

**MINUTES OF A MEETING OF THE PENSIONS AND INVESTMENT COMMITTEE
HELD AT COUNCIL CHAMBER - COUNTY HALL, LLANDRINDOD WELLS, POWYS
ON THURSDAY, 6 SEPTEMBER 2018**

PRESENT

County Councillor P E Lewis (Chair)

County Councillors E A Jones, JG Morris, T J Van-Rees and D H Williams
Mr G Moore, Chair of the Powys Pensions Board

Mr George Feane and Mr Simon Maine, Aon.

1.	APOLOGIES
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Apologies for absence were received from County Councillor A W Davies.

2.	DECLARATIONS OF INTEREST
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Members of the Committee declared interests as members of the Local Government Pensions Scheme. These are personal interests, not prejudicial interests in accordance with Paragraph 12(b) (iv) of the Members Code of Conduct 2016.

3.	MINUTES
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The Chair was authorised to sign the minutes of the meeting held on 13 July, 2018 as correct record.

4.	EXEMPT ITEM
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RESOLVED to exclude the public for the following items of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

5.	GLOBAL EQUITY SUB-FUND
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The Committee considered the report regarding the transition of Global Equity assets into the Wales Pension Partnership [WPP] and the advice from Aon.

The Committee noted that both funds, the Wales PP Global Growth Fund and the Wales PP Global Opportunities Equity Fund were considered as acceptable. Aon advised that the Global Growth Fund was the closest to the previous investment made by the Fund.

RESOLVED	Reason for decision
1. That the transition of assets into the WPP be approved and 2. that the sub-funds assets should be transitioned into the Wales PP Global Growth Fund.	As per reports and supporting documentation.

The Pension Fund Manager advised that he would advise the WPP of the Committee's decision.

The Chair agreed to change the order of the agenda as and take the following item next.

6.	HEDGE FUND MANAGERS LEGAL REVIEW
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The Committee considered the report and findings from the Fund's legal advisers, Burges Salmon, who reviewed the paperwork provided by the four replacement Hedge Fund Managers, following the Committee's decision to invest in four single strategy Hedge Fund managers in November 2017.

Comments were made about the basis of the legal opinion and the advice given. Officers advised that much of the Committee's work was to consider the advice of experts.

Recommendation	Reason for decision
1. That the instructions to the legal advisers and their opinion be circulated by email to the Committee for consideration and 2. that the Committee forward any questions and comments to the Financial Reporting & Policy Accountant within five days of receipt of the email and 3. that if no issues are raised, it be delegated to the Chair and Vice Chair to agree to proceed with the investment in the four funds.	To ensure that the Committee has sight of the legal advice. To ensure that the investment can be progressed in a timely manner.

7.	HEDGE FUND MANAGERS FEES
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The Committee considered the report regarding the fee structures for each manager.

RESOLVED	Reason for decision
to approve the investment in Share Class O to the Stone Milliner Macro Fund. To approve Option 1 – a flat fee basis for investment in CFM Institutional Systematic Diversified Fund LP.	The investment in Share Class O class will see reduced fees. A flat fee basis was seen as the most appropriate for this investment.

8.	FIXED INCOME REPORT AND PRESENTATION FROM AON
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The Committee received a report from Aon with thoughts on a possible Fixed Income sub-fund within the WPP, based on some preliminary work. The Committee's views would be taken back to the WPP.

The issue of pension funds investing in organisations undertaking fracking was raised and the Committee asked that it be briefed on its current investment and policy.

County Councillor P E Lewis (Chair)