
Investment Steering Committee (ISC)

Minutes of a meeting of the Investment Steering Committee held at 2.00 p.m. at County Hall, Chelmsford on 27 March 2013

Present

Cllr R L Bass (Chairman)	Essex CC
Cllr Hume	Essex CC
Cllr M Lager	Essex CC
Cllr M Mackrory	Essex CC
Cllr S Barker (Substitute)	Essex CC
Cllr J Archer (Observer representing Employers)	Maldon DC
Keith Blackburn (Observer representing scheme members)	UNISON

The following Board members were present;

Cllr Challis	Essex Pension Board
Charles Garbett	Essex Pension Board

The following Advisers were present in support of the meeting;

Keith Neale	Independent Adviser
John Dickson	Hymans Robertson
Jonathan Roe	Hymans Robertson

The following officers were present in support of the meeting;

Kevin McDonald	Head of Essex Pension Fund
Samantha Andrews	Senior Investment Analyst

1. Apologies for absence

Apologies were received from Cllr Finch, Cllr Aldridge and Margaret Lee.

It was also noted that Board member Cllr Kelly was unable to attend the meeting.

1aDeclarations of Interest

None.

2 Minutes

The minutes of the meeting of the ISC which took place on 20 February 2013 were approved as a correct record.

3 Market Commentary

John Dickson introduced a report by Hymans Robertson on the markets as at 31 December 2012.

Following discussions the report was noted.

4 Statement of Investment Principles (SIP)

Kevin McDonald introduced a report by the Head of Essex Pension Fund in consultation with Hymans Robertson and with Keith Neale, Independent Investment Adviser. The report outlined that the SIP had been updated to take account of the decisions agreed by the Committee at their 20 February 2013 meeting.

The following items were noted:

- on page 8 reference to the Audit Commission should be amended to the Fund's new external auditors, Ernst & Young; and
- that the use of the word 'Authority' be clearly defined and used in the right context throughout the SIP.

The report was noted in its current format.

The Head of Essex Pension Fund reported that that some elements of the format of the SIP had remained largely unchanged since its introduction. Officers & Advisers felt that the SIP's presentation would benefit from reformatting.

It was then **agreed**:

- that the draft SIP be reformatted to make it more accessible to its audience and, where required, to make greater use of appendices for outlining the detailed background information;
- that a reformatted draft SIP be presented to the next meeting for approval; and
- that consultation be delayed until the Committee had considered the SIP in its revised format.

5 Urgent Part 1 Business

None

6 Exclusion of the Public

Resolved:

That the Public (including the press) be excluded from the meeting during consideration of the following items on the grounds that they involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972:

- Update on Global Equity Manager Search
- Q4 2012 Investment Tables

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- Traffic Light Report
 - Officer & Adviser Meeting Reports
 - Update on Managers Presenting – Infracapital & Partners Group
 - Investment Manager Presentation – Infracapital
 - Investment Manager Presentation – Partners Group

7 Update on Global Equity Manager Search

(Press and public excluded)

The Committee received a report from Hymans Robertson in consultation with Keith Neale, Independent Investment Adviser and, the Head of Essex Pension Fund providing an update of where Officers & Advisers are in the tender process of shortlisting fund managers to populate the Global equity framework.

John Dickson explained to the Committee that of 73 Pre-Qualification Questionnaires received, 16 fund managers were invited to submit a Request for Proposal. He explained that Officers & Advisers are due to meet at the end of April in order to put forward a shortlist of candidates for the Committee.

The report was noted.

8 Q4 Investment Tables

(Press and public excluded)

The Committee received a report from the Head of Essex Pension Fund in consultation with Keith Neale Independent Investment Adviser, which gave details of the Fund's investment performance for the quarter ending 31 December 2012.

The value of the Fund rose from £3.512bn as at 30 September 2012 to £3.627bn as at 31 December 2012.

The report was noted.

9a Traffic Light report

(Press and public excluded)

The Committee received a report which summarised the current views of Hymans Robertson on each of the Fund's managers.

Following discussions the report was noted.

9b Report of Officer & Adviser meetings with Managers

(Press and public excluded)

The ISC received a report on the Officer & Adviser meetings held with Infracapital and Partners Group.

The report was noted.

10 Update on Presenting – Infracapital and Partners Group

(Press and public excluded)

The Committee received a report from Hymans Robertson on Infracapital and Partners Group.

Following discussions the report was noted.

11 Managers Presentation – Infracapital

(Press and public excluded)

Martin Lennon, Kenton Bradbury and Carolyn Pearce gave the Committee a presentation on the Fund's investment into Infracapital.

The presentation was noted.

12 Managers Presentation – Partners Group

(Press and public excluded)

Brandon Prater and Sarah Brewer gave the Committee a presentation on the Fund's investment into Partners Group

13 Urgent Exempt Business

(Press and public excluded)

There was none.

There being no further business, the meeting closed at 4:05pm.

Chairman
12 June 2013