PENSIONS INVESTMENT SUB-COMMITTEE

Minutes of the meeting held at 7.30 pm on 26 September 2017

Present

Councillor Keith Onslow (Chairman)
Councillor Russell Mellor (Vice-Chairman)
Councillors Eric Bosshard, Simon Fawthrop, David Livett and Teresa Te

Also Present

Councillor Graham Arthur, Resources Portfolio

8 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies had been received on behalf of Cllr Richard Williams.

9 DECLARATIONS OF INTEREST

There were no declarations.

10 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 16TH MAY 2017

The minutes were agreed and Members received an update on current matters.

At the Local Authority Pension Fund (LAPF) Investments Awards 2017, L B Bromley was judged overall winner for *LGPS Investment Performance of the Year* and was also in the final shortlist for *LGPS Fund of the Year (under £2.5 billion).*

Reference was also made to a letter at the end of August from the Minister for Local Government concerning the pooling of funds. Some pools had not yet been established and the Government was keen to see more progress in this area. The Government remained committed to the change following the June election and it was necessary for funds to invest in pools with minimum exception. Future procurement would be undertaken through the pool and the expectation from government is that there would be savings on fees and greater opportunities for infrastructure investment.

On procuring Fund Managers for Property and Multi Asset Income Funds (MAIF), seven potential Managers for MAIF were on a long list along with six potential Managers for Property. It was anticipated that the list for both would be shortened nearer to the Sub-Committee's November and December meetings for Manager selection.

The Chairman had also written to the Minister for Local Government on 16th August 2017 suggesting proposals on reducing the level of liability falling to Council Taxpayers for the LGPS namely:

- Reducing the level of employer contributions to the scheme with a corresponding increase in employee contributions (providing savings to compensate for the impact of ongoing austerity and continued reductions in government funding);

- Addressing problems caused by local providers being unwilling to tender for services due to LGPS pension liabilities – a concern which would be enhanced should the LGPS be expanded under "Fair Deal" proposals; and

- Government funding a proposed new burden of public service scheme members receiving the full Guaranteed Minimum Pension (GMP) indexation (currently estimated to add an estimated 0.5% of costs to the Council's pension liabilities, equating to approximately £5.6m for L B Bromley).

The Minister's response was considered positive referring to the scheme currently being subject to an actuarial valuation by the Government Actuary Department (GAD) to assess the health of the scheme as at 1st April 2016. A final report would be due in spring 2018. A parallel valuation to be carried out by the Scheme Advisory Board (SAB) would check that overall contributions and their split between employers and employees are fair. On completion of the processes, the Government would look carefully at the evidence and any recommendations made by GAD and/or SAB and this would inform the need for any changes. In relation to Fair Deal, the Government was developing a further consultation which would explore potential alternatives to implementing Fair Deal within the LGPS including consideration of how the Government can most effectively enable Councils to outsource work to external providers within the Fair Deal framework. For the GMP indexation, the Government was currently considering responses to consultation on how public service pension schemes should meet their obligations to public servants reaching State Pension age after 5th December 2018 with entitlements to a guaranteed minimum pension. The Government would respond in time to give schemes at least one year to implement changes and any costs would need to be considered once the policy position was finalised. The Minister suggested a meeting upon the Fair Deal consultation paper and the GMP consultation response being issued.

Indications were that the Government is listening to concerns and work would be taken forward with local MPs to help secure improvements. The Director of Finance would also provide the Sub-Committee with updates between meetings and through Matters Arising updates at future meetings (excluding the forthcoming meetings on 21st November and 14th December for Property and MAIF fund manager selection). The Chairman considered the Minster's response positive but was concerned about any potential recommendation for an employer contribution rate remaining high. A Member also thanked the Chairman and officers for the letter to the Minister.

11 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING

There were no questions.

12 UPDATE FROM THE LONDON COLLECTIVE INVESTMENT VEHICLE (CIV)

Representatives from the London Collective Investment Vehicle (LCIV) - Hugh Grover (Chief Executive) and Larissa Benbow (Head of Fixed Income) - attended for the item to update Members on LCIV progress.

The LCIV aimed to be the investment vehicle of choice for Local Authority Pension Funds through collaboration and performance. The LCIV was launched in December 2015 as a fully authorised and regulated investment management company set up by local government for local government. Founding members comprised London boroughs and the City of London Corporation.

