

The **PENSION FUND INVESTMENT BOARD** met at **WARWICK** on the **20th NOVEMBER, 2006**

Present:-

Councillor Chris Davis (Chair)
“ Bob Hicks
“ Brian Moss

Officers
Resources Directorate

Oliver Winters
Phil Triggs
Neil Buxton

Performance & Development Directorate

Tony Maione

1. General

(1) Apologies for absence

Apologies for absence were submitted from Councillors George Atkinson and Helen McCarthy and from Peter Jones.

(2) Members Declaration of Personal and Prejudicial Interests

Personal interests relating to any item on the agenda arising by virtue of the member serving as a District/Borough Councillor were declared as follows:-

- (i) Councillor Chris Davis – Warwick District Council
- (ii) Councillor Brian Moss – North Warwickshire Borough Council

(3) Minutes of the meeting held on the 31st July 2006 and any matters arising.

(i) Minutes

Resolved:-

That the minutes of the Pension Fund Investment Board's 31st July 2006 meeting be approved and be signed by the Chair.

(ii) Matters arising

None.

In considering the following reports, the Board had regard to discussions at the meeting of the Consultative Panel held immediately before the Board's meeting.

2. Investment Performance

The report of the Strategic Director of Resources was considered.

The Board noted the fund value and performance for the second quarter in 2006/07 to 30th September 2006.

The Chair referred to the volatility of Threadneedle who appeared to be operating their portfolio at a higher risk than that required by the Fund to produce a 3% return instead of the benchmark of 1.5%. Phil Triggs said that he was contacting the Client Manager to discuss the issue with him.

3. Regulation Changes

The report of the Strategic Director of Resources was considered.

The Chair referred to a press article concerning UNISON's intention to ballot its members on strike action over the removal of the 85 year rule and other matters covered by the regulation changes. Oliver Winters confirmed that there were few instances of the use of the 85 year rule in Warwickshire.

The Board then noted the changes to the Local Government Pension Scheme Regulations 1997 introduced by the Local Government Pension Scheme (Amendment)(No 2) Regulations 2006.

4. Actuarial Report on the Funding Level at 31 March 2006

The report of the Strategic Director of Resources was considered.

Oliver Winters said that Dave Clarke, Director of Resources, was not in favour of the current valuation process whereby Pension Funds were at the mercy of volatile markets and felt that there should be a levelling process to take account of the longer-term movements in the markets.

The Board then noted the report on the Pension Fund's level of funding at 31 March 2006.

5. Consultation Document – “Where Next?”

The report of the Strategic Director of Resources was considered.

The Board then noted the document “Where Next? – Options for a new look Local Government Pension Scheme in England and Wales”.

6. Charity Initiative – “Pennies from Heaven”

The report of the Strategic Director of Resources was considered and it was then Resolved:-

That the Pension Fund Investment Board agree to the promotion of the “Pennies from Heaven” scheme to retired members of the Warwickshire County Council Pension Fund at a future date to be decided.

7. Admission of Shipston Leisure to the Warwickshire County Council Pension Fund as an Admitted Body

The report of the Strategic Director of Resources was considered and it was then Resolved:-

That the Pension Fund Investment Board agree to the admission of Shipston Leisure to the Warwickshire County Council Pension Fund.

8. Any other items

(1) Appointment of Advisers

Oliver Winters referred to the vacancy for an adviser arising from the departure of Keith Shepherd and asked the Board if they wished to replace him. After discussion the Board agreed to make no appointment immediately but to monitor the situation on a six-monthly basis.

(2) Future meetings

The Board reviewed their programme of meetings for 2007 and agreed the following revision:-

London meetings	Formal Board Meetings at Shire Hall
15 th February 2007	19 th February 2007 @ 10 a.m.
17 th May 2007	18 th May 2007 @ 10 a.m.
2 nd August 2007	3 rd August 2007 @ 10 a.m.
15 th November 2007	19 th November 2007 @ 10 a.m.

It was also agreed that Fund Managers would still be asked to make presentations at the formal meetings of the Board. The London training sessions would remain in the same format.

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Chair of Board

The Panel rose at 11.50 a.m.