

Pensions Committee

Friday 8 June 2018

10.00 am Taunton Library Meeting Room,
Taunton Library



To: The Members of the Pensions Committee

Cllr G Noel (Chairman), Cllr M Chilcott, Cllr S Coles, Cllr James Hunt, Bryant, Richard Parrish, Sarah Payne and Mark Simmonds

Issued By Scott Wooldridge, Strategic Manager - Governance and Risk - 31 May 2018

For further information about the meeting, please contact Mike Bryant 01823 359048 or MBryant@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Section 100A (4) of the Local Government Act 1972.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Pensions Committee - 10.00 am Friday 8 June 2018

*** Public Guidance notes contained in agenda annexe ***

1 Apologies for absence

2 Declarations of Interest

Details of all Members' interests in District, Town and Parish Councils will be displayed in the meeting room. The Statutory Register of Member's Interests can be inspected via the Community Governance team.

3 Minutes from the previous meeting held on 8 December 2017 (Pages 7 - 12)

The Committee is asked to confirm the minutes are accurate.

4 Public Question Time

The Chairman will allow members of the public to ask a question or make a statement about any matter on the agenda for this meeting. Questions or statements may be taken at the time when each matter is considered. Members of the public may also present a petition on any matter within the Committee's remit.

5 LGPS Pooling of Investments (Pages 13 - 14)

6 Exclusion of press and public

To consider passing a resolution under Section 12A of the Local Government Act, 1972 that the press and public be excluded from the remainder of the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure to them of exempt information of the following description:

The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

7 Confidential Item - Paper B - Review of Investment Fund Structure (Attached for Committee Members Only)

To consider this report from the Funds & Investments Manager.

8 Independent Advisor's Report

To receive a verbal update on developments in financial markets from the Independent advisor.

9 Analysis of Performance (Pages 15 - 32)

To consider this report from the Funds & Investments Manager.

10 Business Plan Update (Pages 33 - 40)

Item Pensions Committee - 10.00 am Friday 8 June 2018

To consider this report from the Funds & Investments Manager.

11 **Budget and Membership Statistics Update** (Pages 41 - 46)

To consider this report from the Funds & Investments Manager.

12 **Employer Body Update** (Pages 47 - 48)

To consider this report from the Head of Peninsula Pensions.

13 **Review of Administration Performance** (Pages 49 - 54)

To consider this report from the Head of Peninsula Pensions.

14 **Review of Pension Fund Risk Register** (Pages 55 - 60)

To consider this report from the Funds & Investments Manager.

15 **Voting and Engagement Report** (Pages 61 - 64)

To consider this report from the Funds & Investments Manager.

16 **Cash Management Strategy** (Pages 65 - 74)

To consider this report from the Funds & Investments Manager.

17 **Resources Review, Budget Setting and Committee Objective Setting** (Pages 75 - 80)

To consider this report from the Funds & Investments Manager.

18 **2019 Meeting Dates** (Pages 81 - 82)

To consider this report from the Funds & Investments Manager.

19 **Any Other Business of Urgency**

The Chairman may raise any items of urgent business.

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Guidance notes for the Pension Committee meeting

1. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact the Committee Administrator for the meeting – Mike Bryant on Tel (01823) 359048 or 357628; Fax (01823) 355529 or Email: mbryant@somerset.gov.uk
They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers

2. Members' Code of Conduct requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership. The Code of Conduct can be viewed at: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

3. Minutes of the Meeting

Details of the issues discussed and recommendations made at the meeting will be set out in the Minutes, which the Committee will be asked to approve as a correct record at its next meeting.

4. Public Question Time

If you wish to speak, please tell Mike Bryant, the Committee's Administrator, by 12 noon the (working) day before the meeting.

At the Chairman's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total.

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the Agenda for this meeting may be taken at the time when each matter is considered.

You must direct your questions and comments through the Chairman. You may not take direct part in the debate. The Chairman will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chairman may adjourn the meeting to allow views to be expressed more freely. If an item on the Agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will be restricted, normally to two minutes only.

5. Exclusion of Press & Public

If when considering an item on the Agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

6. Committee Rooms & Council Chamber and hearing aid users

To assist hearing aid users the following Committee meeting rooms have infra-red audio transmission systems (Luttrell room, Wyndham room, Hobhouse room). To use this facility we need to provide a small personal receiver that will work with a hearing aid set to the T position. Please request a personal receiver from the Committee's Administrator and return it at the end of the meeting.

7. Recording of meetings

The Council supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone wishing to film part or all of the proceedings. No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chairman can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

The Council will be undertaking audio recording of some of its meetings in County Hall as part of its investigation into a business case for the recording and potential webcasting of meetings in the future.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

Pensions Committee

Minutes of a meeting of the Pensions Committee held in the Luttrell Room, County Hall, Taunton on Thursday 8 December 2017 at 2.00pm.

Present

Cllr G Noel (Chairman)

Cllr S Coles
Cllr J Hunt

Mr G Bryant
Mr R Parrish

Apologies: Cllr G Fraschini, Mrs S Payne, Mr M Simmonds

Other Members present: None

Officers present: Stephen Morton, Anton Sweet, Caroline Burton, Charlotte Thompson

2 **Declarations of interest** – agenda item 2

2.0 Mr Bryant declared a personal interest as members of the Local Government Pensions Scheme.

Cllr J Hunt declared a personal interest as he is employed by the Somerset Partnership NHS Trust

3 **Minutes of the meeting** – agenda item 3

3.0 The minutes of the meeting held on 21 September 2017 were received and approved as an accurate record, subject to one typographical amendment.

4 **Public question time** – agenda item 4

4.0 There were no members of the public present.

5 **LGPS Pooling of Investments** – agenda item 5

5.0 The Committee considered this report that explained under guidance published by the Government in November 2015 that the Council was required to work towards the pooling of the Fund's investment assets with other LGPS funds with pooling beginning in April 2018. It was noted that for the purposes of pooling the Council had aligned itself with 9 other funds in the South West of England and was working with those other funds to create a Financial Conduct Authority (FCA) regulated investment company, called Brunel Pension Partnership Ltd.

5.1 The Funds and Investments Manager updated the Committee with recent progress including: that the Brunel Pension Partnership Ltd recruitment

programme was almost complete; that some posts were currently filled on a temporary basis; and that an FCA application had been submitted, and approval was expected before March 2018. The Funds and Investments Manager further informed Committee Members that any vote regarding Special Reserved Matters required unanimous approval.

5.2 The report was accepted.

6 Independent Advisor's Report – agenda item 6

6.1 The Committee's Independent Advisor Caroline Burton provided a verbal overview of the financial situation in the United Kingdom (UK) and Overseas.

6.2 Members briefly discussed the points raised during the overview, including: the speed of share price recovery following any performance 'blips'; performance 'blips' creating buying opportunities; and the potential financial implications of Brexit.

6.3 The Independent Advisors update was accepted.

7 Analysis of Performance – agenda item 7

7.0 The Committee considered this report on the performance of the pension fund investments for the quarter ended 30 September 2017 and related matters.

7.1 The Funds & Investments Manager highlighted: the in-house fund had performed well and in line with the benchmark for the quarter; the funds overall value was growing; absolute returns for the quarter were positive; the aim of being 100% funded; how different funding arrangements would result in employers becoming fully funded at different times; and that the fund was holding greater cash balances than usual

7.2 The committee discussed: the performance of each individual fund and associated performance benchmarks; 'banking' good performance; predicted longer term investment performance; that the fund was currently 87% funded; and the impact of the fund becoming fully funded.

7.3 The Committee agreed to accept the Analysis of Performance report.

8 Business Plan Update – agenda item 8

8.0 The Committee considered this report that provided Members with a business plan of topics, to ensure the Committee met its responsibilities and considered all necessary issues, and also a meeting work plan of proposed

items of business.

8.1 The Funds & Investments Manager informed the Committee: the Brunel portfolio was not yet finalised, but further details would be brought to the next meeting of this Committee; that strategic asset allocation was reviewed annually, but there had not been any changes for some time; and the potential for a ban on ‘unethical’ investments.

8.2 The Committee agreed to accept the report.

9 Budget and Membership Statistics Update – agenda item 9

9.0 The Committee considered this report about the position of the pension fund budget at 30 September 2017; and the outturn position for the first half of the year to 31st March 2018.

9.1 The Funds and Investments Manager highlighted: fund managers had reverted to historical levels of transaction costs; that transaction costs would increase alongside the size of the fund; that the number of pensioners was increasing at a predictable rate; contributions were greater than expected; and lump sums on retirement were higher than expected. The Funds and Investments Manager further noted the arrangements for administrative expenses and oversight and governance.

9.2 Members requested that for the purposes of future reporting Brunel expenses be detailed as a separate line.

9.3 The Committee agreed to accept the report.

10 Employer Body Update – agenda item 10

10.0 Members considered this report that provided the Committee with information about the current status of employing bodies within the Fund.

10.1 It was noted that there were 181 employers with active members in the Fund – 59 scheduled bodies – comprising 33 scheduled body employers, 12 academy trusts and 14 stand-alone academies; 27 resolution bodies and 38 admitted bodies.

10.2 The Committee were informed of: the Pensions Regulator requirements regarding data quality; the requirement for all schemes returns to include a data quality score from next year; and the impact of the new Data Protection Act.

10.2 There was a brief discussion regarding employers becoming admitted bodies and pension protection and individual’s rights to remain in the LGPS.

10.3 The Committee agreed to accept the report.

11 Review of Pension Fund Risk Register – agenda 11

11.1 The Committee considered and discussed the Pension Fund's risk register. Members acknowledged the importance of considering the register at every meeting to review and monitor each risk and approve changes as necessary.

11.2 There was a discussion of the risk register and the Committee noted that a new risk, PF 9, regarding risks associated with the ability of pooling to deliver the cost savings indicated in the business case and maintain investment performance has been added to the risk register following a request from Committee at the last meeting.

11.3 There was a brief discussion regarding SW1 and legacy IT systems.

11.4 The report was accepted.

12 Voting and Engagement Report – agenda item 12

12.1 The Committee considered a report which provided information about the voting and engagement activity of the fund's investment managers for the six-month period to 30th September 2017.

12.2 There was a brief discussion regarding mechanisms to allow easy engagement including electronic voting.

12.3 The Funds and Investments Manager noted that in certain jurisdictions a proxy must attend in person to vote.

12.4 The Committee accepted the report.

13 Policies and Statements – agenda item 13

13.0 The Committee considered this report that provided an overview of the maintenance of the pension funds policies and statements and associated LGPS regulations. It was highlighted that due to changes in regulations and SCC standing orders it is necessary to refresh the Pension Fund's scheme of delegation.

13.1 The committee agreed to formally adopt the new Scheme of Delegation which was attached as Appendix A to the report.

14. Exclusion of the press and public – agenda item 14

- 14.1 The Committee agreed to pass a resolution under Section 100A (4) of the Local Government Act, 1972 that the press and public be excluded from the remainder of the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure to them of exempt information of the following description:

The amount of expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

15. Report on Formal Review of Funds Managers

- 15.1 The Committee considered and discussed this report.

16 Any other business of urgency – agenda item 16

- 16.1 There was no other business.

(The meeting ended at 11.39)

**Graham Noel
Chairman – Pensions Committee**

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LGPS Pooling of Investments

<i>Lead Officer:</i>	Kevin Nacey: Director of Finance and Performance
<i>Author:</i>	Anton Sweet: Funds and Investments Manager
<i>Contact Details:</i>	(01823) 359584 asweet@somerset.gov.uk
<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Summary

- 1.1 Under guidance published by the Government on “LGPS: Investment Reform Criteria and Guidance” in November 2015 we are required to work towards the pooling of the Fund’s investment assets with other LGPS funds with pooling beginning in April 2018.
- 1.2 For the purposes of pooling SCC has aligned itself with 9 other funds in South West England and is working with those funds to create an FCA regulated investment Company, Brunel Pension Partnership Ltd. (BPP).

2. Issues for consideration

- 2.1 The report is for information only unless the committee deems that action is necessary having reviewed the report.

