

MEETING

PENSION FUND COMMITTEE

DATE AND TIME

THURSDAY 22ND OCTOBER, 2015

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4AX

TO: MEMBERS OF PENSION FUND COMMITTEE (Quorum 3)

Chairman: Councillor Mark Shooter
Vice Chairman: Councillor John Marshall

John Marshall
Andreas Ioannidis

Jim Tierney
Peter Zinkin

Arjun Mittra
Hugh Rayner

Substitute Members

Pauline Coakley Webb
Dean Cohen

Anthony Finn
Adam Langleben

Stephen Sowerby
Ross Houston

You are requested to attend the above meeting for which an agenda is attached.

Andrew Charlwood – Head of Governance

Governance Service contact: Ola Dejo-Ojomo, 020 8359 6326

Media Relations contact: Sue Cocker 020 8359 7039

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes	1 - 6
2.	Absence of Members	
3.	Disclosable Pecuniary interests and Non Pecuniary interests	
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6.	Members' Items (if any)	
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11.	Review of Pension Fund Asset Allocation	To Follow
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13.	Any item(s) that the Chairman decides is urgent	
14.	Motion to Exclude the Press and Public	
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16.	Exempt - Review of Pension Fund Asset Allocation appendix	To Follow

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Decisions of the Pension Fund Committee

21 July 2015

AGENDA ITEM 1

Members Present:-

Councillor Mark Shooter (Chairman)

Councillor John Marshall (Vice-Chairman)

Councillor Andreas Ioannidis
Councillor Jim Tierney
Councillor Peter Zinkin

Councillor Arjun Mittra
Councillor Hugh Rayner

1. MINUTES

RESOLVED - That the minutes of the meeting held on 27 May be approved as a correct record.

2. ABSENCE OF MEMBERS

There were none.

3. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

Member	Agenda Item	Interest declared
Councillor Arjun Mittra	Item 8 – Barnet Council Pension Fund Performance for Quarter January to March 2015	Non Disclosable Pecuniary Interest by virtue of having small shareholdings in a number of companies that the fund had investments in.
Councillor Mark Shooter		Non Disclosable Pecuniary Interest by virtue of having small shareholdings in a number of companies that the fund had investments in.
Councillor Hugh Rayner		Non Disclosable Pecuniary Interest by virtue of having small shareholdings in a number of companies that the fund had investments in.
Councillor Peter Zinkin		Non Disclosable Pecuniary Interest by virtue of having small shareholdings in a number of companies that the fund had investments in.
Councillor John Marshall		Non Disclosable Pecuniary Interest by virtue of having small shareholdings in a number of companies that the fund had investments in.

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4. REPORT OF THE MONITORING OFFICER (IF ANY)

There was none.

5. PUBLIC QUESTION AND COMMENTS (IF ANY)

The Committee noted the details of the submitted public questions and the public answers which were provided with the agenda papers for the meeting. Responses to the supplementary public questions were given at the meeting.

There were no public comments.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. UPDATE ON ADMITTED BODY ORGANISATIONS

The Committee considered the report.

The Committee;

RESOLVED – to note the update to the issues in respect of admitted body organisations within the Pension Fund.

8. BARNET COUNCIL PENSION FUND PERFORMANCE FOR QUARTER JANUARY TO MARCH 2015

The Committee considered the report and supplementary information.

The Committee;

RESOLVED – to note the performance of the Pension Fund for the quarter to 31 March 2015.

9. PENSION FUND ANNUAL REPORT AND EXTERNAL AUDITOR'S REPORT UNDER INTERNATIONAL STANDARD ON AUDITING (ISA) 260 FOR THE YEAR 2014/15

Representative from Grant Thornton UK LLP presented the Pension Fund Annual Report and External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2014/15.

The Committee considered the report and supplementary information.

The Committee;

RESOLVED –

1. To note the audit approach set out in Appendix B.
2. To approve the Annual Report and Pension Fund Accounts 2014/15.

3. To note the matters raised by the external auditor relating to detailed aspects of the 2014/15 accounts audit, including the pension fund accounts and officers responses to matters raised.