The LCIV was authorised to operate an Authorised Contractual Scheme Fund (UK version of a Tax Transparent Fund) and the LCIV would be building the fund over the next few years, aiming to grow assets under management to £25 billion by 2020.

Members were advised that all 32 London Boroughs (including City of London) were now signed-up to the CIV (32 as L B Richmond and L B Wandsworth had merged their funds). The LCIV provided a range of Investment Funds comprising four multi-asset/total return funds, four global equity funds and one UK equity fund. On Global Equity Procurement, three sub funds had been launched with additional sub-funds also recently launched. Additionally, options were being assessed for a further two or three sub funds for launch in December 2017 (dependent on borough demand).

In regard to Fixed Income the LCIV had assembled a blend of products and were meeting with boroughs to assess their appetite for fixed income and funds to recommend. Research was also being developed and work undertaken with just over 1500 fixed income funds. Two fixed income sub-funds were due to be opened by March 2018 or sooner. For 2018/19, it was intended to open four fixed income sub-funds and one property sub-fund with seven sub-funds (including infrastructure and alternatives) intended to be opened in 2019/20. Fund options under consideration were:

- Multi-Asset Income (2 to 4%, 4 to 6%, 6 to 8% expected returns)
- Multi-Asset Credit (4 to 6% expected returns)
- Private Debt (4 to 6%, 6 to 8% expected returns)
- Buy and Maintain (2 to 4% expected returns).

With a range of products to be opened it was for L B Bromley to choose whether to invest in the LCIV products. Decisions on Asset Allocation and Investment Strategy remain local with L B Bromley free to decide on any sub-funds on the CIV platform for investment. The CIV decides on sub-fund manager selection and removal.

An Annual Service Charge of £25k would be made per annum and a Development Funding Charge of £75k p.a. introduced this year was estimated to reduce to £10k p.a. by 2021/22. Reference was also made in the Presentation to Management Fees on Assets Under Management (AUM) on the CIV platform; for Passive Management Fees, the CIV had negotiated rates on AUM (outside of the LCIV Pool). A particular benefit from investing through the LCIV concerned the level of fee savings that could be offered.

Under Stewardship, reference was made to the requirement for Funds to have an Investment Strategy Statement. The Presentation highlighted good governance which was integrated into the CIV process to hold managers to account for monitoring of investments. There was also a Joint Committee (Member Committee) and a Policy Statement about adopting Local Authority Pension Fund Forum (LAPFF) guidelines for voting. LAPFF alerts were followed which were also fed to Fund Managers for following (unless there was a technical reason not to do so). The Working Group of the Joint Committee considered the whole area of Stewardship, Voting and Environmental, Social and Governance (ESG) going forwards. With ESG integration there was an emphasis on Governance as a key factor in affecting returns to shareholders. There was also an IAC Working Group on Stewardship, a Stewardship Code Compliance, and Sustainable Equities as part of global equity procurement and a Cross-Pool Working Group.

All boroughs investing through the LCIV had a global offering – a blended solution with sub-funds e.g. UK Corporate Bonds or European Bonds. There was some appetite for bonds and emerging market strategies. Another LCIV team were responsible for Multi-asset Income Funds (MAIF) e.g. research, although the LCIV would need to discuss further with boroughs. The LCIV hoped to launch an offering on MAIF next year.

In regard to fee savings, savings approaching £6m had been achieved so far. Reference was also made to changes to Strategic Asset Allocations with investments in equities and gilts reducing and investments in Multi-Asset Income, Illiquid Credit, Property and Infrastructure increasing.

Fund Development was being taken forward against a background of LGPS Pension Funds facing maturity with workforce reductions leading to a greater demand for assured cashflows. Cashflow was negative before investment income for half of London funds. Income sources were also scarce.

An Investment Advisory Group of the LCIV comprising borough officers and fund managers met monthly and a Fixed Income Working Group reviewed the development of suitable products. The final decision to invest in a strategy offered through the CIV resided with individual boroughs.

A Governance Review was underway with outcomes to be reported to the LCIV Board, Pensions CIV Sectoral Joint Committee (PSJC) and the CIV Leaders Committee in the autumn. Structures, roles and responsibilities would be reviewed. Details were also provided of membership for the LCIV Steering Committee.