3. Progress in Brunel company set-up

- 3.1 The set-up phase of BPP was effectively completed with receipt of FCA regulatory approval in March.
- 3.2 Brunel has completed the tender process for provision of passive equities with the appointment of LGIM. Detailed work is now underway for the transition of assets into the first Brunel portfolios.
- 3.3 Tenders for asset managers for the UK equity and low volatility equity portfolios are now underway with these portfolios expected to be ready for receipt of assets before the end of 2018.
- 3.4 SCC has completed the set-up process with State Street, Brunel’s appointed custody provider. Assets will move from JP Morgan, our current provider, to State Street as assets are transitioned to Brunel portfolios.

4. Consultations undertaken

- 4.1 Both the Pensions Committee and the Pensions Board have been consulted regularly as part of the project process of reaching this point
- 4.2 An overview briefing on the project was provided to the Fund's Employers meeting in September 2016.
- 4.3 The Full Somerset County Council meeting received a paper on the pooling at its meeting on 30th November 2016.

5. Financial Implications

- 5.1 It is anticipated that the Brunel Pensions Partnership will allow the fund to make significant saving over time with the Somerset County Council Pension Fund estimated to make savings of £27.8m in the period to 2036 after costs. A significant portion of the likely costs are front loaded and it is anticipated that the Somerset Fund will breakeven in 2024.
- 5.2 By definition these are forecasts and there are significant risk to their timing and delivery. They are based on a core set of assumptions and actual savings could be significantly greater or smaller over time.

6. Background Papers

- 6.1 None

Note For sight of individual background papers please contact the report author.

Analysis of Performance

Lead Officer: Kevin Nacey: Director of Finance and Performance

Author: Anton Sweet: Funds and Investments Manager

Contact Details: (01823) 359584
asweet@somerset.gov.uk

Executive Portfolio Holder: Not applicable

Division and Local Not applicable

Member:

1. Summary

- 1.1 The report attached as appendix A is to inform the committee about the performance of the Pension Fund's investments for the quarter ended 31 March 2018 and related matters.

2. Issues for consideration

- 2.1 The report is for information only unless the committee deems that action is necessary having reviewed the report.

3. Background

None

4. Consultations undertaken

None

5. Financial Implications

- 5.1 Over time the performance of the pension fund investments will impact the amount that the County Council and other sponsoring employers have to pay into the fund to meet their liabilities. The fund actuary calculates these amounts every three years and sets payments for the intervening periods.

6. Background Papers

None

Note For sight of individual background papers please contact the report author.

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Analysis of Investment Performance for the Quarter to 31st March 2018

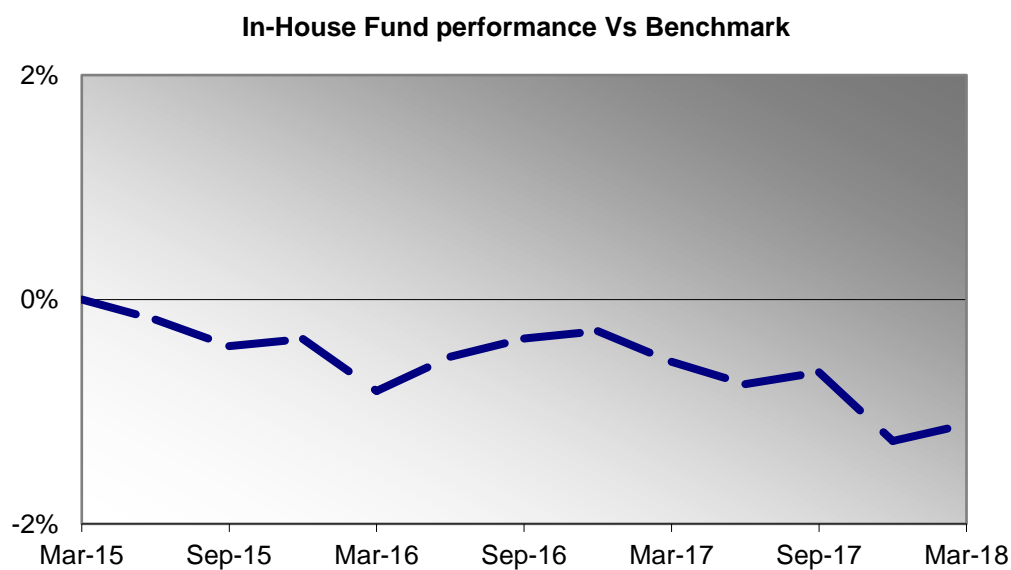
1. Somerset County Council (Global Equity)

1.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
488.6	Global equities	-4.6	-4.7	+0.1
0.0	Cash			
488.6	Total	-4.6	-4.7	+0.1

1.2 The in-house fund outperformed the benchmark for the quarter.

1.3 Absolute returns for the quarter were strongly negative.



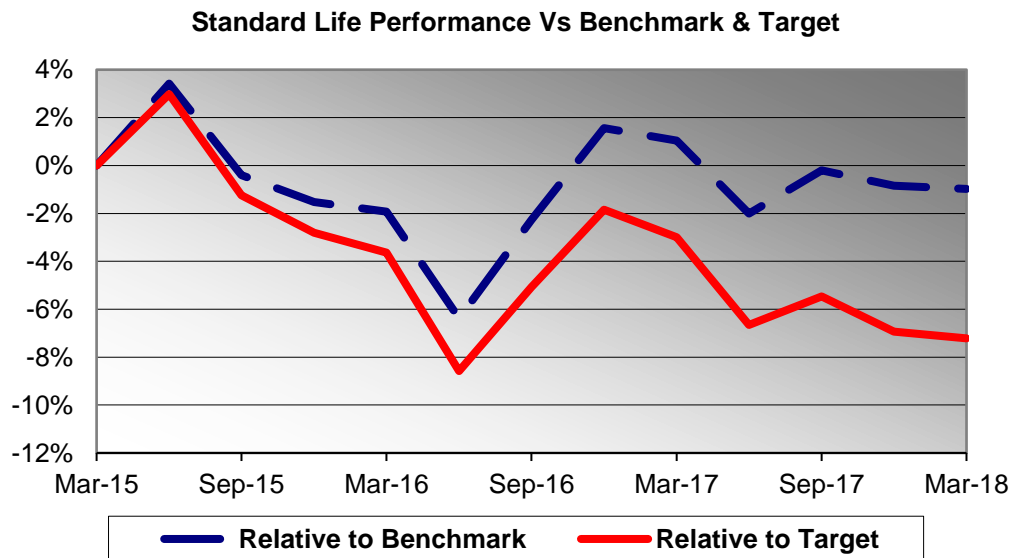
2. Standard Life (UK Equities)

2.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
454.9	UK	-7.1	-6.9	-0.2
5.0	Cash			
459.9	Total	-7.0	-6.9	-0.1

2.2 Standard Life had a poor quarter relative to their benchmark. Absolute returns were strongly negative. Overweight positions in Pharmaceuticals were responsible for the underperformance.

2.3 Standard Life's target is to outperform the benchmark by an annualised return of 1.75% over continuous three-year periods after their fees have been deducted.



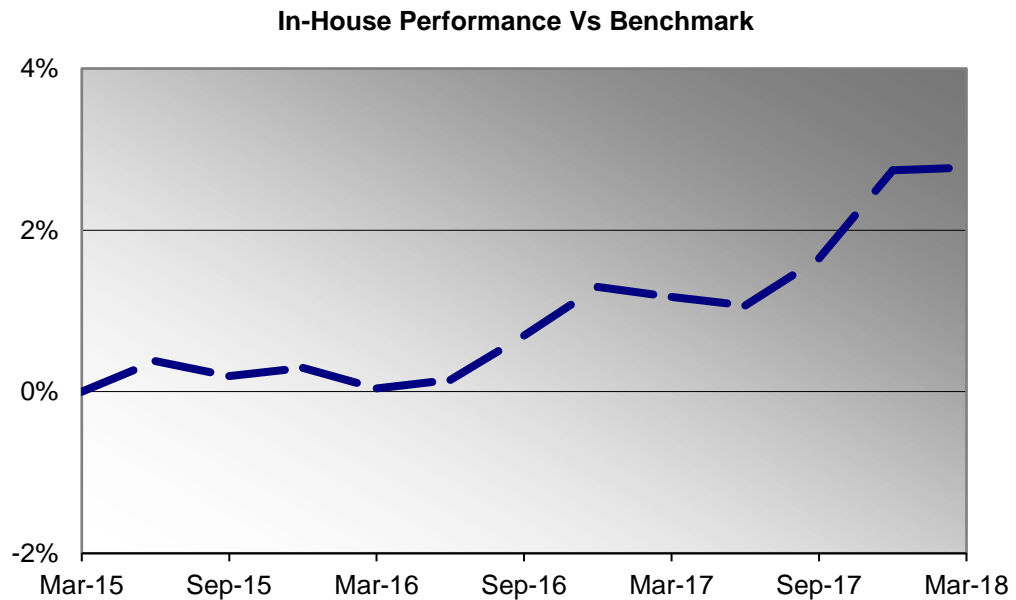
3. Somerset County Council (North American Equities)

3.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018			
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter % Relative to Benchmark %
100.2	North America	-4.2	-4.3 +0.1
0.3	Cash		
100.5	Total	-4.2	-4.3 +0.1

3.2 The in-house fund's performance was ahead of the benchmark for the quarter.

3.3 Absolute levels of performance during the quarter were strongly negative.



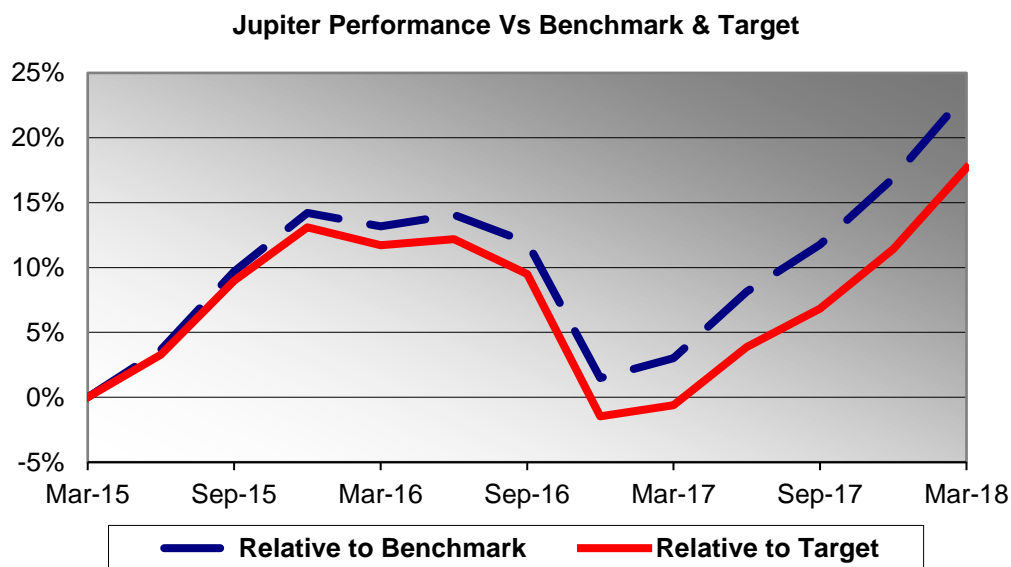
4. Jupiter (Continental European Equities)

4.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
141.0	Europe	0.2	-4.7	+4.9
2.0	Cash			
143.0	Total	0.2	-4.7	+4.9

4.2 Jupiter had a good quarter relative to the benchmark, with outperformance of 4.9%. Absolute performance was flat. Performance relative to benchmark continues to be very volatile from one month to the next.

4.3 Jupiter's target is to outperform the benchmark by an annualised return of 1.5% over continuous three-year periods after their fees have been deducted.



