



Minutes

Name of meeting	ISLE OF WIGHT PENSION FUND COMMITTEE
Date and time	FRIDAY 29 JANUARY 2019 COMMENCING AT 10.30AM
Venue	COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Present	Cllrs Adrian Axford (Chairman), Paul Brading, Andrew Garratt, Ian Stephens, Steve Milford (Scheme Member Representative), Christine Shaw (Employer Representative)
Apologies	Cllr Vanessa Churchman
<u>Also Present</u>	Cllr Brian Tyndall
Board Members	Tracy Bull, Barbara Milton
Fund Managers	Geoff Day, Tom Dorey (Schroders)
Investment Consultant	David Walker (Hymans Robertson)
Isle of Wight Council	Matt Collier, Jo Cooke, Jo Thistlewood, Megan Tuckwell

43. [Minutes](#)

RESOLVED:

THAT the Minutes of the meeting held on 23 November 2018 be confirmed.

44. [Declarations of Interest](#)

No new declarations were received at this stage.

45. [Investment and Funding Beliefs](#)

The Investment Consultant from Hymans Robertson presented the outcomes from the workshop held on 14 September 2018. It was advised that the feedback from the session had formed a set of objectives and beliefs which reflect the Committee's view on a variety of issues including; governance, strategy, risk management and responsible investment.

Discussion took place and the Committee were asked to review the proposed objectives and beliefs for adoption (to act as an aid for consistent decision making).

RESOLVED:

THAT the proposed investment beliefs and objectives be agreed.

46. Updated Investment Strategy Statement

The Technical Finance Manager presented the updated Investment Strategy Statement. It was clarified that this was an interim statement to reflect the recent work being done to review and update the Fund's objectives and beliefs, in advance of the full review of the investment strategy to be undertaken as part of the work on the forthcoming triennial valuation, at 31 March 2019.

RESOLVED:

THAT the committee agree the proposed changes to the Investment Strategy Statement, in advance of a full review of the strategy as part of the triennial valuation process and approve the revised statement of revisions for publication on the fund's website.

47. Investment and Funding Performance

The committee received an update on the investment performance (to 31 December 2018) and funding levels (to 30 September 2018). It was advised that there was uncertainty due to Brexit, but total returns had been positive over Quarter 3. The main contributor to this was the allocation to global equities, with global equities outperforming the benchmark. Gains were partially offset by negative returns from the diversified growth fund and UK equity portfolios. It was advised that Newton had appointed a new Chief Investment Officer.

RESOLVED:

THAT the report and the presentation from Hymans Robertson be noted.

48. Fund Manager Report: Schrodgers

a) Schroder UK Real Estate Fund (SREF)

The Head of Real Estate Product (Schrodgers) provided an update on the property portfolio. It was advised that the security of income and income growth were key, and the portfolio was therefore focused on diverse income generating assets which include office spaces, retail, industrial, and other. Discussion took place regarding Environmental Social Governance as a core part of the investment strategy.

b) Schroder Sterling Broad Market Fund

The UK Client Director (Schrodgers) provided an update on the bond portfolio. Discussion took place regarding the performance to date 31 December 2018 and it was advised that the previous year had been poor but the previous three years have been positive and therefore the overall position was good. It was noted that the environment for returns was becoming more challenging due to the uncertain climate, within the UK (Brexit) and globally (trade wars between the USA and China).

RESOLVED:

THAT the updates be noted.

49. Investment and Funding Workplan and Training Plan

Discussion took place regarding the proposed workplan for the completion of funding and investment activities over the next 18-24 months. It was advised that the Pensions Regulator had formally closed their file on the Isle of Wight Pension Fund after investigations since May 2017. It was noted that work would continue regarding data improvement, as would the focus on ensuring committee and board members had sufficient knowledge and understanding to carry out their roles.

RESOLVED:

THAT the update be noted.

50. Update on the Result of Cost Management Valuation

RESOLVED:

THAT this item be deferred to the meeting of the Committee to be held 08 February 2019.

51. Exclusion of Public and Press

RESOLVED:

THAT the public and press be excluded.

52. Confidential - ACCESS Update

The Technical Finance Manager provided an update on the progress since the last meeting regarding the ACCESS pool. Regular officer working group meetings and Section 151 officer meetings were taking place and work was being done to establish reporting arrangements for the Joint Committee. The first sub-fund had been launched, and it was estimated that the Isle of Wight Pension Fund would not begin the transition investment assets into the ACCESS pool until May 2019.

RESOLVED:

THAT the committee note the progress with the ACCESS project.

CHAIRMAN