Reference was also made to MiFID II including opting up to elective professional status in view of Local Government being downgraded to retail status by default (MiFID II was also covered elsewhere on the agenda - see Minute 13). The Pool Company would be a professional or eligible counter party client and as such it was not necessary for the LCIV as an alternative fund manager to have to opt up**.** The LCIV could assist boroughs to opt up if investing through them and it would need to see opt-up paperwork as soon as possible.

Should a borough switch funds to a CIV fund, the CIV would help transition from one fund to another. The level of savings made so far at £6m excluded transition costs; however, most funds that had transitioned were making savings in year.

Highlighting that L B Bromley had managed its own fund well, a Member questioned the value of investments in infrastructure and how such an investment can produce a good return for the fund. Members heard that investments can be made in liquid funds and direct investments. Accounts were being set up with infrastructure managers with fee savings; there are fewer clients to service and dedicated funds with the same level of governance. Cash flows could be generated over a 25-year period with yields of 10% to 12% and the delivery of fee savings. The Government was focused on infrastructure and infrastructure funds were being requested by boroughs; however, it was for boroughs to decide whether to invest in such funds.

Expressing concern on developments, a Member suggested that demand was almost being created through the CIV. Cost savings had also been highlighted from CIV investment whereas L B Bromley was particularly attracted to (high) net returns. Investment through the CIV also appeared to be based on funds performing less well than products chosen by L B Bromley. No upside in benefit could be seen from the LCIV for the L B Bromley Fund. He suggested having a core system that L B Bromley might, in principle, be happy to pay for but if other boroughs want additional products (e.g. a low carbon fund), those boroughs should pay for them (with no costs passed to L B Bromley).

The CIV would only open an infrastructure fund making economic sense and there was no requirement for L B Bromley to invest in infrastructure or low carbon funds. Such products interested a number of boroughs and would be opened up for them - the investment costs being borne by those boroughs alone and not the remaining boroughs (CIV staff costs being an exception). The CIV would also like to open up funds of interest to L B Bromley. Much of the CIV's emphasis on cost reduction derived from the Government's drive but other considerations were also looked at by the CIV. The pooling agenda came in response to earlier Government consideration (around 2013/14) to merge all LGPS funds.

Another Member suggested that a bottom-up approach is better than top-down and enquired of the number of staff employed by the CIV. He also enquired of the cost for the Joint Committee and its Working Group on stewardship, voting and ESG going forwards and of the cost of the Cross-Pool Working Group. He also sought advice on how much of the CIV's work is legally required suggesting that good value for money is not being obtained from the organisation with Council Tax payers – including those of L B Bromley – ultimately paying. A lean organisation is needed and it was suggested that staff be contracted (hired) for a specific function in line with a number of employment arrangements in the private sector. The Member saw the CIV performing as an intermediary which was not needed. Additionally, other boroughs were not performing as highly as L B Bromley - it was necessary to perform to the best and not go with the majority.

It was explained that the CIV started as a voluntary initiative by the London Leader's Committee not wishing to see individual funds having to merge as threatened at the time (2013/14). The LCIV staff complement comprised a team of 15 with funds managed to the value of £15.6bn. The CIV encouraged engagement with other boroughs and were under close scrutiny by the Sub-Committee's Chairman and Chairmen of equivalent Committees in other boroughs. It was not possible to provide a figure on costs for the Joint Committee and its Stewardship Working Group and Cross-Pool Working Group at the meeting (but details would be provided later). The CIV representatives would take away points made, reflect upon them and discuss with their core Committee. The Chief Executive thanked Members for their frank feedback and would provide responses. CIV representatives would be happy to attend a future Sub-Committee meeting.

The Chairman thanked the representatives for attending and confirmed the Sub-Committee's willingness to engage. Outlining the particular L B Bromley viewpoint (in summary), the Chairman advised that the Sub-Committee was looking to see the CIV arrangement work well for all concerned.

The CIV representatives left the room and the Chairman proposed that the CIV Investment Officer (CIO) be invited to a future meeting – possibly the Sub-Committee's meeting on 20th February 2018. Questions can then be asked on the performance of CIV funds. A Member preferred to see a presentation beforehand and the Chairman suggested this be provided at least a week in advance of the meeting.

[Post-meeting note: the CIO has since left the CIV, and not yet been replaced (as at 18/01/18) so the invitation will be deferred to a later meeting of the Sub-Committee].