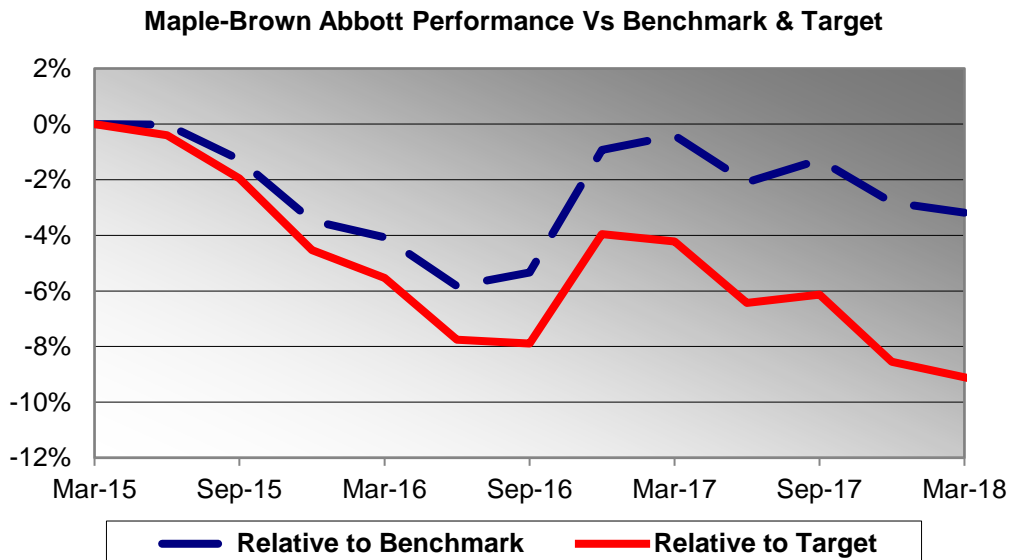
5. Maple-Brown Abbott (Far-East Equities ex-Japan)

5.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018			
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter % Relative to Benchmark %
60.0	Pacific (ex Japan)	-6.6	-6.1 -0.5
0.8	Cash		
60.8	Total	-6.5	-6.1 -0.4

5.2 Maple-Brown Abbott had a poor quarter relative to their benchmark. Absolute returns were strongly negative. A significant part of the underperformance was due to poor stock selection in Hong Kong and Australia.

5.3 Maple-Brown Abbott's target is to outperform the benchmark by an annualised return of 1.5% over continuous three-year periods after their fees have been deducted.



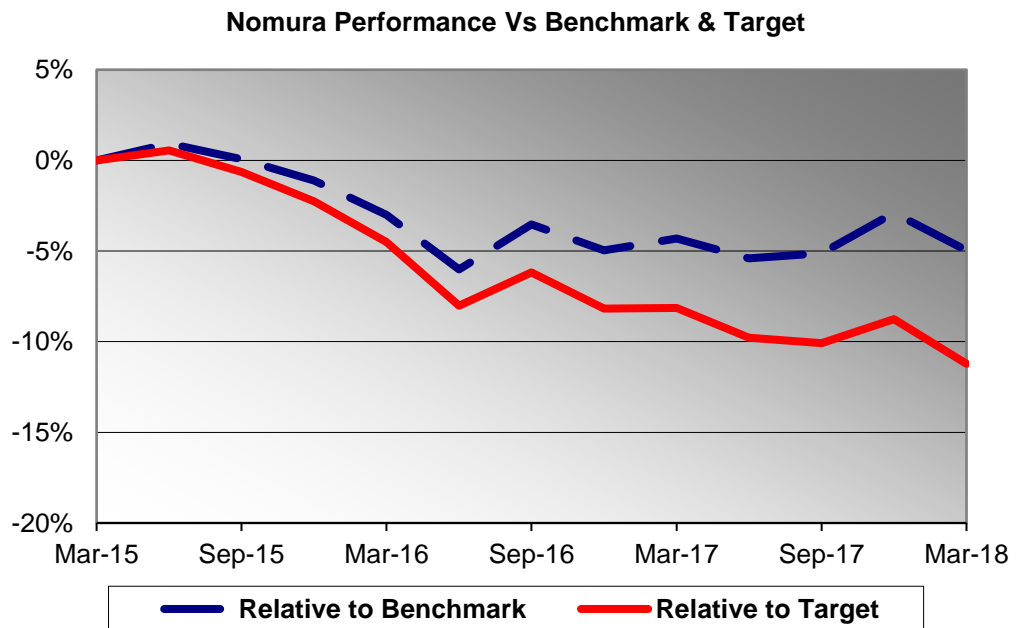
6. Nomura (Japanese Equity)

6.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018			
Value as at 31 Mar £m	Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
65.4 Japan	-4.1	-2.6	-1.5

6.2 Absolute performance was strongly negative. Relative performance was poor. Underperformance was largely due to poor stock selection in the electrical appliances and retail sectors.

6.3 Nomura’s target is to outperform the benchmark by an annualised return of 1.5% over continuous three-year periods after their fees have been deducted.



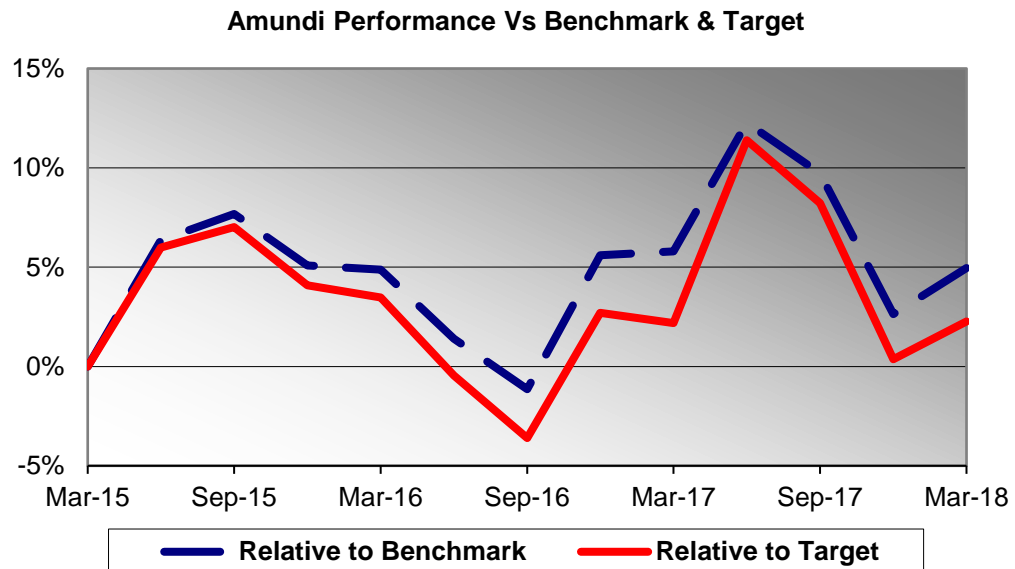
7. Amundi (Emerging Market Equity)

7.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018			
Value as at 31 Mar £m	Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
95.9 Emerging Market	-0.5	-2.2	+1.7

7.2 Relative performance for the quarter was very good, absolute returns were negative. Stock selection in the energy, industrials and materials sectors significantly contributed to the outperformance.

7.3 Amundi's target is to outperform the benchmark by an annualised return of 1.5% over continuous three-year periods after their fees have been deducted.



8. Standard Life (Fixed Interest)

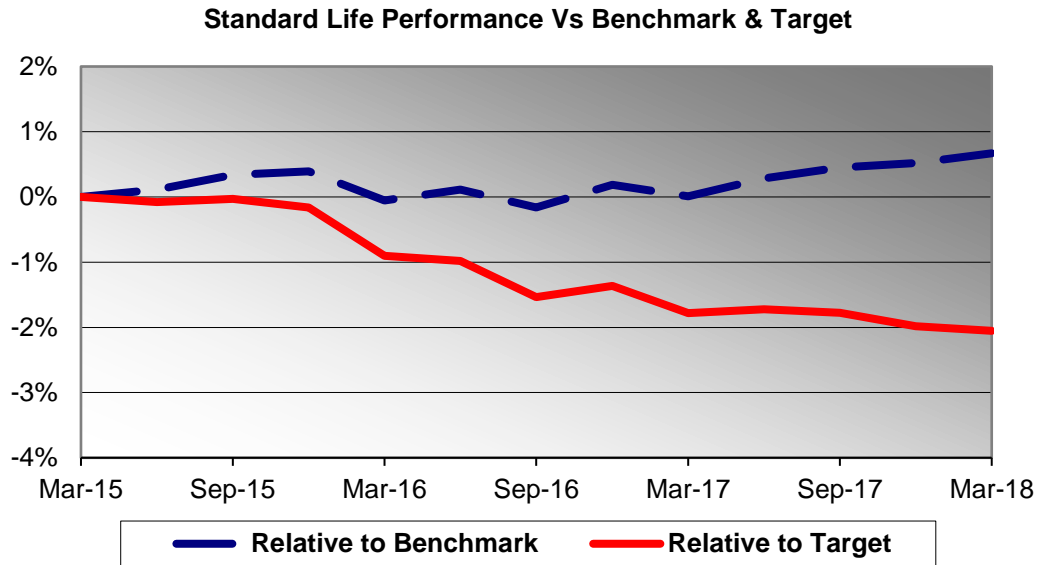
8.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
41.6	UK Gilts	0.4	0.3	+0.1
71.1	Index Linked	0.4	0.1	+0.3
160.3	Corporate Bonds	-1.6	-1.4	-0.2
36.9	High Yield Debt	-1.7	-1.6	-0.1
-1.5	Foreign Gov't Bonds			
1.3	F Gov't Index Linked			
0.3	Currency Instruments			
20.6	Cash			
330.6	Total	-0.4	-0.6	+0.2

8.2 Standard Life outperformed their benchmark for the quarter. Absolute returns were negative. Outperformance in the gilt and index-linked portfolios was the main contributor to outperformance.

8.3

Standard Life's target is to outperform the benchmark by an annualised return of 0.75% over continuous three-year periods after their fees have been deducted.



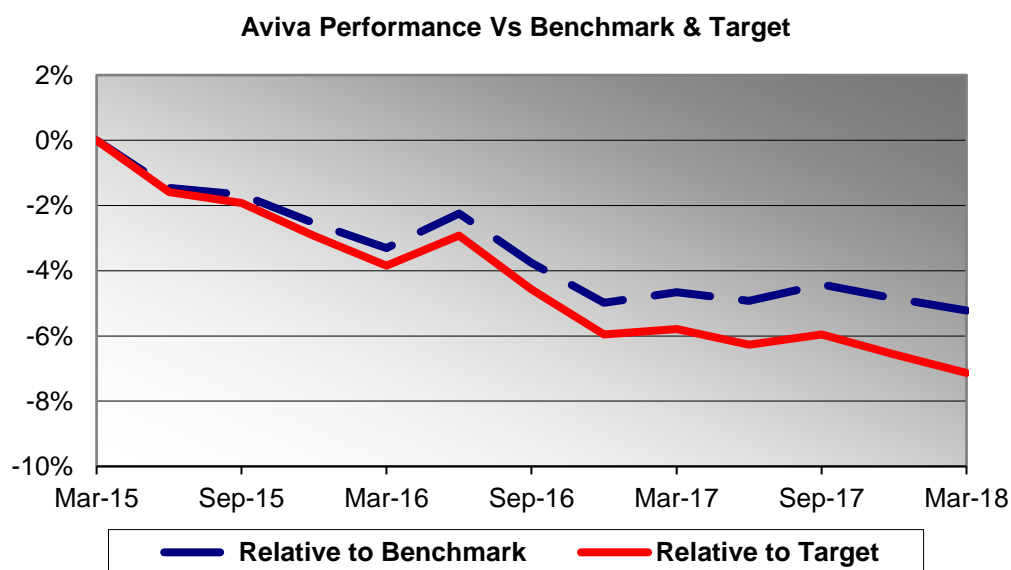
9. Aviva (Property Fund of Funds)

9.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018			
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter % Relative to Benchmark %
197.9	UK Property	1.7	1.9
0.3	European Property	15.0	
0.0	Currency Instruments		
6.3	Cash		
204.5	Total	1.7	1.9
			-0.2

9.2 Property returns from the UK market were positive for the quarter. The fund underperformed relative to the benchmark. A couple of specialist retail holdings, particularly the Lendlease fund, were responsible for the underperformance.

9.3 Aviva's target is to outperform the benchmark by an annualised return of 0.5% over continuous three-year periods after their fees have been deducted.



10. Neuberger Berman (Global Private Equity)

10.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
39.6	Private Equity	5.9	0.1	+5.8

10.2 The return indicated above is significantly affected by currency movements, specifically the change in the value of the US dollar against GBP.

10.3 The 2010 fund continues to make good progress. The underlying return on this fund for the quarter, excluding currency movements, was 20.5%.

