

The **PENSION FUND INVESTMENT BOARD** met at **WARWICK** on the **26th NOVEMBER, 2007**

Present:-

Councillor Chris Davis (Chair)
“ John Appleton
“ Helen McCarthy
“ Brian Moss

Advisor

Peter Jones

Officers

Resources Directorate

Oliver Winters
Phil Triggs
Mathew Dawson
Neil Buxton

Performance & Development Directorate

Peter Endall

Also in attendance

Rick Di Mascio, Chief Executive, Analytics
Alessandro Lunghi, Director of Consulting, Analytics

1. General

(1) Apologies for absence

An apology for absence was submitted from Councillor Bob Hicks.

(2) Members Declaration of Personal and Prejudicial Interests

Councillors Chris Davis and Helen McCarthy disclosed personal interests as members of the Pension Fund.

(3) Minutes of the meeting held on the 3rd August 2007 and any matters arising.

(i) Minutes

Resolved:-

That the minutes of the Pension Fund Investment Board's 3rd August 2007 meeting be approved and be signed by the Chair.

- (b) **Matters arising**
- (b) **Matters arising**
 - (I) **The Triennial Valuation**

It was noted that the current phased increase in the County Council's contribution to the Fund of ½% per year for a further three years would need to be extended by a further three years. This would raise the rate to 16%.

(II) **The Local Authority Pension Fund Forum**

It was confirmed that the Board had now joined the Forum.

(III) **Standard Life AVC Arrangements: Investment Performance Monitoring Report**

It was noted that the work with Mercer about extending the range of investments available through Standard Life or an alternative provider had stalled because of a change of staff at Mercer. This issue would be taken up again when the new member of staff took up post.

(IV) **Restructuring of Heart of England Housing Group and the Amalgamation with the Orbit Housing Group**

It was confirmed that the right of admission to the Fund had been limited to the existing members of the Pension Scheme.

(V) **Review of Performance and Decisions of Trustees and Advisors in 2006/07**

It was agreed that a item be placed on the agenda for a future meeting in connection with the Board's self-assessment of its performance, possibly with facilitation by external professionals.

In considering the following reports, the Board had regard to discussions at the meeting of the Consultative Panel held that morning.

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 2007/08 to 30th September 2007. It was also noted that the current value of the fund was £1033.9m.

It was agreed that MFS, UBS and Blackstone be invited to explain their performance.

3. **Shareholder Activism**

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

That Fund Managers be asked for their views on the proposal to appoint Manifest in respect of shareholder activism and the voting of the Fund's shares; this to be conducted at the next investment Board meeting during fund manager presentation.

4. Application for Membership by Duchy Catering

The report of the Strategic Director of Resources was considered.

It was noted that admission to the Fund would be restricted to existing members.

It was then Resolved:-

That the Pension Fund Investment Board agree to the admission of Duchy Catering to the Warwickshire County Council Pension Fund.

5. Any other items

Nil.

6. Report Containing Exempt Information

It was Resolved:-

That members of the public be excluded from the meeting for the items mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Local Government Act 1972.

PLEASE SEE SUMMARY OVERLEAF

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Chair of Board

The Board rose at 12.53 p.m.

Summary of business transacted in absence of the public

7. Three-Year Manager Skills Analysis

The Board considered the report of the Strategic Director of Resources and received a presentation from Rick Di Mascio and Alessandro Lunghi on the performance of fund managers.

The Committee would find the findings useful during the three-year review of fund managers. It was agreed that certain fund managers should be asked to a special meeting of the Board to be arranged in January 2008 to discuss the results of Inalytics findings insofar as they related to their performance. It was also agreed that the meeting should take place at the Shire Hall rather than at the premises of one of the fund managers.

JIM GRAHAM
Chief Executive