

The **PENSION FUND INVESTMENT BOARD** met at **WARWICK** on the **22nd AUGUST, 2005**

Present:-

Councillor Chris Davis (Chair)
“ George Atkinson
“ Bob Hicks
“ Helen McCarthy
“ Brian Moss

Fund External Advisors

None present

Officers

Treasurer's

Phil Triggs
Louise Black
Neil Buxton

Chief Executive's

Peter Endall
Jean Hardwick

1. General

(1) Apologies for absence

None

(2) Members Declaration of Personal and Prejudicial Interests

Councillor Chris Davis and Helen McCarthy declared personal interests as members of the Fund.

(3) Minutes of the meeting held on the 23rd May 2005 and any matters arising.

(i) Minutes

Resolved:-

That the minutes of the Pension Fund Investment Board's 23rd May 2005 meeting be approved and be signed by the Chair.

(ii) Matters arising

- (a) Minute 5 – Corporate Governance and Shareholder Activism Policy – Phil Triggs said that the draft policy would be presented to the November meeting of the Board;
- (b) Minute 6 (2) Meeting of the Board held in London – In response to a question from the Chair Phil Triggs said that he had made a note of the presentations made by fund managers at the informal briefing session in London and would attach a copy of them to the minutes of this meeting;

2. Investment Performance

The report of the County Treasurer was considered.

The following issues were noted –

- *That all fund managers had under performed during the quarter;*
- *Two fund managers had under performed since appointment;*
- *The new fund manager structure had only been operating for nine months but would cause concern if it continued to underperform (and continued underperformance might eventually give grounds for termination of the fund managers contact).*

Members indicated that it would assist them in better understanding the risk profile of the fund managers to have more information regarding the make up of each portfolio. In response Phil Triggs undertook to provide Members with information relating to the investments and philosophy of each fund manager.

It was then Resolved:-

That the Pension Fund Investment Board note the fund value and performance for the first quarter in 2005/2006.

3. Investing in the Arms Trade

The report of the County Treasurer was considered.

It was then Resolved:-

That the Pension Fund Investment Board note the report and delegate to the County Treasurer the drafting of a suitable response.

4. Changes in Membership to the Pension Fund

The report of the County Treasurer was noted. (A briefing note on Cleanaway Services pension scheme to be attached to the minutes)

5. Any other items

Investment – Saltisford Development

Councillor George Atkinson enquired whether it might be financially advantageous for the Fund to purchase the freehold in the new Saltisford development as the intended tenant (the County Council) would by virtue of its status as a local authority be a particularly reliable tenant.

In response Phil Triggs explained that the Board had no policy for investment in property. If, however, the merits of such an investment were proven, the Board would need to approve a major change in strategy. Where other authorities had invested in property they had undertaken it by means of a “pooled” arrangement rather than by purchasing individual properties. Members noted that in any event there would need to be a careful of whether such an arrangement could represent a conflict of interest for the County Council. Phil Triggs undertook to raise this issue with the County Treasurer for further consideration.

6. Date of future Meetings

The Board noted that the –

- (1) next meeting of the Pension Fund Board would be held on 14 November 2005 at 10:00 a.m., Shire Hall;
- (2) Annual meeting of the Pension Fund would be held on 24 November 2005 at 9:30 a.m., Shire Hall.

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Chair of Board

The Panel rose at 2:30 p.m.