10.4 The Neuberger Berman Crossroads XX fund is also making good progress. The underlying return on this fund for the quarter, excluding currency movements, was 7.6%.

10.5 The Crossroads XXI fund is still very young however it is no longer in the negative part of the “J-curve” and is running at a small profit. The return for the quarter, excluding currency movements, was 3.4%.

10.6 The Crossroads XXII fund is still in the negative part of the “J-curve” and running at a small loss.

11. South West Ventures Fund

11.1 The fund continues to make reasonable progress.

12. Combined Fund

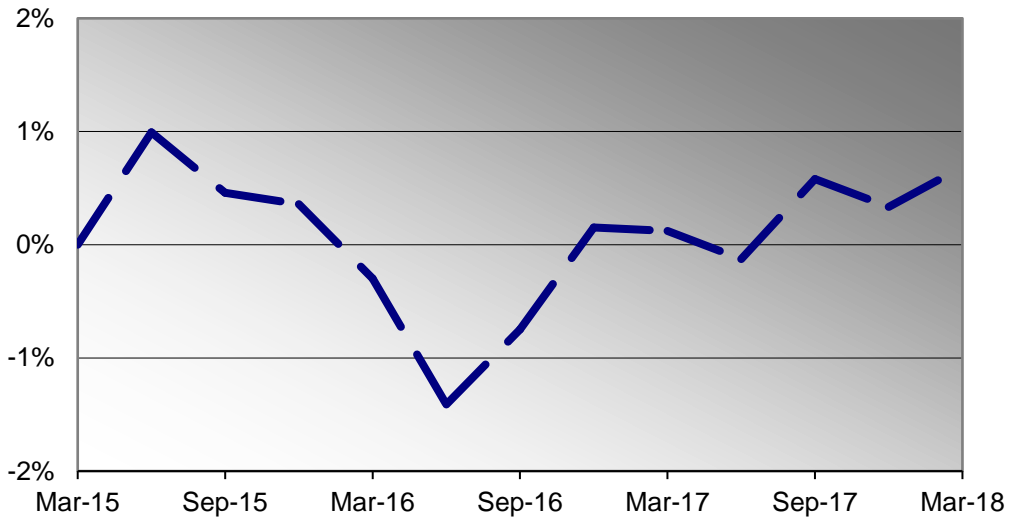
12.1 The performance for the quarter to 31st March 2018 is summarised in the following table:

Quarter to 31 March 2018				
Value as at 31 Mar £m		Fund for quarter %	Performance Benchmark for quarter %	Relative to Benchmark %
488.6	In-House (Global Eq)	-4.6	-4.7	+0.1
459.9	Standard Life (UK Eq)	-7.0	-6.9	-0.1
100.5	In-House (US Eq)	-4.2	-4.3	+0.1
143.0	Jupiter	0.2	-4.7	+4.9
60.8	Maple-Brown Abbott	-6.5	-6.1	-0.4
65.4	Nomura	-4.1	-2.6	-1.5
95.9	Amundi	-0.5	-2.2	+1.7
330.6	Standard Life (FI)	-0.4	-0.6	+0.2
204.5	Aviva	1.7	1.9	-0.2
1.6	SWRVF	0.0	0.1	-0.1
39.6	Neuberger Berman	5.9	0.1	+5.8
0.8	Brunel	0.0	0.0	+0.0
58.0	Cash	0.1	0.1	+0.0
2,049.2	Whole Fund	-3.1	-3.4	+0.3

12.2 The fund as a whole outperformed its benchmark during the quarter. The level of absolute return was negative. Jupiter and Amundi produced performance ahead of their target for the quarter.

12.3 The outperformance was due to the stock selection of the managers within the fund, asset allocation between the various fund managers was marginally negative.

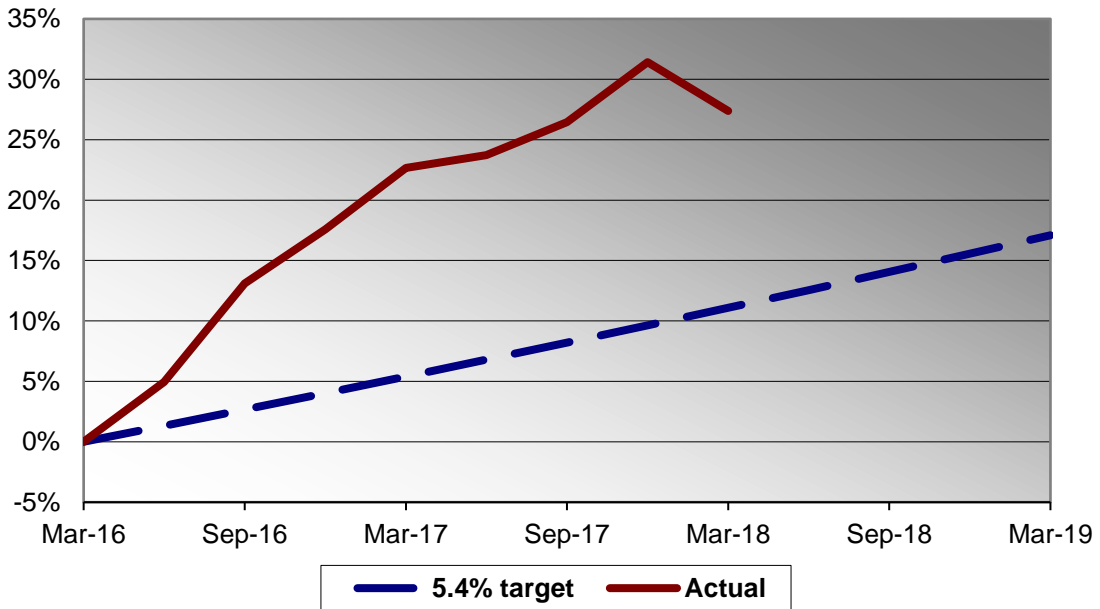
Whole Fund Performance Vs Benchmark



12.4

At the March 2017 committee meeting the committee adopted an absolute return target of 5.4% for the fund as this is consistent with the fund becoming fully funded within the timescales indicated by the actuary as part of the 2016 valuation. Progress against this target for the 2016 to 2019 actuarial cycle is shown in the graph below.

Performance of Fund Vs. 5.4% absolute return target



12.5

The movement in the value of the fund over the quarter is summarised in the table below.

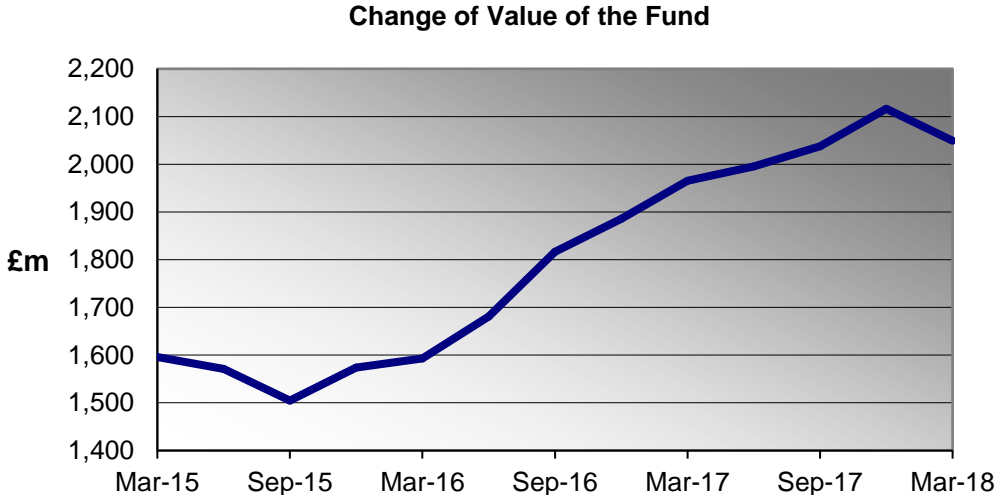
	Value as at 31 Dec		Value as at 31 Mar		Strategic
	£m	%	£m	%	Weighting
In-House (Global Eq)	515.8	24	488.6	24	23
Standard Life (UK Eq)	495.9	23	459.9	22	23
In-House (US Eq)	105.8	5	100.5	5	5
Jupiter	142.5	7	143.0	7	5
M-BA (Pac Eq)	65.4	3	60.8	3	3
Nomura	68.2	3	65.4	3	3
Amundi	96.3	5	95.9	4	5
Standard Life (FI)	332.8	16	330.6	16	19
Aviva	201.1	9	204.5	10	10
SWRVF	1.6	0	1.6	0	0
Neuberger Berman	36.1	2	39.6	3	3
Brunel	0.8	0	0.8	0	0
Cash	53.9	3	58.0	3	1
Whole Fund	2,116.2	100	2,049.2	100	100

12.6

During the quarter the following movements of cash between funds took place:

- £2.9m was withdrawn from the in-house global equity fund during the quarter. This broadly represents dividend income on this fund during the quarter.
- £0.8m was withdrawn from the in-house US equity fund during the quarter. £0.3m this represents dividend income on this fund during the quarter and £0.5m divestment.
- £1.3m was invested in Neuberger Berman's Private equity mandate during the quarter.

12.7 The change in the value of the investment fund over the last three years can be seen in the graph below.



12.8 The Fund’s Actuary, Barnett Waddingham, have provided the following update.

“The results of our assessment indicate that:

- The current projection of the smoothed funding level as at 31 March 2018 is 87.8% and the average required employer contribution would be 21.2% of payroll assuming the deficit is to be paid by 2038.
- This compares with the reported (smoothed) funding level of 77.4% and average required employer contribution of 22.6% of payroll at the 2016 funding valuation.

The discount rate underlying the smoothed funding level as at 31 March 2018 is 5.5% per annum.

It should be borne in mind that the nature of the calculations is approximate and so the results are only indicative of the underlying position.”

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Business Plan Update

<i>Lead Officer:</i>	Kevin Nacey: Director of Finance and Performance
<i>Author:</i>	Anton Sweet: Funds and Investments Manager
<i>Contact Details:</i>	(01823) 359584 asweet@somerset.gov.uk
<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Summary

- 1.1 To update the Committee with progress on and amendments to the Committee's business plan as agreed.

2. Issues for consideration

- 2.1 To note progress on the business plan and approve any amendments.

3. Background

- 3.1 The Somerset County Council Pension Fund (the Fund) is a statutory scheme with Somerset County Council acting as the 'administering authority' in accordance with the relevant legislation. This means that the County Council is responsible for taking all the executive decisions in respect of the Fund.
- 3.2 To meet its responsibilities in this respect the County Council has delegated executive decision making powers for the fund to the Pensions Committee. A business plan has been produced to help ensure that the Pensions Committee meet their responsibilities and consider all necessary issues.
- 3.3 Attached as appendix A is the business plan. Progress is shown in the final column followed by a colour coded key.
- 3.4 Attached as appendix B is a committee workplan, which indicates which items will come before each Committee meeting over the next 12 months.

4. Progress since last report

- 4.1 Work on the LGPS pooling work within the Brunel Pension Partnership continues and is covered in a separate paper.
- 4.2 An informal meeting of committee took place on 1st February to allow members to discuss at length the issues covered in paper B of this meeting.
- 4.3 Work on the closing of the Fund's accounts for 2017-18 is on target to be completed by 31 May.
- 4.3 Planning for the external audit of the 2017-18 financial statements has started including preliminary work by Grant Thornton.

5. Consultations undertaken

None

6. Financial Implications

None

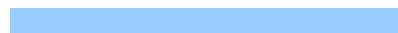
7. Background Papers

None

Note For sight of individual background papers please contact the report author.