13 PENSION FUND PERFORMANCE Q1 2017/18

Report FSD17078

Details were provided of the Fund's investment performance for the first quarter of 2017/18. Additional detail was provided in an appended report from the Fund's external advisers, AllenbridgeEpic. Baillie Gifford provided further commentary on its performance and view of the economic outlook.

The market value of the Fund ended the June quarter at £936.6m (even taking account of a £32.1m group transfer payment related to Bromley College) and had further increased to £973.1m at 31st August 2017. Compared to an average of 0.7% across the 60 LGPS funds in PIRC's universe, the fund returned 2.7% for the first quarter against a benchmark of 0.4% and for the medium and long-term strongly returned at 26.8% for 2016/17 against a 24.6% benchmark - the highest return of the 60 Funds in PIRC's LGPS universe. The Fund's returns over three, five, and ten years were also the highest, and second highest over 20 years.

A Member noted that Baillie Gifford had slightly added to its holdings in sovereign debt, funded by reduced holdings in high yield bonds. Although sovereign debt would reduce returns, the change was made to reduce risk exposure against a potential rise in interest rates (sovereign returns providing protection against high yield bonds reacting to any interest rate change).

It was suggested that returns of 12% would have been earned from passive investments in FTSE and that many returns had been driven by foreign exchange. Referring to the sale of £32.1m of Blackrock global equities for transfer of assets/ liabilities to the Local Pensions Partnership (Bromley College merger with Greenwich Community College), the Member had hoped that poorly performing Standard Life assets would have been sold. DGF assets had also performed badly and global equities held by Blackrock had improved. He stated the fund had forgone an estimated £2.2m capital appreciation in selling the global equities and felt this had been a wrong decision seemingly based on poor performance over a three-month period.

The decision to sell had been taken by the Director of Finance based on the advice from the Fund's advisers, Allenbridge, which indicated the overweight position of global equities, the need to reduce the overall risk to the fund and their view that equity markets were near a peak, and in consultation with the Chairman and Vice-Chairman. The Member suggested it was not necessary to act on advice and in support another Member suggested the transfer should have been taken from DGF funds in the first instance. Reference was made in response to page 2 of the minutes of the previous meeting when Members were advised that much depended on the position of markets at the time of transfer as to which assets to sell to generate the required cash, and that it was best not to be too rigid in selling DGFs to fund the transfer.

As the Fund portfolio had a relatively high level of equities, Allenbridge highlighted In their report advice from Mercer (the Fund's Actuary) that equity markets were at or near their recent peaks and that any significant fall could impact not only the value of the Fund, but actuarially, the funding level and potentially, the level of employer contributions. Allenbridge suggested that taking protection by way of equity futures/options over part of the equity portfolio (Equity Downside Protection) was one way of limiting the downside risk, without needing to sell holdings. Allenbridge outlined further details of such an approach in their report and how arrangements would work in practice. A full knowledge and understanding of the reasons for using derivatives in this way was necessary with the ability to make appropriate timing decisions on the protective hedges. Allenbridge recommended a review of the actual asset allocations upon confirming and funding the MAI and property mandates. Should a significant overweight position continue which could negatively impact funding levels in a profound market decline, Allenbridge felt that further discussion on long term strategic asset allocations should be opened by the Sub-Committee.

A Member was unable to support Equity Downside Protection and cautioned against looking again at restructuring; the existing structure should first settle down and he suggested strengthening recommendation 2.1(b) of Report FSD17078 with a rejection of Equity Downside Protection and any automatic further review. Allenbridge referred to the new long term strategy including MAIF and Property but highlighted a potential scenario in future where the Fund could still be overweight in equities at over 60% and underweight in fixed income should equity markets fall. The Member agreed that the allocation should be kept under review and the Sub-Committee was happy to proceed with the strategy recently agreed. The Chairman added that much depended on interpreting “review”; Allenbridge were expected to monitor the market position and “review” could be interpreted in this context or as a full scale review. Another view suggested it was about taking stock as equity values change. Members agreed this interpretation in the context of any future review following the transfer to Property and MAIF.

Information on general financial and membership trends of the Pension Fund was outlined in the report along with summarised information on early retirements. A net deficit of £26.1m occurred during 2016/17 (mainly due to transferring out Bromley College) and total membership numbers rose by 733. In the first quarter of 2017/18, a net surplus of £0.2m has arisen, and membership numbers increased by 139.

In view of the Fund performing well last year the deficit should reduce if the performance be maintained (it was not possible to reduce contributions in view of good performance during the current triennial period (2017/18 to 2019/20) - they could only be increased). The Fund continued to be on track to recover the deficit over 12 years.

