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DATE: 11 September 2012

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

Councillor Paul Lynch (Chairman)  
Councillor Julian Grainger (Vice-Chairman)  
Councillors John Ince, Russell Mellor, Neil Reddin FCCA, Richard Scoates and  
Stephen Wells

Glenn Kelly (Non-Voting Staff Representative)

A meeting of the Pensions Investment Sub-Committee will be held at Bromley Civic  
Centre on **WEDNESDAY 19 SEPTEMBER 2012 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 SUBSTITUTE MEMBERS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **CONFIRMATION OF MINUTES OF THE MEETING HELD ON 8TH MAY 2012  
EXCLUDING THOSE CONTAINING EXEMPT INFORMATION (Pages 5 - 10)**
- 4 **MATTERS OUTSTANDING FROM PREVIOUS MEETINGS**
  - **Matters Outstanding from Previous Meetings  
(Minute 35 – 8<sup>th</sup> May 2012)**

An oral update for this item included reference to Auto enrolment whereby an employer would be obliged to issue reminders to an opted out employee to consider rejoining the scheme. There might be costs associated with an increased take up of the pension scheme and further information was requested on the proportion of staff who had currently opted out of the scheme.

A report from Liberata indicates that, in the year ended 30<sup>th</sup> June 2012, some 31% of new staff who were eligible did not join either the LGPS or the Teachers' Pension Scheme.

- **Pension Fund Investment Strategy Review (Minute 38 – 8<sup>th</sup> May 2012)**

The resolution for this item referred to noting the report and:

*“(1) the Global Equities allocation in the new strategy be actively managed (paragraphs 3.3 to 3.7 of Report RES12075) with reporting thresholds agreed when the Fund/Strategy Managers are appointed;*

*2) tendering exercises be carried out for a) a Diversified Growth Fund (DGF) (Phase 1), b) two or more global equities managers (Phase 2) and c) two corporate bond/gilt managers (Phase 3) in line with the draft implementation timetable (paragraph 3.18 of Report RES12075) which should be sufficiently flexible to incorporate overlapping of Phases 1 and 2 and Phases 2 and 3 with officers coming back on proposals for this; and*

*(3) mini-tendering exercises for specialist procurement advice for all three phases be approved and that approval of adviser(s) be delegated to the Chairman and Finance Director.”*

An update report on Phase 1 is included elsewhere on the agenda and an oral update on progress will be provided at the meeting.

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

In accordance with the Council’s Constitution, questions to this Committee must be received in writing four working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday 13<sup>th</sup> September 2012.

## **6 PENSION FUND PERFORMANCE Q1 2012-13 (Pages 11 - 40)**

## **7 PENSION FUND ANNUAL REPORT 2011-12 (Pages 41 - 116)**

## **8 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.

## **9 CONFIRMATION OF EXEMPT MINUTES - 8TH MAY 2012 (Pages 117 - 118)**

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

**10 REVISED INVESTMENT STRATEGY - UPDATE**  
(Pages 119 - 130)

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

**11 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)

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