

	<p style="text-align: center;">Pension Fund Committee</p> <p style="text-align: center;">29 July 2014</p>
<p style="text-align: right;">Title</p>	<p>Statement of Investment Principles</p>
<p style="text-align: right;">Report of</p>	<p>Chief Operating Officer</p>
<p style="text-align: right;">Wards</p>	<p>Not Applicable</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A – Statement of Investment Principles July 2014</p>
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Summary

This report asks the Committee to approve the updated Pension Fund Statement of Investment Principles.

Recommendations

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| 1. That the Pension Fund Committee approve the updated Statement of Investment Principles. |
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1. WHY THIS REPORT IS NEEDED

- 1.1 This document has been written in accordance with the legislative requirements of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009. Under the legislation, administering authorities are required to prepare, maintain and publish a written statement of the principles governing their decisions about investments, including a statement of compliance with Myner's revised principles of investment management 2009.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Statement of Investment Principles requires updating to reflect the results of the 2013 triennial pension fund actuarial valuation.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not Applicable

4. POST DECISION IMPLEMENTATION

- 4.1 None

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 To ensure that the pension fund is being invested prudently and to the best advantage in order to achieve the required funding level. Effective monitoring of the Pension Fund will provide support towards the Council's corporate priorities.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The financial issues are set out in the body of the report and in the statement of investment principles.

5.3 Legal and Constitutional References

- 5.3.1 This report is based on the provisions of Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009) made under the powers conferred by section 7 and Schedule 3 of the Superannuation Act 1972. It is a requirement of regulation 57 Local Government Pension Scheme Regulations 2013 that the statement of investment principles is included in the pension fund annual report.

- 5.3.2 Constitution –Responsibility for Functions Responsibility for Council Functions delegated to the Pension Fund Committee through the Pension Fund Governance Compliance Statement.

5.4 Risk Management

- 5.4.1 A key risk is that of poor investment performance. The performance of Fund managers is monitored by the committee every quarter with reference to reports from JLT Investment Consulting, the Pension Fund investment adviser, and the WM Company Ltd, a company that measures the performance of pension funds. If fund manager performance is considered inadequate, the fund manager can be replaced.

5.5 Equalities and Diversity

- 5.5.1 Ensuring the long term financial health of the Pension Fund will benefit everyone who contribute to it. Access to and participation in the Pension Fund is open to those with and those without protected characteristics, alike, provided that the criteria set out within the relevant Regulations are met.

5.6 Consultation and Engagement

- 5.6.1 Not Applicable

6. BACKGROUND PAPERS

- 6.1 None