions), Liz Woodyard (Investments Manager), Matt Betts (Assistant Investments Manager) and Matthew Clapton (Investments Officer)

11 EMERGENCY EVACUATION PROCEDURE

The Democratic Services Officer read out the procedure.

12 DECLARATIONS OF INTEREST

There were none.

13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

14 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was none.

15 ITEMS FROM THE PUBLIC - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS

There were none.

16 ITEMS FROM COUNCILLORS AND CO-OPTED AND ADDED MEMBERS

There were none.

17 MINUTES: 4TH JUNE 2014

The public and exempt minutes of the meeting of the 4th June 2014 were approved as a correct record and signed by the Chair.

18 REVIEW OF INVESTMENT PERFORMANCE FOR PERIODS ENDING 30 JUNE 2014

The Assistant Investment Manager summarised the headline information in the report. The Fund's assets had increased by 2.4% in the quarter ending 30 June 2014. 10 mandates were rated green in the RAG report (Exempt Appendix 3),

including Stenham, who were now exceeding their target. Two managers had been downgraded to amber, namely TT and Barings. There were now five managers rated amber.

Mr Sheth gave a market summary and commented on the JLT report (Appendix 2). He said that the bull market that had commenced in August 2012 had continued. Jobs were being created in the US and there had been a reduction in unemployment in the UK. The UK was seen as a safe haven by many investors and UK bonds were doing well. Sterling had strengthened, which might eventually have a negative impact on exports. The worst performance was in Europe, where it was expected that the ECB would introduce some form of QE. The expectation was that even if interest rates began to rise, they would remain below their historic average.

RESOLVED that, the Panel having been satisfied that the public interest would be better served by not disclosing relevant information and in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the discussion of Appendix 3, because of the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act as amended.

The Panel discussed issues arising from Exempt Appendix 3.

After the Panel returned to open session, it was **RESOLVED**

1. To note the information as set out in the report.
2. To delegate to officers the implementation of the actions agreed in the exempt session.

19 HEDGE FUND IMPLEMENTATION

RESOLVED that, the Panel having been satisfied that the public interest would be better served by not disclosing relevant information and in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for this item of business because of the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act as amended.

The Investment Manager introduced this item. Mr Sheth and Mr Hopgood commented on the JLT report (Exempt Appendix 1).

After discussion, it was **RESOLVED** to accept the first of the alternative recommendations contained in the report.

20 WORKPLAN

RESOLVED to note the workplan.

The meeting ended at 12.35 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services