
INFORMATION UPDATE

Briefing Paper by Chief Financial Officer

PENSION FUND COMMITTEE & PENSION BOARD

22 June 2017

1 PURPOSE AND SUMMARY

- 1.1 **This briefing paper is to provide members of the Committee and the Board with an update on a number of areas which are being monitored and areas where work is progressing. Full reports on the individual areas will be tabled as decisions and actions are required.**

2 TRI-ANNUAL VALUATION

- 2.1 It is a requirement of the LGPS Regulations that the Pension Fund undertakes an actuarial valuation of the assets and liabilities of the Fund every 3 years to assess the level of future employer contributions and the underlying funding position of the pension fund. The next valuation is due to take place during 2017 based on data 31 March 2017 data.
- 2.2 Initial discussions have been held with Barnet Waddingham to agree the timetable for data collection and the assumptions to be used. The data is currently being prepared for submission to Barnet Waddingham. Initial findings are anticipated to be available in October and the final outcome of the valuation will be presented at the December meeting.

3 ON BOARDING OF NEW MANAGERS

- 3.1 The Joint Committee and Board approved the appointment of Blackrock for Long Lease Property and Permira and Partners for Private Credit.
- 3.2 Blackrock have to date made one drawdown of £5.099m on 19th June. This leaves a balance of £60m still to be invested.
- 3.3 Permira have completed their final sign off for the documents in December but have not yet drawn down any funds. The initial investment of estimated at £9.5m (30% of allocated funds) is anticipated to be drawn down in June although call notice has not yet been received.
- 3.4 Partners Group have to date made two drawdowns totalling £15.m. £11.5m was invested on 30 March with a further £3.6m on 16th June. This is the full amount allocated for the year 1 investment with Partners Group.

4 INVESTMENT IN INFRASTRUCTURE

- 4.1 All necessary documentation has been completed for the collaborative working agreement with Lothian Pension Fund.
- 4.2 The information and documentation required to ensure any opportunity are fully assessed and delegated authority followed have been developed in-line with the paper agreed on 16 March 2017.
- 4.3 One possible investment opportunity was considered but due to the vacant Pension Fund Committee Chair position the fund was unable to make the necessary commitment with the required time frame.

5 ERP IMPLEMENTATION

- 5.1 ERP went live on 1st April. Payments to Pensioners have been made successfully for each subsequent pensioners payroll. This included the payment of the Annual Pension Increase. We have still to develop a strategy to allow Pensioners to have online access to view their payslips online.

6 SCHEME ADVISORY BOARD UPDATE

- 6.1 The Scheme Advisory Board met on 21st April. The bulletin of the meeting is attached for information.
- 6.2 A discussion was held following the report provided by the working group on the structure review of LGPS funds. It was agreed at the meeting to present the report to Ministers with no specific recommendations.
- 6.3 Following the recent local elections the membership of the Scheme Advisory Board representing the Employer side is currently unknown.

7 FUTURE MEETING DATES

- 7.1 The table below provides the dates of the future meetings.

Meeting	Date
Joint Pension Fund Committee & Board	14 September 2017
	7 December 2017
	8 March 2018
	14 June 2018
Performance & Investment Sub Committee	21 August 2017
	26 February 2018

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Capital & Investment Manager, 01835 825249
Ian Angus	HR Shared Services Manager, 01835 826696