

**MINUTES OF A MEETING OF THE PENSIONS AND INVESTMENT COMMITTEE
HELD AT COUNTY HALL, LLANDRINDOD WELLS
ON WEDNESDAY 21ST OCTOBER 2015**

PRESENT: County Councillor AG Thomas (Chair)

County Councillors PJ Ashton, EA Jones and TG Turner

Councillor AMC Weale

In attendance:

Gerard Moore, Chair of Powys Pensions Board
Rachel Pinder and Richard Antrobus of Aon Hewitts.

David Powell Strategic Director Resources, Steve Offa Assistant Finance Business
Partner/Technical Accountancy Assistant, Joe Rollin Pensions Manager

1.	APOLOGIES	PIC48 – 2015
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Apologies for absence were received from County Councillor GP Vaughan.

2.	DECLARATIONS OF INTEREST	PIC49 – 2015
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All members present declared interests as members of the Local Government Pension Scheme.

3.	REVIEW OF INVESTMENT MANAGERS	PIC50 – 2015
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RESOLVED to exclude the public for the following items 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).

The Committee considered the governance arrangements for the current investment strategy arising from a number of managers being used to manage the Fund's assets which Aon Hewitt had given a qualified rating to. Aon Hewitt had set out a number of options for the Committee's consideration including an option to delegate its role in the selection and monitoring of managers to a third party by investing in a pooled fund who would automatically replace "qualified" managers with "buy" managers.

It was unclear to the Committee whether this degree of delegation would be allowed under the Local Government Pension Fund regulations. The Committee was also mindful of the triennial valuation in 2016 which may change the strategic asset allocations within the Fund and of proposals for an All Wales global passive equity fund being developed by Welsh Treasurers.

The Committee also noted that it did not want to put in place a system so rigid that it would force the replacement of managers where it was not sensible or cost effective to do so.

Members sought the opinion of Aon Hewitt on whether their rating of Aberdeen Asset Management was likely to improve and were advised that they did not foresee an improvement in the next 12 months. Aon Hewitt advised that the funds invested with Aberdeen Asset Management could be moved to another manager without having to go through the OJEU process but they did advise that the Committee interview prospective managers.

RESOLVED that where an investment manager becomes rated as either qualified or a sell, as assessed from time to time by the Fund's investment consultant, the Fund will terminate that manager's mandate where the context is considered to be appropriate as determined by the Section 151 Officer in consultation with the Chair and Vice Chair of the Committee.

AG THOMAS
CHAIR