10. LOCAL PENSION BOARD REPORT

The Committee considered the report.

The Committee;

RESOLVED –note the proposed workplan and approve the Local Pension Board budget for 2015-16

11. REVIEW OF THE INVESTMENT STRATEGY AND WORK PLAN

A Representative from Hymans Robertson LLP, the newly appointed independent investment advisor, presented the Initial review of the pension fund asset allocation.

The Committee considered the report and supplementary information. The Chairman invited Members to indicate whether they had any questions regarding the information contained in the exempt report, which would require the Committee to go into private session. The questions were answered in the private session.

The Chairman moved a motion that was duly seconded to amend the recommendation as follows.

- To move 10% or 15% of the fund out of Corporate Bonds currently managed Newton Investment Management and Legal and General Investment Management. The committee agreed to move 15% of the fund, with the timing to be delegated to the s151 Officer, in consultation with the Chair of the Pension Fund Committee, following consultation with fund managers.
- The proceeds to be invested in Schroder Strategic Bond Fund. This would be subject to a due diligence meeting between Schroder Investment Management and a working party of the Pension Fund comprising of Councillors Shooter, Marshall, Zinkin and Mittra. Following the meeting the working party would report back to the Chief Operating officer, the s151 Officer Strategic Bond Fund to execute the decision of the committee.
- To move 20% of the Fund out of Diversified Growth Funds (10% from each of Schroder Investment Management and Newton Investment Management). This will be implemented by moving 1/12th of 20% each month for 12 months, subject to redemption dates, starting as soon as practical.
- These proceeds will be invested in equities in Global Passive Funds to be managed by Legal and General Investment Management. This will be split between a global market cap fund and a global RAFI fund. One currency hedged fund and the other unhedged.
- Pension Fund Committee agreed to delegate the execution of these decisions to Section 151 Officer in Consultation with the Chair of the Pension Fund Committee.

The Committee unanimously agreed the motion; the motion was therefore carried.

The Committee;

RESOLVED –

1. To move 15% of the fund out of Corporate Bonds currently managed Newton Investment Management and Legal and General Investment Management with the timing to be delegated to the s151 Officer, in consultation with the Chair of the Pension Fund Committee, following consultation with fund managers
2. That the proceeds of the Corporate Bonds to be invested in Schroder Strategic Bond Fund, subject to a due diligence meeting between Schroder Investment Management and the Pension Fund working party, who will report back to the Section 151 Officer.
3. To move 20% of the Fund out of Diversified Growth Funds (10% from each of Schroder Investment Management and Newton Investment Management). This will be implemented by moving 1/12th of 20% each month for 12 months, subject to redemption dates, starting as soon as practical.
4. These proceeds of the Diversified Growth Funds will be invested in equities in Global Passive Funds to be managed by Legal and General Investment Management. This will be split between a global market cap fund and a global RAFI fund. One currency hedged fund and the other unhedged.
5. To delegate the execution of these decisions to the Section 151 Officer in Consultation with the Chair of the Pension Fund Committee.

12. PENSION FUND COMMITTEE WORK PROGRAMME

The Committee noted the work programme.

13. ANY ITEM(S) THAT THE CHAIRMAN DECIDES IS URGENT

There were none.

14. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Committee;

RESOLVED – that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act (as amended).

15. REVIEW OF THE INVESTMENT STRATEGY AND WORK PLAN

The Committee;

RESOLVED - that the information contained in the exempt report be noted.

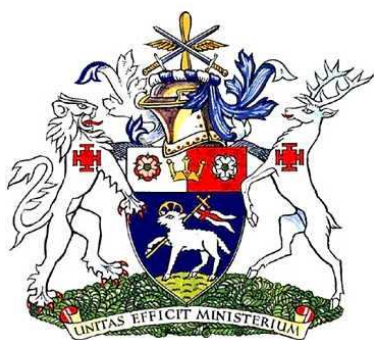
16. ANY ITEM(S) THAT THE CHAIRMAN DECIDES IS URGENT

There were none.