On other matters, the Council was using its main custodian, BNY Mellon, for performance measurement information - a summary of manager performance being appended to Report FSD17078 (the WM Company - State Street - no longer provided performance measurement services to clients for whom they did not also act as custodian). For LGPS comparator information, PIRC now provided a service to most LGPS funds, including L B Bromley.

In relation to *The Markets in Financial Instruments Directive II (MiFID II),* coming into force on 3rd January 2018 and a recent Policy Statement by the Financial Conduct Authority (FCA), Local Authorities would be classified as 'Retail' investors by default. However, such a classification was likely to result in a reduced investment return achievable by the Council and to be classed as an elective professional client for the purposes of Pension Fund investment activities it was necessary to satisfy certain quantitative and qualitative criteria. To opt-up to elective professional status, it would be necessary for the Council to submit an assessment questionnaire/application to all counterparties it does or may wish to invest with, including investment advisers. As such the Sub-Committee was asked to delegate the Director of Finance with authority to submit the relevant opt-up requests.

In regard to the Council's commissioning programme and outsourcing of services, Mears and Creative Support Ltd had become admitted body employers within the Fund. Officers were also liaising with contractors related to Libraries and IT for obtaining admitted body status.

Passenger Transport Services staff also transferred to GS Plus on 1st December 2015 and would become members of the Royal Borough of Greenwich Pension Fund. The two fund actuaries were currently finalising the transfer value (estimated at £1.2m as at 31st March 2017) and a transfer payment would be made in due course.

Concerning Fund Manager attendance at future meetings, Report FSD17078 proposed the following timetable:

- 21st November 2017 – no fund manager attendance in view of the need to award multi-asset income fund manager(s)
- 14th December 2017 – again, no fund manager attendance in view of the need to award a property fund manager
- 20th February 2018 – MFS (global equities)
- 22nd May 2018 – Fidelity (fixed income).

[Post-meeting note - due to the retirement of a key member of the Baillie Gifford team, they have been invited to come to the February meeting instead to introduce their replacement. A revised timetable will be proposed at the February meeting].

RESOLVED that:

(1) the contents of the report be noted;

(2) comments regarding equity downside protection included within AllenbridgeEpic's report be noted and that no action on equity downside protection be taken at this time;

(3) authority be delegated to the Director of Finance to apply to opt-up to elective professional status under MiFID II as detailed in section 3.4 of Report FSD17078; and

(4) Fund Manager attendance at 2017/18 meetings of the Sub-Committee be agreed as outlined above.

14 PENSION FUND ANNUAL REPORT 2016/17

Report FSD17079

Members received the annual report and accounts of the L B Bromley Pension Fund for year ending 31st March 2017 which included the following documents requiring the Sub-Committee's approval:

- Governance Policy Statement
- Funding Strategy Statement
- Investment Strategy Statement
- Communications Policy Statement.

The annual report had been audited by the Fund's external auditor, KPMG LLP and the Council would publish the report on its website by 1st December 2017.

The Bromley Pension Fund had total net assets of £913.4m at 31st March 2017 (£748.0m at 31st March 2016). The Fund outperformed against its benchmark by 2.2% over the year (+26.8% against a benchmark return of +24.6%). Performance compared to the 60 LGPS funds in the PIRC local authority universe (average return of +20.2%) was excellent, ranking in the first percentile for the year. Rankings over the medium and long term were also excellent – first over three, five and ten years, and second over 20 years to March 2017.

Total fund membership reduced from 16,605 at 31st March 2016 to 16,404 at 31st March 2017 when it comprised 6,076 employees, 5,070 pensioners and 5,258 deferred members. Payments into the Fund from contributions (employee and employer), transfers in and investment income totalled £44.9m in 2016/17 (£42.1m in 2015/16) and payments from the Fund for pensions, lump sums, transfers out and administration totalled £71.0m (£35.1m in 2015/16). The increase in value of payments made during 2016/17 was mainly the result of two group transfers out.

The accounts had been audited by KPMG and were made available in draft form on the Council's website before the end of June 2017.

It was highlighted to officers that Brian Toms had been recorded twice at page 5 of the Annual Report.