Pensions Committee Business Plan for 2018 to 2020

Key:
Change since last time



Completed
Not yet due
In progress and on time
In progress but late
Overdue



Topic Area		Training needs	Timing	Implementation Timing	Progress
Regulations	Consultation and implementation on new regulations as they arise	Medium	Unknown - Determined by Central Gov't		
Investment Governance	Voting and CSR engagement review	Medium	Autumn 2015	+ 9 months if Undertaken	On hold pending the outcome of the LGPS pooling of investments process
Investment Pooling	Review of Brunel Pension Partnership Business Case	Medium	Autumn 2016		The Brunel business case was approved at the December 2016 committee meeting.
Fund Governance	Agree and publish an Investment Strategy Statement	Medium	Q1 2017		Agreed at June 2017 meeting
Fund Governance	Re-approve all Strategies and policies post election	Medium	Spring 2017		Agreed at June 2017 meeting
Fund Governance	Review of CIPFA knowledge and skills framework for members	Medium	Spring 2017		
1 year Review of Asset manager	Review of In-house funds	Medium	Autumn 2017	+ 9 months if Undertaken	Decision taken at the December 2017 committee meeting that a number of fund managers will be reviewed again at end of 2018
	Review of Aviva's mandate for Property	Medium		+ 9 months if Undertaken	
	Review of Standard Life's mandate for UK equity	Medium		+ 9 months if Undertaken	
	Review of Standard Life's mandate for Fixed Income	Medium		+ 9 months if Undertaken	
	Review of Jupiter's mandate for European Equity	Medium		+ 9 months if Undertaken	
	Review of Nomura's mandate for Japanese Equity	Medium		+ 9 months if Undertaken	
Investment Fund Structure & Alternative Asset Classes	Review of Asset Allocation and benchmark structure of the fund	Medium	Spring 2018		Report to committee included in the meeting's papers
	Review of asset classes not currently invested in	High			
Review of Independent Advisor	Following an internal Audit review of the Fund's governance it was agreed that the role and performance of the Independent Advisor should be reviewed by Committee at least once every 4 years	Low	Summer 2019	Unknown	

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SOMERSET COUNTY COUNCIL PENSION FUND

PENSIONS COMMITTEE

MEETING WORKPLAN 2018 - 2019

Date	Proposed Items of Business	Lead Officer
20-Sep-18	<p><u>FORMAL MEETING</u></p> <p>1. LGPS Pooling of Investments Report to provide an update on progress on pooling of investments as per government guidance.</p> <p>2. Independent Advisor's Report To receive a verbal update on market issues and events from the independent advisor.</p> <p>3. Analysis of Performance Report to provide an update of the Fund's performance for the quarter period to 30 June 2018.</p> <p>3. Business Plan Update To consider progress against the Committees approved business plan.</p> <p>4. Budget and Membership Statistics Update Report to provide an update of the Fund's position for the quarter period to 30 June 2018.</p> <p>5. Employer Body Status Update Report to provide an update on issues concerning employer bodies.</p> <p>6. Review of Pension Fund Risk Register To review the risks within the fund and form an appropriate risk register for the fund.</p> <p>7. Annual Accounts and Investment Performance 2017/2018 To consider the accounts and investment performance for the year to 31 March</p> <p>8. Actuarial Update To consider the Report of the Fund's Actuary Barnett Waddingham.</p> <p>9. Review of Administration Performance To review the performance of Peninsula Pensions in delivering the administration service to employers and members.</p>	<p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>CT</p> <p>AS</p> <p>AS</p> <p>BW</p> <p>CT</p>
21-Sep-18	<p><u>ANNUAL MEETING</u></p> <p>Annual Employers' Meeting of the Pension Fund Location TBC</p>	

SOMERSET COUNTY COUNCIL PENSION FUND

PENSIONS COMMITTEE

MEETING WORKPLAN 2018 - 2019

Date	Proposed Items of Business	Lead Officer
07-Dec-18	<p><u>FORMAL MEETING</u></p> <p>1. Independent Advisor's Report To receive a verbal update on market issues and events from the independent advisor.</p> <p>2. Analysis of Performance Report to provide an update of the Fund's performance for the quarter period to 30 September 2018.</p> <p>3. Business Plan Update To consider progress against the Committees approved business plan.</p> <p>4. Budget and Membership Statistics Update Report to provide an update of the Fund's position for the quarter period to 30 September 2018.</p> <p>5. Employer Body Status Update Report to provide an update on issues concerning employer bodies.</p> <p>7. Review of Pension Fund Risk Register To review the risks within the fund and form an appropriate risk register for the fund.</p> <p>8. Voting and Engagement Report Report to provide an update of the Fund's voting and engagements activities for the half year to 30 September 2018.</p> <p>9. Review of Investment Fund Structure To consider the existing structure of the investment fund, whether it is still suitable and to prepare for the transition of assets into a pool</p> <p>10. Fund Manager Performance Review (EXEMPT ITEM) To consider the performance of fund managers as per the review timetable agreed at earlier committee meetings.</p>	<p></p> <p>AS</p> <p>AS</p> <p>AS</p> <p>CT</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p>

SOMERSET COUNTY COUNCIL PENSION FUND

PENSIONS COMMITTEE

MEETING WORKPLAN 2018 - 2019

Date	Proposed Items of Business	Lead Officer
08-Mar-19	<p><u>FORMAL MEETING</u></p> <p>1. LGPS Pooling of Investments Report to provide an update on progress on pooling of investments as per government guidance.</p> <p>2. Independent Advisor's Report To receive a verbal update on market issues and events from the independent advisor.</p> <p>3. Analysis of Performance Report to provide an update of the Fund's performance for the quarter period to 31 December 2018.</p> <p>4. Business Plan Update To consider progress against the Committees approved business plan.</p> <p>5. Budget and Membership Statistics Update Report to provide an update of the Fund's position for the quarter period to 31 December 2018.</p> <p>6. Employer Body Status Update Report to provide an update on issues concerning employer bodies.</p> <p>7. Review of Pension Fund Risk Register To review the risks within the fund and form an appropriate risk register for the fund.</p> <p>8. Resources review, budget setting and committee objectives setting To conduct a review of the resources available to the fund and to adopt a budget, committee performance objectives for the 2019-2020 financial year and review the overall performance target for 2016 to 2019.</p> <p>9. Review of Administration Performance To review the performance of Peninsula Pensions in delivering the administration service to employers and members.</p>	<p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>CT</p> <p>AS</p> <p>AS/SM</p> <p>CT</p>

SOMERSET COUNTY COUNCIL PENSION FUND

PENSIONS COMMITTEE

MEETING WORKPLAN 2018 - 2019

Date	Proposed Items of Business	Lead Officer
07-Jun-19	<p><u>FORMAL MEETING</u></p> <p>1. LGPS Pooling of Investments Report to provide an update on progress on pooling of investments as per government guidance.</p> <p>2. Independent Advisor's Report To receive a verbal update on market issues and events from the independent advisor.</p> <p>3. Analysis of Performance Report to provide an update of the Fund's performance for the quarter period to 31 March 2019.</p> <p>4. Business Plan Update To consider progress against the Committees approved business plan.</p> <p>5. Budget and Membership Statistics Update Report to provide an update of the Fund's position for the quarter period to 31 March 2019.</p> <p>6. Employer Body Status Update Report to provide an update on issues concerning employer bodies.</p> <p>7. Review of Pension Fund Risk Register To review the risks within the fund and form an appropriate risk register for the fund.</p> <p>8. Voting and Engagement Report Report to provide an update of the Fund's voting and engagements activities for the half year to 31 March 2019.</p> <p>9. Fund Policies To review and where necessary update the fund's policies and documents.</p>	<p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>AS</p> <p>CT</p> <p>AS</p> <p>AS</p> <p>AS</p>

Budget And Membership Statistics Update

Lead Officer: Kevin Nacey: Director of Finance and Performance

Author: Anton Sweet: Funds and Investments Manager

Contact Details: (01823) 359584
asweet@somerset.gov.uk

Cabinet Member: Not applicable

Division and Local Member: Not applicable

1. Summary

- 1.1 This report updates the committee on the position of the Pension Fund budget at 31st March 2018 and related matters. This is a standard item of committee business.

2. Issues for consideration

- 2.1 The report is for information only unless the committee deems that action is necessary having reviewed the report.

3. Budget

- 3.1 The outturn position for the full financial year to 31st March 2018 against budget is shown in appendix A.

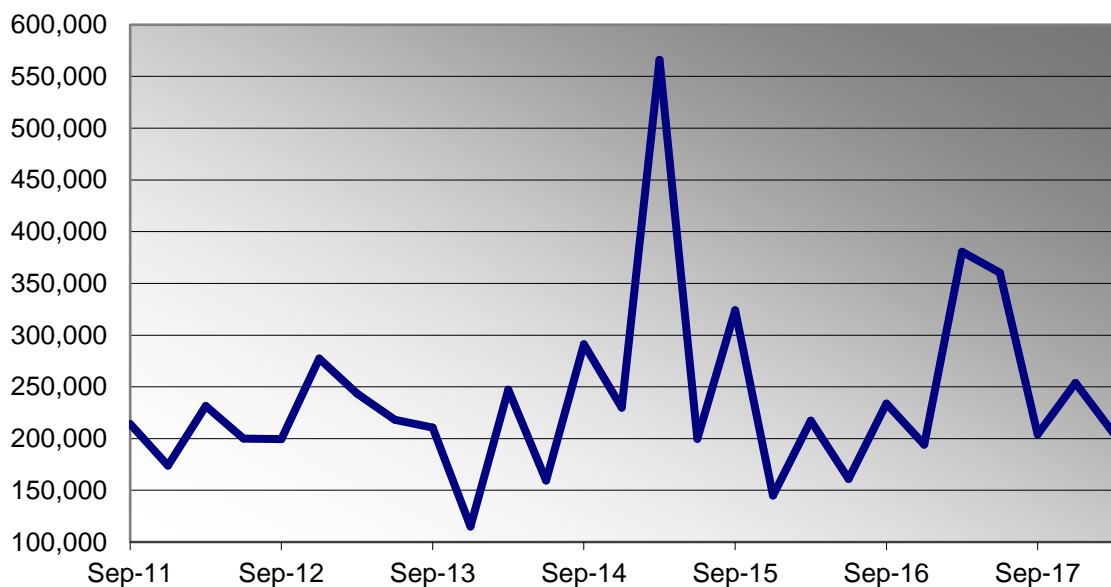
4. Transaction costs

4.1 Transaction costs for the quarter were as follows:

Manager	Asset Class	Fund Size £m
In-House	Global equity	488.6
Standard Life	UK equity	459.9
In-House	US equity	100.5
Jupiter	European equity	143.0
M-BA	Pacific equity	60.8
Standard Life	Bonds	330.6

Manager	Asset Class	Purchases		Sales		Total £
		Commission £	Expenses £	Commission £	Expenses £	
In-House	Global equity	4,519	4,814	4,272	4,083	17,687
Standard Life	UK equity	20,793	126,193	19,168	57	166,210
In-House	US equity	0	0	61	11	73
Jupiter	European equity	3,640	0	4,508	0	8,148
M-BA	Pacific equity	6,629	1,437	2,431	2,833	13,331
Standard Life	Bonds	0	0	0	0	0
Total		35,581	132,445	30,439	6,984	205,449

Total Transaction Costs

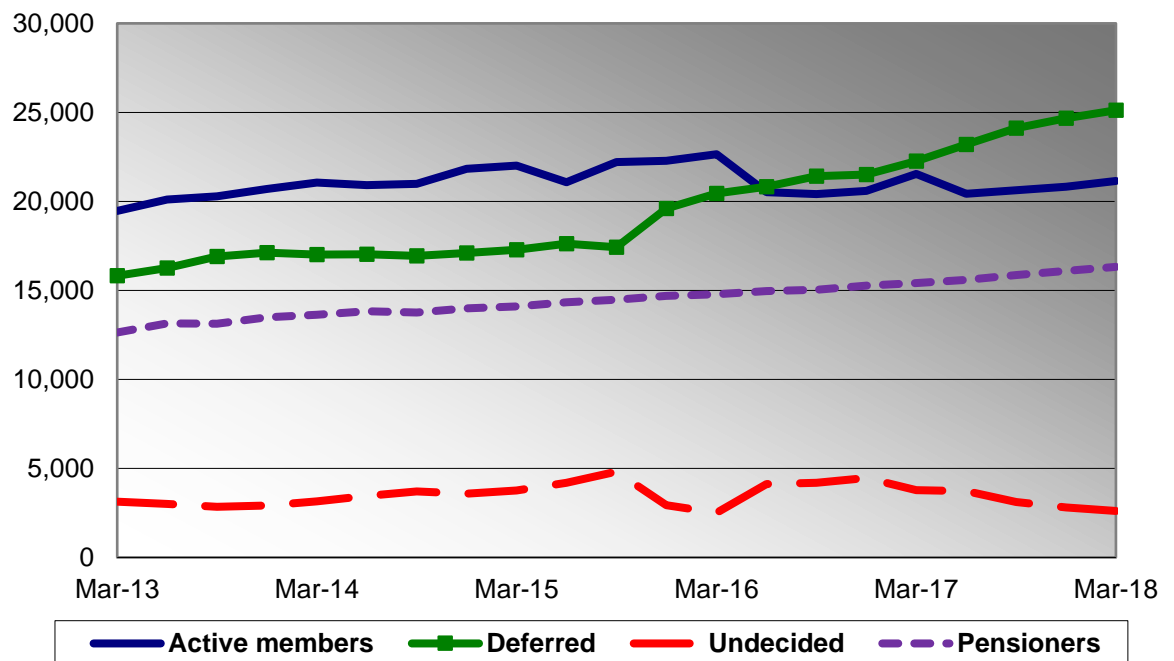


5. Membership Statistics

5.1 The change in membership statistics for the quarter is as follows:

	31 Dec	31 Mar	Change
Active members	20,821	21,151	+330
Deferred	24,678	25,119	+441
Undecided	2,817	2,617	-200
Pensioners	16,100	16,322	+222
Total	64,416	65,209	+793

5.2 The change in membership statistics for the last 5 years is shown in the graph below:



6. Background Papers

None

Note For sight of individual background papers please contact the report author.