The meeting finished at 8.45 pm

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AGENDA ITEM 7



Pension Fund Committee

22 October 2015

Title	Update on Admitted Bodies Organisations
Report of	Chief Operating Officer
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	Appendix 1 – Admitted Bodies Monitoring Sheet
Officer Contact Details	Karen Scott, Service Delivery Manager, Capita Karen.scott2@capita.co.uk 07785 454929

Summary

London Borough of Barnet Pension Fund – Admitted Bodies Update Report

Recommendation

That the Committee note the information in Appendix 1.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Report is to update the Pensions Fund Committee on the current position in terms of Admitted Bodies to the London Borough of Barnet Pension Fund

2. REASONS FOR RECOMMENDATIONS

- 2.1 There are no recommendations

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not Applicable

4. POST DECISION IMPLEMENTATION

- 4.1 Once any recommendations in terms of Admitted Bodies have been approved, the Pension Fund will take appropriate action to update records and obtain Bond information.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 To maintain the integrity of the Pension Fund by monitoring of admitted body organisations and ensuring all third-parties comply fully with admission agreements and bond requirements. This ensures that pension fund liabilities are covered by the responding admitted bodies; this in return protects Barnet's liabilities and supports the Council's corporate priorities as expressed through the Corporate Plan.

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

- 5.2.1 Appendix 1 notes the bond levels required for each admitted body which will act as guarantee for the Pension Fund liabilities.

- 5.2.2 All organisations that have been paying their contributions in a timely way in line with the terms of their admittance to the pension board have been rated green in Appendix 1.

5.3 Social Value

- 5.3.1 Not applicable

5.4 Legal and Constitutional References

- 5.4.1 Schedule 2 of the Local Government Pension Scheme Regulations 2013 provide that a Local Authority, as an 'Administering Authority' for the Fund, may admit an organisation into the Local Government Pension Scheme, subject to that organisation, or the contractual arrangement between that organisation and the Council, meeting the criteria set out in the Regulations.

- 5.4.2 With respect to an admission agreement, the Regulations further provide for an assessment of the level of risk arising on premature termination of the

provision of the service or assets by reason of insolvency, winding up or liquidation of the admission body. The assessment must be with the benefit of actuarial advice and, where the level of risk is such as to require it, the transferee admission body shall enter into an indemnity or bond to meet the level of risk identified.

5.4.3 The Council's standard admissions agreement makes provision for the admission body to maintain a bond in an approved form and to vary the level of risk exposure under the bond as may be required from time to time

5.4.4 Under the Council's constitution, Part 15 – Responsibility for Functions, one of the Pension Fund Committee's functions is to "approve applications from organisations wishing to become admitted bodies into the Fund where legislation provides for discretion, including the requirements for bonds."

5.5 Risk Management

5.5.1 The ongoing viability of the Pension Fund is dependent on maximising contributions to the Fund. All admitted bodies are subject to actuarial assessments and are reviewed to ensure compliance with admissions agreements and maintenance of appropriate employer contribution levels in order to mitigate against any risk to the financial viability of the pension fund

5.5.2 There is a possibility of financial losses on the Pension Fund where arrangements around admitted bodies and bond agreements are not sufficiently robust. Monitoring arrangements are in place to ensure that Admissions Agreements and bond (where relevant) are in place and that bonds are renewed, as appropriate, during the lifetime of the relevant Admission Agreement.