RESOLVED that:

(1) the Pension Fund Annual Report 2016/17 be noted and approved;

(2) the Governance Policy Statement and Communications Policy Statement as outlined at paragraph 3.2 of Report FSD17079 and in the Annual Report be approved;

(3) the changes to the Funding Strategy Statement and Investment Strategy Statement as set out at paragraph 3.3 of Report FSD17079 be approved; and

(4) arrangements be made to ensure publication of the Annual Report by the statutory deadline of 1st December 2017.

15 FORMAL CONSULTATION ON OUTLINE SERVICE PROPOSALS AND PROCUREMENT STRATEGY FOR THE APPOINTMENT OF AN ACTUARY

Report FSD17068

In view of the contract with Mercer Ltd for actuarial services expiring on 31st March 2018 (the contract having been extended by the Director of Finance under delegated authority), it was proposed to re-tender the contract for a six-year period, with an option to extend for a further three years (covering triennial valuations in 2019 and 2022 and 2025 should the optional extension be exercised). The total value of a potential nine year contract was estimated at approximately £1,080k (based on estimated activity levels). At its meeting on 12th September 2017 the General Purposes and Licensing Committee considered the proposals and agreed to delegate authority to the Sub-Committee to:

- agree that the contract for the Council's actuary be tendered, and the tender process to be followed;
- agree the contract period, including any optional extension periods;
- award the contract following the tender process; and
- agree the approval process for any optional contract extensions.

With the process needing to comply with EU Public Procurement Rules (total contract value exceeding the EU threshold) it was proposed to tender using an open process including advertising in the OJEU and on Contracts Finder. The Council would then be able to set its own conditions and evaluation criteria and with only four established potential providers neither a pre-qualification process would be necessary nor the use of a framework agreement i.e. the Actuarial, Benefit and Governance Consultancy Services Framework launched in 2016 by the National LGPS Frameworks. It was also highlighted that the Framework's evaluation criteria only provided a maximum price weighting of 20-40% depending upon the lot, with fixed element/activity weightings within that and a one-off joining fee of up to £5k, dependent upon the number of lots used. There would also be a requirement to use framework documentation and when tendering the contract in 2012 costs under another framework were considerably higher.

It was intended to ask tenderers to provide unit prices for the various activities which would be combined with estimated activity levels to provide a total tender price for evaluation. Evaluation of the tender was proposed on the basis of 60% pricing and 40% quality and carried out using the Council's standard CIPFA evaluation model.

Due to the interrelated nature of the services there would be no benefit in splitting the service into different lots for tendering; this could be detrimental should different actuaries carry out different elements of the work.

Members considered permutations to the proposed length of contract e.g. 3 + 3 + 3 or 9 + 3 (to potentially provide more certainty and quality). It was also necessary to take account of triennial valuations and the Mears scheme. As a consideration and in view of the cost of tendering the Chairman suggested keeping the level of tendering to a minimum. Members also considered a proposed 60%/40% pricing/quality split and whether a higher percentage should be given to quality for this tender. It was also felt important to have an actuary who understood the L B Bromley ethos towards investments for the Pension Fund and was fully understanding of the Mears scheme. Innovations were also considered important as was having an actuary not prepared to add significant costs in dealing with future initiatives. On contract length, Members were advised that a 6 + 3 contract provided a good long term commitment. The Vice-Chairman supporting 6 + 3 suggested that continuity would be broken with three appointments i.e. 3 + 3 + 3; 6 + 3 on the other hand would provide a good period of continuity. On quality, he also referred to an actuary necessarily having in-depth management experience and ISO standards for professional management quality. He supported a rise in the quality profile (from 40%).

Having considered a suitable contact period Members agreed a contract length of six years with an option to extend for a further three years (6 + 3). Members also supported 60/40 as a preferred price/quality split for evaluation purposes.

Members also took the opportunity to agree a start time for future ordinary meetings of the Sub-Committee and, upon a vote, a start time of 7pm was agreed. However, for the meetings to be held on 21st November 2017 and 14th December 2017 to appoint fund managers for property and MAIF assets, a start time of 6pm was agreed.

RESOLVED that:

(1) the contents of Report FSD17068 be noted;

(2) the contract for the Council's actuary be tendered using an open OJEU process;

(3) the contract length will be for a period of six years with the option to extend for a further period of three years; and

(4) authority be delegated to the Director of Finance to approve the optional three year extension in consultation with the Chairman of the Pensions Investment Sub-Committee.

The Meeting ended at 9.58 pm

Chairman