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Pension Fund Budget

2017-2018

	2016-2017 Full Year	2017-2018 Full Year			2017-2018 Full Year		
	Actual (a) £m	Budget (b) £m	Actual (c) £m	Variance (d) £m	Original Budget (e) £m	Projected Outturn (f) £m	Variance (g) £m
Contributions and other income							
Contributions	90.015	87.500	99.387	11.887	87.500	94.000	6.500
Recoveries from employers	2.851	1.500	2.713	1.213	1.500	2.100	0.600
Transfer values received	2.450	2.500	5.312	2.812	2.500	2.750	0.250
	95.316	91.500	107.412	15.912	91.500	98.850	7.350
Less benefits and other payments							
Recurring pensions	-68.168	-69.500	-71.213	-1.713	-69.500	-72.000	-2.500
Lump sum on retirement	-13.429	-15.000	-16.535	-1.535	-15.000	-17.500	-2.500
Lump sum on death	-1.568	-2.000	-2.646	-0.646	-2.000	-3.000	-1.000
Transfer values paid	-3.423	-4.500	-4.205	0.295	-4.500	-4.500	0.000
Contribution refunds	-0.401	-0.400	-0.288	0.112	-0.400	-0.400	0.000
	-86.989	-91.400	-94.887	-3.487	-91.400	-97.400	-6.000
Contributions after payments	8.327	0.100	12.525	12.425	0.100	1.450	1.350
Management Expenses							
Administrative expenses	-1.157	-1.200	-1.113	0.087	-1.200	-1.200	0.000
Investment management expenses	-4.964	-5.500	-5.706	-0.206	-5.500	-6.000	-0.500
Oversight and governance expenses	-0.740	-1.200	-0.800	0.400	-1.200	-1.200	0.000
	-6.861	-7.900	-7.619	0.281	-7.900	-8.400	-0.500
Investment Income							
Investment income	52.166	45.000	58.515	13.515	45.000	52.500	7.500
Net Increase / Decrease (-) in fund	53.632	37.200	63.421	26.221	37.200	45.550	8.350

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Employer Body Update

<i>Lead Officer:</i>	Kevin Nacey: Director of Finance and Performance
<i>Author:</i>	Charlotte Thompson: Head of Peninsula Pensions
<i>Contact Details:</i>	(01392) 383000 charlotte.thompson@devon.gov.uk
<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Summary

- 1.1 This report provides an update for the Committee on the status of Employing Bodies within the Somerset Pension Fund.

2. Issues for consideration

- 2.1 Committee is asked to note the employer updates set out in section 3. It was decided at the June 2015 meeting that applications for admitted body status will not generally be brought to Committee for approval but that Committee will be informed of new employers joining the Fund.

3. Employer updates

- 3.1 It was reported to the committee at the December 2017 meeting that Lyngford Park School was to transfer staff to Eco clean under a new cleaning contract. This arrangement did not go ahead and no staff were transferred.
- 3.2 The fund currently has the following numbers of employer with active members:
- 62 scheduled body employers made up of 33 scheduled body employers, 15 academy trusts and 14 stand-alone academies
 - 26 resolution bodies
 - 38 admitted bodies

4. Consultations undertaken

- 4.1 None.

5. Financial Implications

- 5.1 None. It is already a requirement that new admitted bodies should put in place a bond or guarantee.

6. Background Papers

- 6.1 None

Note For sight of individual background papers please contact the report author.

Review of Administration Performance

<i>Lead Officer:</i>	Kevin Nacey: Director of Finance and Performance
<i>Author:</i>	Charlotte Thompson: Head of Peninsula Pensions
<i>Contact Details:</i>	(01392) 383000 charlotte.thompson@devon.gov.uk
<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Background

- 1.1 Our main service standard is to complete 90% of work within 10 working days once all necessary information has been received. This is monitored every month through our task management system which is an in-house performance tool within our pension database.
- 1.2 We also participate in the CIPFA Benchmarking Club which provides a yearly comparison of performance with other LGPS administration services. Approximately 50 LGPS Funds take part each year.

2. Issues for consideration

- 2.1 The Committee note the report and actions being undertaken by officers to ensure compliance and best practice.

3. Administration team performance

- 3.1 As a whole the Team for 2016/17 issued 76% of work within target. For this financial year to date the team has issued 69% in target. The backlog of outstanding work has decreased by 25% since April 2017.
- 3.2 Since July 74% of priority work has been completed within target.
- 3.3 The table in Annexe A shows performance relating to the Somerset Fund only for this financial year.

4. CIPFA Benchmarking

- 4.1 Data is collected annually in various areas including membership analysis, Employer analysis, quotations and charges, costs and administration performance.
- 4.2 This enables informed comparisons to be made of the net cost per member, payroll cost per pensioner, number of members per admin FTE and also highlights differences of approach.
- 4.3 In November 2017 we received the Final report for 2016/17 year. The key performance indicator that we obtain from this report is the cost per member. This year it has come out at £16.06 compared to the average of £20.14.
- 4.4 Our CIPFA performance results for 2016/17 showed improvements across all areas, with above average achievement in all except deferred benefits where we dipped slightly below.

Process	Target	Our achievement	CIPFA average
Transfer in	10 days	93.4%	87.2%
Transfer out	10 days	93.4%	86.5%
Letter notifying actual retirement benefits	5 days	98.4%	93.4%
Letter notifying estimated retirement benefits	10 days	93.8%	92.8%
Letter acknowledging death	5 days	100.0%	96.1%
Refunds	5 days	97.0%	93.8%
Letter notifying dependants benefits	5 days	95.3%	89.9%
Deferred	10 days	82.4%	83.8%

- 4.5 Areas to improve on include outstanding leavers unprocessed/in progress and investing in staff by increasing qualification opportunities and reducing sickness absence.

5. Actions Implemented

- 5.1 Additional resource extended until 31st December 2018 whilst performance review concludes and outcome implemented.
- 5.2 New workflow tools have been introduced and team focusing initial efforts on getting all priority work up to date. Outstanding priority work is generally now always within 10 days old.
- 5.3 Annual employer meetings took place in January and positive engagement and feedback received.

5.4 Employers approaching us for Scheme member talks increasing and the feedback received has shown these events are very successful at improving scheme members' understanding.

6. Conclusion

6.1 We are continuing to work with scheme employers towards improving our performance and in turn provide an excellent service to all our stakeholders.

7. Background Papers

7.1 None

Note For sight of individual background papers please contact the report author.

Summary of completed work 1st September 2017 to 31st January 2018

	Within target	Over target	Total	Success rate
Priority Procedures	1,189	260	1,449	82%
Non-Priority Procedures	5,809	2,205	8,014	72%

Priority

	Within target	Over target	Total	Success rate
Death	166	39	205	81%
Employer estimates	128	2	130	98%
Priority general post	338	71	409	83%
LGPS retirements	307	109	416	74%
Deferred benefit retirements	247	38	285	87%
Total	1,189	260	1,449	82%

Non-Priority

	Within target	Over target	Total	Success rate
Amalgamation of records	76	188	264	29%
Additional voluntary contribution calculations	167	37	204	82%
Deferred benefit calculations (including recalculations)	265	481	746	36%
Divorce calculations	76	2	78	97%
Frozen refunds	129	329	458	28%
Other member estimates	55	98	153	36%
Non-priority general post	4,112	889	5,001	82%
Payroll adjustments	507	2	509	100%
Refunds	77	1	78	99%
Retirement estimates	309	53	362	85%
New starters	10	0	10	100%
Transfer values in	5	31	36	14%
Transfer values out	21	94	115	18%
Total	5,809	2,205	8,014	72%

Outstanding Work 19th February 2018

Priority

	Total	Reply due	Outstanding
Death	6	0	6
Employer estimates	14	5	9
Priority general post	32	7	25
LGPS retirements	20	12	8
Deferred benefit retirements	8	3	5
Total	89	27	62

Non Priority

	Total	Reply due	Net outstanding
Amalgamation of records	1,685	273	1,412
Additional voluntary contribution calculations	45	21	24
Deferred benefit calculations (including recalculations)	542	77	465
Divorce calculations	4	1	3
Frozen refunds	456	72	384
Non-priority general post	439	252	187
Payroll adjustments	7	1	6
Refunds	9	0	9
Retirement estimates (includes member and other estimates)	172	24	148
New starters	0	0	0
Transfer values in	324	43	281
Transfer values out	243	29	214
Total	3,917	793	3,124

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Review of Pension Fund Risk Register

Lead Officer: Kevin Nacey: Director of Finance and Performance

Author: Anton Sweet: Funds and Investments Manager

Contact Details: (01823) 359584
asweet@somerset.gov.uk

Cabinet Member: Not applicable

Division and Local Member: Not applicable

1. Summary

- 1.1 In response to CIPFA guidance recommending the adoption and monitoring of a risk register for LGPS funds the Pensions Committee have requested that a review of the risk register is a standing item on the agenda for each meeting.

2. Issues for consideration

- 2.1 To monitor the risks contained on the risk register and approve any amendments.

3. Changes since last meeting

- 3.1 Some of the commentary in the “additional information and commentary column” has been refreshed. There has been no changes to the risks or the risk scoring.

4. Background

- 4.1 Risk management is central to the management of the Pension Fund as reflected by the coverage of risk in key documents such as the Funding Strategy Statement and the Statement of Investment Principals. The risk register allows for consideration of all of the fund’s risks in a single document.
- 4.2 Guidance issued by CIPFA on the application of the Myner’s Principles in the LGPS in 2010 indicated that the creation and adoption by Pensions Committees of a risk register was best practice.

- 4.3 Following on from CIPFA's guidance the Committee has indicated that it wishes to adopt a risk register. The Committee have agreed that rather than have a static register that is reviewed periodically that the register should be discussed at every meeting and changes agreed and implemented as necessary.
- 4.4 The current risk register is attached as appendix A and has been prepared using the Somerset County Council risk framework and scoring methodology

5. Consultations undertaken

None

6. Financial Implications

- 6.1 No direct implications

7. Background Papers

None

Note For sight of individual background papers please contact the report author.