5.6 Equalities and Diversity

5.6.1 Ensuring the long term financial health of the Pension Fund will benefit everyone who contributes 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

The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services

5.7 Consultation and Engagement

5.7.1 Not Applicable

5.8 **Insight**

5.8.1 Not applicable

6. **BACKGROUND PAPERS**

6.1 None

Admitted Body Monitoring Spreadsheet

Admitted Body	No Of active Employees on transfer	Start Date	Bondsman	Bond Value (£)	Bond Expiry date	Bond Tag (red)	Pension cont on time RAG	Comments
Housing 21 (2) New (employer 68)	56	06/09/2010	Barclays Bank	778K	30/09/2015		G	Data has been submitted to the actuary to calculate the current Bond requirement
London Care	3	05/03/2012	Lloyds	60K	04/03/2015		G	This Admitted Body has now ceased as contract terminated. The actuarial report confirmed all liabilities were met, this entry will be deleted from future reports
Viridian Housing	11	22/04/2006	Euler Hermes UK	65K	16/08/2016		G	
Fremantle Trust (2)	83	28/03/2014	Royal Bank of Scotland	770K	27/03/2017		G	

Greenwich Leisure	22	31/12/2002	Zurich Insurance PLC	328K	30/09/2017								
Birkin Cleaning Services (St James Catholic)	6	24/10/2011	Technical & General Guarantee Company SA	13K	30/08/2015								Actuary agreed to roll forward at same level as previous year and employer currently making the arrangements to renew the Bond
Mears Group	19	10/04/2012	Euler Hermes	320K	30/09/2017								
NSL	31	01/05/2012	Lloyds TSB	412K	30/04/2017								
Blue 9 Security	2	03/08/2012	Evolution Insurance	61K	Not required								The final active member has now left the scheme, data has been submitted to the actuary to provide a cessation report
Music Service (BEAT)	2	01/03/2013	N/A	24K	28/02/2016								Data has been submitted to the actuary to calculate the current


										Bond requirement
Capita (NSCSO)	412	01/09/2013	Barclays Bank PLC	4,731K	01/09/2017					G
Capita (DRS)	261	01/10/2013	Barclays Bank PLC	3,813K	01/10/2017					G
OCS Group	13	31/05/2014	TBC	102k	31/05/2017					G
Ridgecrest Cleaning	4	03/11/2014	TBC	14k	03/11/2017					G
Green Sky (Claremont School)	4	19/01/2015	TBC	£23K	07/07/2017					G
Hartwig	1	23/06/2014	TBC	£7k	7/11/2016					A

This employer has submitted all accounting information required by the Insurance company to issue the Bond and the Bond should be issued very shortly

This provider is one of the two new providers for care services when the London Care contract was terminated. We were not notified until well after the event. Since notification we

								<p>have obtained the actuarial reports and issued them to Barnet Council to make the Bond arrangements. We have chased Barnet Council for progress on the set up of the Bond</p> <p>We have received contributions but they have been paid at an incorrect rate and not backdated, we are currently liaising with the employer to correct this position</p>
Allied Healthcare	4	23/06/2014	TBC	£23k	7/11/2016		A	<p>This provider is one of the two new providers for care services when the London Care contract was terminated. We were not notified until well after the event. Since notification we have obtained the actuarial reports and issued them to Barnet Council to make the Bond arrangements. We</p>

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	AGENDA ITEM 8
	<h2>Pension Fund Committee</h2> <h3>22 October 2015</h3>
Title	Local Pension Board - Update
Report of	Head of Governance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Recruitment and Appointment to the Local Pension Board Appendix B - Terms of Reference for Local Pension Board Appendix C - Minutes of the Local Pension Board 29 July 2015
Officer Contact Details	Faith Mwende, Governance Officer 020 8359 4917, faith.mwende@barnet.gov.uk

<h2>Summary</h2>
<p>On the 23rd of March 2015, the General Functions Committee agreed the establishment of the Local Pension Board, the composition of the Board and the proposed terms of reference. Following a recruitment process, Full Council on 28th July 2015 approved the memberships and the detailed terms of reference. The Board had it first meeting on 29th July 2015.</p> <p>This report provided an update on the recruitment and work of the Board.</p>

