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DATE: 6 September 2011

To: Members of the  
**PENSIONS INVESTMENT SUB-COMMITTEE**

Councillor Paul Lynch (Chairman)  
Councillor Richard Scoates (Vice-Chairman)  
Councillors Eric Bosshard, Julian Grainger, Russell Jackson, Russell Mellor and  
Neil Reddin

Glenn Kelly (Non-Voting Staff Representative)

A meeting of the Pensions Investment Sub-Committee will be held at Bromley Civic  
Centre on **WEDNESDAY 14 SEPTEMBER 2011 AT 7.00 PM**

MARK BOWEN  
Director of Resources

***Copies of the documents referred to below can be obtained from***  
**[www.bromley.gov.uk/meetings](http://www.bromley.gov.uk/meetings)**

## **A G E N D A**

- 1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF ALTERNATE MEMBERS**
- 2 DECLARATIONS OF INTEREST**
- 3 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 10TH MAY 2011,  
EXCLUDING THOSE CONTAINING EXEMPT INFORMATION (Pages 5 - 10)**
- 4 MATTERS OUTSTANDING FROM PREVIOUS MEETINGS**
  - **General Update (Minute 42 – 10<sup>th</sup> May 2011)**

When considering proposed changes arising from the commission headed by John Hutton into public sector pensions it was resolved that the General Purposes and Licensing Committee or the Executive and Resources PDS Committee, as appropriate, consider the overall impact of any high earning staff wishing to take early retirement.

At their meeting on 27<sup>th</sup> July 2011 the General Purposes and Licensing Committee resolved that the matter be listed under "*Matters Outstanding from Previous Meetings*" on future GP&L agendas until it was considered there was sufficient information for the matter to be determined.

- **Pension Fund Performance (Minute 43 – 10<sup>th</sup> May 2011)**

It was agreed to have a report on Absolute Return Funds for this meeting and accordingly a report is provided at item 9.

- **Investment in Property (Minute 45 – 10<sup>th</sup> May 2011)**

It was resolved that a further report on Property investment be provided for the Sub Committee's meeting on 2nd November 2011 including information on flexibility, liquidity, spread of risk, criteria used by other funds, costs and practical examples of property investment.

This report is scheduled for the Sub Committee's November meeting which will now take place on 9<sup>th</sup> November 2011 (not 2<sup>nd</sup> November).

- **Pension Fund Administration Costs (Minute 49/1 – 10<sup>th</sup> May 2011)**

A Part 2 report entitled "*Fidelity Fee Structure*" is at item 13 of this agenda.

## **5 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

To hear questions to the Committee received in writing by the Democratic Services Team by 5pm on Thursday 8<sup>th</sup> September 2011 and to respond.

## **6 PENSION FUND PERFORMANCE (Pages 11 - 24)**

## **7 PENSION FUND ANNUAL REPORT 2010/11 (Pages 25 - 88)**

## **8 FUNDING STRATEGY STATEMENT AND STATEMENT OF INVESTMENT PRINCIPLES (Pages 89 - 106)**

## **9 ABSOLUTE RETURN FUNDS (Pages 107 - 118)**

## **10 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

## **11 CONFIRMATION OF EXEMPT MINUTES - 10TH MAY 2011 (Pages 119 - 124)**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

**12 PENSION FUND - INVESTMENT REPORT**

Printed copies of reports from both Fund Managers i.e. Fidelity and Baillie Gifford are circulated to Sub-Committee Members with this agenda. Representatives of Fidelity will attend the meeting to speak on this item.

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

**13 FIDELITY FEE STRUCTURE (Pages 125 - 130)**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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