Somerset County Council Pension Fund Risk Register - June 2018

1. Risk Ref No: 2. Senior Risk Owner:	Description of Risk	Control measures already in place	Current Risk Score (with known controls in place)		Combined score	Additional mitigating actions/control measures planned to achieve target score	Target Risk score		combined score	Additional Control measure owner	Target Date	commentary following review, inc. date	Additional Information and explanation
			L	I			L	I					
1. PF1 2. Anton Sweet	The pension fund has insufficient available cash to meet its immediate (next 6 months) liabilities.	Cash flow forecasting of TM function. Monthly review of asset allocation and cash levels	2	4	8		2	4	8		on-going with quarterly review		
1. PF2 2. Pensions Committee	The pension fund has insufficient available assets to meet its long term liabilities.	Funding Strategy Statement Investment Strategy Statement	3	5	15	The triennial valuation includes provision for restoring the fund to full funding over 25 years The current risk score partly reflects that the fund was 77% funded at the last valuation. An improvement in the funding level will reduce the likelihood of the risk occurring at some point in the future	2	5	10		Review again at next Valuation - 2019		This risk encapsulates the purpose of the fund in trying to always have sufficient assets to meet uncertain future liabilities with a pool of assets with uncertain future investment performance. There is also the need to balance the funding needs of the fund with the desire to keep contributions as low and constant as possible.
1. PF3 2. Stephen Morton	The insolvency of an employer places additional liabilities on the fund and ultimately the remaining employers.	Admission agreements Guarantee bonds	3	3	9	Ensure the on-going suitability of the guarantees in place with a review after each formal valuation Review of actuarial results to consider employer specific funding ratios and employer 'Hot Spots'	2	2	4	Stephen Morton	on-going with quarterly review		Hot Spots' refers to employers whose benefits in payment exceed their contributions in a given period.
1. PF4 2. Kevin Nacey	Vulnerability to long-term staff sickness and staff turn-over, especially for higher graded posts.	None, other than experience of other staff within the sections	3	3	9		2	3	6		on-going with quarterly review	Updated to include positive impact of pooling September 2016	Shared service with Devon makes this less of an issue with respect to benefits administration staff. The move to pooling of investments should make the fund less reliant on a small number of internal officers

Somerset County Council Pension Fund Risk Register - June 2018

1. Risk Ref No: 2. Senior Risk Owner:	Description of Risk	Control measures already in place	Current Risk Score (with known controls in place)		Combined score	Additional mitigating actions/control measures planned to achieve target score	Target Risk score		combined score	Additional Control measure owner	Target Date	commentary following review, inc. date	Additional Information and explanation
			L	I			L	I					
1. PF5 2. Kevin Nacey	Reliance on bespoke IT, which is exacerbated by a lack of experience of these bespoke systems within SCC IT support	As IT systems are refreshed or replaced build in support mechanisms	3	4	12		2	3	6		on-going with quarterly review		Shared service with Devon makes this less of an issue with respect to benefits administration IT. Pooling will also remove the need for some systems.
1. PF6 2. Pensions Committee	Risk of Regulatory change: - Implementation of change risks - Consequences of change risks	Continuous engagement with MHCLG and other interested stakeholders	4	4	16		2	3	6		on-going with quarterly review		The dictated change to pooling of investment arrangements and implementation of this presents a significant risk to the scheme.
1. PF7 2. Stephen Morton	Failure of Benefits Administration to perform their tasks, specifically leading to incorrect or untimely benefits payment.	Internal audit coverage Annual report to committee with feedback from stakeholders Internal procedures and checks	3	3	9		2	3	6		on-going with quarterly review		The greater resilience gained from the Peninsula Pensions shared service has been balanced by greater complexity coming into the scheme benefits.
1. PF8 2. Pensions Committee	Failure of Pensions Committee to manage the fund effectively	Policies and procedures adopted by pensions committee, specifically the committee training policy	3	4	12		2	4	8		on-going with quarterly review	Updated June 2017 to reflect turnover of Committee following County Council elections	
1. PF9 2. Anton Sweet	Insolvency of the fund's Global Custodian	Fund's assets held in client accounts not as assets of the custodian	2	4	8		2	4	8		on-going with quarterly		The designation of the fund's assets as client assets ensures that they cannot be appropriated by creditors of the Custodian bank in the case of that entity going into administration.

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Somerset County Council Pension Fund Risk Register - June 2018

1. Risk Ref No: 2. Senior Risk Owner:	Description of Risk	Control measures already in place	Current Risk Score (with known controls in place)		Combined score	Additional mitigating actions/control measures planned to achieve target score	Target Risk score		combined score	Additional Control measure owner	Target Date	commentary following review, inc. date	Additional Information and explanation
			L	I			L	I					
		Review of credit worthiness and inherent business risk of custodian at tender phase			8						quarterly review		As a result we should be able to recover substantially all of the assets of the fund held in custody but there would be considerable administrative and liquidity disruption
1. PF10 2. Pensions Committee	Failure of Brunel to deliver either Fee savings or investment performance	Representation on the Brunel Client Group and Oversight Board.	2	4	8			2	4	8		on-going with quarterly review	Added as per Committee request at September 2017 meeting.

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Voting and Engagement

<i>Lead Officer:</i>	Kevin Nacey: Finance and Performance Director
<i>Author:</i>	Anton Sweet: Funds and Investments Manager
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<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Summary

- 1.1 This report is to inform the committee about the voting and engagement activity of the fund's investment managers for the six-month period to 31st March 2018.

2. Issues for consideration

- 2.1 The report is for information only unless the committee deems that action is necessary having reviewed the report.

3. Background

- 3.1 The voting activity described in this report relates to all company meetings, the majority of which are Annual General Meetings (AGM's) but will also include Extraordinary General Meetings (EGM's), Ordinary General Meetings, Special Meetings and miscellaneous others.
- 3.2 The business that is required to be covered at AGM's varies according to local law and custom. In most countries both executive and non-executive directors have to be periodically re-elected to the board and there is a vote on the reappointment of auditors. In a growing number of jurisdictions, including UK and US, there is also a non-binding vote on the board of directors' remuneration report. Depending on local law there are often a number of technical resolutions regarding the creation of new shares, pre-emptive rights and share option schemes.
- 3.3 At AGM's typically all resolutions are proposed by the board of directors and they recommend that shareholders approve the proposed resolutions, however increasingly shareholders are proposing their own resolutions on a wide variety of areas including changes to the companies rules, initiating a vote on director remuneration, animal welfare, environmental issues and employment rules.
- 3.4 Although not exclusively, EGM's tend to fall into two categories, the first is to allow a shareholder vote on a proposed merger, takeover or other fundamental change to the company. The second category is where

shareholders are very unhappy with the board's behaviour and wish to hold them to account on a particular issue or set of issues.

- 3.5 PIRC (for the in-house funds) and each of the external fund managers have written guidelines on how they will utilise their votes in an effort to maximise shareholder value and promote good governance and ethical behaviour within companies. Typically these policies will, to varying degrees, adhere to the principles and best practice guidelines of the various legislation, city codes of conduct and policies of trade bodies such as the Association of British Insurers.
- 3.6 PIRC publishes the advice it gives clients (including SCC) on how to vote at company meetings on its website. Some of our external fund managers also place their voting record on their public websites.

4. Somerset County Council (Global Equity + US Equity)

4.1 The in-house fund continues to vote in line with recommendations received from PIRC. The following table indicates voting activity for the six months:

- Shareholder meetings at which the Fund's Shares were voted 99
- Votes in line with Company Management on all resolutions 7

4.2 The above results are for both the in-house global equity fund and the in-house US equity fund. Only a few holdings in the US equity fund don't appear in both funds.

4.3 PIRC within their recommendations tend to take a very strict line on many of the standard items that occur at AGM's. This includes issues around the tenure and genuine independence of non-executive directors, director remuneration proposals and non-audit fees for auditors. The vast majority of against votes and abstentions for the in-house fund occur in these areas. PIRC also will assess any shareholder proposals on their merits and advise accordingly, which often gives rise to votes against management.

4.4 Committee specifically requested data on voting activity on executive remuneration. The in-house funds were offered a vote on executive remuneration at 75 company AGMs in the period. Voting was as follows

- For the proposed remuneration 2 (3%)
- Against the proposed remuneration 58 (77%)
- Abstained from voting 15 (20%)

5. Standard Life (UK Equity)

5.1 A summary of voting activity for the six months is shown below:

• Shareholder meetings at which the Fund's Shares were voted	27
• Votes in Favour of all resolutions	22
• Vote against one or more resolutions	3
• Abstained on one or more resolutions	2

5.2 The data for votes on executive remuneration are as follows:

• Meetings with a vote on remuneration	18
• For the proposed remuneration	15 (83%)
• Against the proposed remuneration	2 (11%)
• Abstained from voting	1 (6%)

5.3 Standard Life continues to engage with a large number (approx. 100 per quarter) of UK companies on corporate governance or CSR issues.

6. Jupiter (Europe ex-UK Equity)

6.1 A summary of voting activity for the six months is shown below:

• Shareholder meetings at which the Fund's Shares were voted	8
• Votes In line with company management on all resolutions	8

6.2 The data for votes on executive remuneration are as follows:

• Meetings with a vote on remuneration	4
• For the proposed remuneration	4 (100%)
• Against the proposed remuneration	0 (0%)
• Abstained from voting	0 (0%)

7. Maple-Brown Abbott

7.1 A summary of voting activity for the six months is shown below:

• Shareholder meetings at which the Fund's Shares were voted	35
• Total Resolutions	218
• Voted for	198
• Voted against	18
• Abstained	2

7.2 The data for votes on executive remuneration are as follows:

• Meetings with a vote on remuneration	26
• For the proposed remuneration	24 (92%)
• Against the proposed remuneration	2 (8%)
• Abstained from voting	0 (0%)

8. LAPFF

8.1 LAPFF continue to have a wide ranging program of research and company engagement on a number of issues such as remuneration, audit standards, climate change and company governance. They also will engage with specific companies one on one if an issue of widespread interest arises outside of their current workstreams. Further details on their work can be found on their website <http://www.lapfforum.org/>

9. Consultations undertaken

None

10. Financial Implications

10.1 Over time the performance of the pension fund investments will impact the amount that the County Council and other sponsoring employers have to pay into the fund to meet their liabilities. The fund actuary calculates these amounts every three years and sets payments for the intervening periods. The next assessment is currently underway.

11. Background Papers

None

Note For sight of individual background papers please contact the report author.

Investment of Pension Fund Cash

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Cabinet Member: Not applicable

Division and Local Member: Not applicable

1. Summary

- 1.1 The legal position regarding how the fund can invest cash was revised by the Government with the introduction of the LGPS (Management and Investment of Funds) Regulations 2009, which came into force from 1st January 2010. Since 1st April 2010 the pension fund cash has been managed by the SCC investments team on a completely segregated basis.
- 1.2 As a matter of good governance the Committee is asked annually to review the arrangements for the management of the Fund's cash and approve the strategy and counterparty criteria.

2. Issues for consideration

- 2.1 Review the arrangements for the management of the Pension Fund sterling cash balances from the following options:
 1. Re-appoint the in-house team to manage these balances on a segregated basis.
 2. Appoint an external cash manager.

If the committee wish to appoint an external manager the current in-house management arrangements would remain in place whilst a competitive tender process is undertaken.

- 2.2 Review and adopt a cash management strategy, the current strategy is attached as appendix A.
- 2.3 Adopt a revised counterparty criteria for the investment of sterling cash balances, a suggested criteria is attached as appendix B.

3. Background

- 3.1 The sterling balances of the Fund are managed with a daily sweep undertaken with the Fund's custodian to clear sterling balances back to the fund's bank account. The balances are a mix of sterling money which has been allocated to fund managers but they are choosing not to invest (frictional cash) and the cash balances of the fund that are being received monthly from employers and paid out to pensioners. These balances do vary. A graph showing the daily value of cash balances since December 2014 is below.



- 3.2 The current practice of the Fund is to leave non-sterling balances in the bank accounts supplied to us by the Global Custodian (JP Morgan), these balances do earn interest but at very low rates. Typically these funds are mostly made up of US Dollars and Euros within Standard Life's fixed interest mandate along with small amounts in a range of other currencies. Typically these balances are less than £4m in total.
- 3.4 Officers are proposing a similar counterparty policy to the one adopted for 2017-18 (attached as appendix B).

4. Consultations undertaken

None

5. Financial Implications

- 5.1 Over time the performance of the pension fund investments will impact the amount that the County Council and other sponsoring employers have to pay into the fund to meet their liabilities. The fund actuary calculates these amounts every three years and sets payments for the intervening periods. The next assessment is currently underway.

6. Background Papers

None

Note For sight of individual background papers please contact the report author.

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Pension Fund Cash Management Strategy

Introduction

The following is the cash management strategy adopted by the Somerset County Council Pension Fund as adopted by the Pensions Committee and sets a broad framework for the management of all cash positions of the fund.

Short-Term Borrowing

The Pension Fund will maintain overdraft facilities on all cash accounts in all currencies at the Global Custodian (JP Morgan) and on its main sterling bank account (NatWest). These facilities are to be used to ensure the clearing of un-anticipated payments from time to time and all overdraft positions, however incurred, should be cleared at the earliest possible opportunity.

It is not envisaged that any borrowing will be required above the overdraft facilities highlighted above however it is prudent to allow the borrowing of funds via a broker from banks, building societies and other local authorities to provide flexibility if unexpected cash flows are incurred. Any borrowing will be limited to a maximum of 1 calendar month in duration and should be limited to a level no higher than cash deposits not instantly realisable (the fund should not incur a net negative cash position).

Investments

Certain balances under the control of fund managers are left in various non-sterling currencies and these are deposited in the cash accounts of the Global Custodian (JP Morgan). The cash does attract interest in these accounts but at a low level.

All sterling funds in the cash accounts at the custodian are the subject of a daily sweep back to the Pension Fund's account with its main bank (NatWest). These funds will then be placed on deposit with counterparties in accordance with the counterparty criteria. The cash fund manager will maintain a list of acceptable counterparties, which meet the counterparty criteria and they intend to utilise, on an on-going basis.

In common with other local authority cash management best practice the emphasis when making deposits will be on security of the principal deposited and liquidity. Only once these criteria are met will the highest yield consistent with these priorities be sought.

Given that the vast majority of the cash funds of the Pension Fund could be required either by fund managers or to meet pension payments and transfers at relatively short notice it is anticipated that a significant level of cash at any time will be invested via time deposits with a short term (a month or less) or deposited in instant access call accounts or money market funds. Should cash flow be such that an amount of funds are identified that are not immediately required these can be deposited for periods up to a maximum of 1 year (370 days). Where time deposits are made these can be made via direct contact with the respective counterparty or via a broker.

The only allowable instruments for the investment of cash are time deposits with suitable counterparties, deposits in interest bearing bank and building society accounts, investments in appropriate Money Market Funds and investments in appropriate UK government bond funds and Sterling short dated investment grade corporate bond funds.

Benchmark

The cash investment portfolio will be benchmarked against 7 day Libid.

Pension Fund Cash Lending Counterparty Criteria

The following criteria will be used to manage counterparty risks to Somerset County Council Pension Fund for cash deposits from 5th March 2017 (subject to adoption by the SCC Pensions Committee): -

Financial Institutions

Any Financial Institution that is authorised by the FCA to accept deposits, or is a passported EEA institution, which is entitled to accept deposits in the UK, or is a UK Building Society can be lent to, subject to the following rating criteria at the time of the deposit: -

Rating of Counterparty

The following long term ratings are the minimum acceptable level:

Fitch A-
S&P A-
Moody's A3

The maximum deposit amount for any authorised counterparty that has as a minimum all three ratings above will be £8m.

Operational Bank Accounts

Amounts contained in operational bank accounts with the Pension Fund's main Bank (currently Nat West) will not count in the calculation of Nat West's limit as defined above. In the event of unexpected receipts after 2pm on any given working day, money may be placed in an instant access Nat West call account overnight, in breach of the above limits. Whenever this occurs the total lending to Nat West must be reduced to back within their limit on the following working day.

If the Pension Fund's main bank (currently Nat West) have their ratings downgraded below minimum criteria, the instant access Call Account facility may still be used for short-term liquidity requirements and business continuity arrangements.

Public Sector Bodies

Any UK Local Authority or Public Body will have a limit of £8m. Any employer member of the fund may not be used

The UK Government Debt Management Office (DMADF) will be unlimited.

The table below gives a definition and rough comparison of various ratings by the three main agencies: -

Definitions of Rating Agency Ratings

	Fitch		Moody's		S&P	
Short-Term	F1+	Exceptionally strong	P-1	Superior	A-1+	Extremely strong
	F1	Highest quality			A-1	Strong
	F2	Good quality	P-2	Strong	A-2	Satisfactory
	F3	Fair quality	P-3	Acceptable	A-3	Adequate
	B	Speculative	NP	Questionable	B and below	Significant speculative characteristics
	C	High default risk				
	(+) or (-)		(1,2, or 3)		(+) or (-)	
Long-Term	AAA	Highest quality	Aaa	Exceptional	AAA	Extremely strong
	AA	V High quality	Aa	Excellent	AA	Very strong
	A	High quality	A	Good	A	Strong
	BBB	Good quality	Baa	Adequate	BBB	Adequate capacity
	BB	Speculative	Ba	Questionable	BB and below	Significant speculative characteristics
	B	Highly Speculative	B	Poor		
	CCC	High default risk	Caa	Extremely poor		

Financial Groups

For Financial Groups (where two or more separate counterparties are owned by the same eventual parent company) a consolidated limit equal to the limit of a single counterparty (£8m) will apply to the group.

Money Market Funds

Both Constant Net Asset Value (CNAV) and Variable Net Asset Value (VNAV) Money Market Funds may be used

CNAV Money Market Funds must be rated by at least two of the main three ratings agency, and must have the following ratings.

Fitch AAmmf

Moody's Aaa mf

Standard & Poor's AAAM

Currently, not all VNAV Funds carry a rating as a result VNAV Funds will be considered on an individual basis with no set criteria.

UK Government bond funds and Sterling short dated investment grade corporate bond funds may also be used.

Subject to the above, deposits can be made with the following limits: -

The lower of £10m or 0.5% of the total value for individual Funds.

Diversification

At least three counterparties/financial groups must be used if total funds invested are greater than £10m, with each having an investment of at least £1m. No more than 75% of total funds invested can be placed with any single counterparty/financial group.

Other Indicators

The Fund will use a range of indicators, not just credit ratings. Among other indicators to be taken into account will be: -

- Credit Default Swaps and Government Bond Spreads.
- GDP, and Net Debt as a Percentage of GDP for sovereign countries.
- Likelihood and strength of Parental Support.
- Government Guarantees and Support, including ability to support.
- Share Price.
- Market information on corporate developments and market sentiment towards the counterparties and sovereigns.
- Other macroeconomic factors.

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Resources Review, Budget Setting and Committee Objective Setting

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<i>Cabinet Member:</i>	Not applicable
<i>Division and Local Member:</i>	Not applicable

1. Summary

- 1.1 Best practice within LGPS funds is to annually set objectives for the fund, the agreeing of the resources necessary to attain those objectives and a definition or measurement mechanism for success.

2. Issues for consideration

- 2.1 Committee are required to set objectives for the 2018-19 financial year for the fund, agree the resources required to meet the objectives and agree criteria by which attainment of the objectives can be measured. To this end committee are asked to:
- Agree a fund budget for the 2018-19 financial year.
 - Review the absolute return target for the investment return of the fund.
 - Consider defining criteria for measuring the success in meeting the committee's objectives for the year.
 - Consider the resources committee requires to meet their objectives for the year.

3. Background

- 3.1 As part of it paper "Investment Decision Making and Disclosure in the Local Government Pension Scheme – A Guide to the Application of the Myners Principles" CIPFA indicated 92 key themes that LGPS funds should consider spread across 6 principles.
- 3.2 A number of these themes are around the setting of objectives, both for the fund as a whole and for the activity of the Pensions Committee. In setting objectives the Committee need to consider the necessary resources needed to reasonably meet those objectives and define how success is to be measured.

4. Fund Objectives

4.1 The funds overall objectives are stated in the Funding Strategy Statement and are:

- Set levels of employer contribution that will build up a fund of assets that will be sufficient to meet all future benefit payments from the Fund.
- Build up the required assets in such a way that employer contribution rates are kept as low and stable as possible.

How each of these aims is to be achieved in broad terms is explained in the Funding Strategy Statement.

4.2 The delivery of constant employer rates and management of liabilities is undertaken in collaboration with the Fund's actuary and centres around the tri-annual valuation process.

4.3 In order to ensure that sufficient resources are available to meet all liabilities as they fall due over the next 12 months, and the costs associated with this aim and the running of the fund in general are managed, a draft budget has been produced for the 2018-19 financial year and is attached as appendix A. Committee is asked to review the draft budget and approve its adoption subject to any amendments they agree on.

4.4 The maximisation of investment return within reasonable risk is achieved through the management of the investment fund, principally through the creation of the Investment Strategy Statement. To measure the performance of the fund we have a fund specific benchmark that we aim to outperform. Performance of the fund relative to this benchmark is monitored and disclosed quarterly to the committee in the standard performance report, it is proposed that this continues. CIPFA's key themes also state that it is good practice for the fund to set an absolute return target for the fund. Since the discount rate utilised by the actuary is in effect the investment return needed by the fund to achieve the objective of full funding within the deficit recovery period it would be sensible to set an absolute return target consistent with the discount rate. The discount rate used in the 2016 valuation results is 5.4% pa. The current adopted target is 5.4%.

5. Committee Objectives

- 5.1 The committee's objectives for the forthcoming year are highlighted within the Committee business plan and forward work plan. As part of the business plan update (item 10) committee will reaffirm the objectives set within the business plan.
- 5.2 Committee are asked to consider how it will assess its performance in meeting the objectives of the business plan. This may involve setting criteria against which success can be measured.
- 5.3 Committee are asked to consider the resources that they as a committee require to meet the needs of the business plan and work plan. This assessment should include consideration of training needs, facilitation time and whether sufficient formal meeting time is available within the work plan to deliver the objectives.

6. Consultations undertaken

None

7. Financial Implications

- 7.1 Over time the performance of the pension fund investments will impact the amount that the County Council and other sponsoring employers have to pay into the fund to meet their liabilities. The fund actuary calculates these amounts every three years and sets payments for the intervening periods. The next assessment is currently underway.

6. Background Papers

None

Note For sight of individual background papers please contact the report author.

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Pension Fund Budget

	2016-2017 Full Year	2017-2018 Full Year			2018-2019 Full Year
	Actual (a) £m	Original Budget (b) £m	Actual (c) £m	Variance (d) £m	Proposed Budget (e) £m
Contributions and other income					
Contributions	90.015	87.500	99.387	11.887	100.000
Recoveries from employers	2.851	1.500	2.713	1.213	2.100
Transfer values received	2.450	2.500	5.312	2.812	2.500
	95.316	91.500	107.412	15.912	104.600
Less benefits and other payments					
Recurring pensions	-68.168	-69.500	-71.213	-1.713	-76.000
Lump sum on retirement	-13.429	-15.000	-16.535	-1.535	-18.000
Lump sum on death	-1.568	-2.000	-2.646	-0.646	-2.500
Transfer values paid	-3.423	-4.500	-4.205	0.295	-4.500
Contribution refunds	-0.401	-0.400	-0.288	0.112	-0.400
	-86.989	-91.400	-94.887	-3.487	-101.400
Contributions after payments	8.327	0.100	12.525	12.425	3.200
Management Expenses					
Administrative expenses	-1.157	-1.200	-1.113	0.087	-1.300
Investment management expenses	-4.964	-5.500	-5.706	-0.206	-6.500
Oversight and governance expenses	-0.740	-1.200	-0.800	0.400	-0.775
	-6.861	-7.900	-7.619	0.281	-8.575
Investment Income					
Investment income	52.166	45.000	58.515	13.515	37.500
Net Increase / Decrease (-) in fund	53.632	37.200	63.421	26.221	32.125

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Proposed Dates For Future Committee Meetings

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Author: Anton Sweet: Funds and Investments Manager

Contact Details: (01823) 356854
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Executive Portfolio Holder: Not applicable

Division and Local Not applicable

Member:

1. Summary

- 1.1 It is customary to agree meeting dates for the following calendar year at the March meeting annually. Officers believe that this course aids all stakeholders to ensure the dates are kept clear and therefore propose to continue with these arrangements.

2. Issues for consideration

- 2.1 The Committee is asked to approve the following proposed dates for 2019:-
- Friday 8th March 2019 at 10.00 am at Library Meeting Room, Taunton
 - Friday 7th June 2019 at 10.00 am at Library Meeting Room, Taunton
 - Thursday 19th September 2019 at 2 pm at Library Meeting Room, Taunton
 - Annual Meeting, Morning of Friday 20th September 2019, arrangements TBC
 - Friday 6th December 2019 at 10.00 am at Library Meeting Room, Taunton

3. Background

- 3.1 The Committee is expected to meet at least quarterly.

4. Consultations undertaken

None

5. Financial Implications

- 5.1 None

6. Background Papers

None

Note For sight of individual background papers please contact the report author.