<h2>Recommendation</h2>
<p>That the Committee note the recruitment, appointment and work of the Local Pension Board.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 During 2014, the Department for Communities and Local Government consulted on the implementation of Pension Boards, as required by the Public Service Pensions Act 2013. The final Regulations were laid before Parliament and the final version of the guidance issued on 4th February 2015.
- 1.2 The Act stated that the scheme regulations would provide for the establishment of a Local Pension Board which would be responsible for assisting the scheme manager (in LBB's case, the Pension Fund Committee) in securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme. In line with the regulations, the General Functions Committee on the 23rd of March 2015 agreed the establishment, composition, approach to agreeing key documentation and draft work programme of the Barnet Local Pension Board.
- 1.3 Following the General Functions Committee meeting, the agreed terms of reference were reviewed to ensure compliance with best practice. The terms of reference were accordingly updated and approved by Full Council on 28th July 2015. Appendix A sets out the process undertaken to recruit the various members of the Board and confirms the membership as approved by Full Council. The detailed terms of reference as approved by Full Council on the 28th July 2015 are set out in Appendix B
- 1.4 Following the appointment by Full Council the Board had its first meeting on 29th July 2015. The minutes of the meeting are attached as Appendix C.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Under the Terms of Reference (appendix B) the Board does not report to the Pension Fund Committee. However it is required to report to the Pension Fund Committee as often as the Board deems necessary and at least annually on certain matters. A detailed report, outlining a summary of the work undertaken; the work plan for the next 12 months; details of training received and planned; and details of any conflicts of interest and how they were dealt with, shall be presented at the 15 March 2016 meeting.
- 2.2 The current report is an update on the recruitment and appointment of Board members and their work to date.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None in the context of this report.

4. POST DECISION IMPLEMENTATION

- 4.1.1 None in the context of this report.

5. IMPLICATIONS OF DECISION

- 5.1 **Corporate Priorities and Performance**

5.1.1 The Local Pension Board supports delivery of Council's strategic objectives and priorities as expressed through the Corporate Plan 2015-2020 by assisting in maintaining the integrity of the Pension Fund by monitoring the administration and compliance of the Fund.

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

5.2.1 None in the context of this report.

5.3 **Social Value**

5.3.1 None in the context of this report.

5.4 **Legal and Constitutional References**

5.4.1 The Public Service Pensions Act 2013 and the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 required the Council to establish a Pension Board by 1 April 2015. The final appointments comply with the requirements of the legislation and due regard has been paid to the guidance.

5.4.2 Under the Terms of Reference (Appendix B) the Board does not report to Pension Fund Committee. However, The Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually in relation to:

- a summary of the work undertaken;
- the work plan for the next 12 months;
- details of training received and planned; and
- details of any conflicts of interest and how they were dealt with.

5.5 **Risk Management**

5.6 There are no specific risk management implications arising from this report.

5.7 **Equalities and Diversity**

5.7.1 There are no Equalities and Diversity issues arising from this report.

5.8 **Insight**

5.8.1 None in the context of this report

5.9 **Consultation and Engagement**

5.9.1 None in the context of this report

6. BACKGROUND PAPERS

6.1 None.

RECRUITMENT AND APPOINTMENT TO THE LOCAL PENSION BOARD

On the 23 March 2015, the General Functions Committee agreed the establishment of the Local Pension Board, the composition and the proposed Terms of Reference. It was agreed that the membership of the Board be:

2 Council representatives (employer's side) comprising:

- 1 Councillor who is not a member of the Pension Fund Committee
- 1 employer representative from an admitted or scheduled body (e.g. Re, CSG or Middlesex University)

2 scheme member representatives (employee side) comprising:

- 1 active member of the LGPS
- 1 retired/ deferred member LGPS

1 independent member

- Having no current employment, contractual, financial or other material interest in the Council or any scheme employer fund and not being a member of the LGPS Fund.

On 13 May Council approved the appointment of the (councillor) Council employer representative as Councillor Brian Salinger, with Councillor Daniel Thomas as substitute.

The process of selecting non-councillor Board Members was delegated by General Functions Committee to the Monitoring Officer, following consultation with the Chairman of the General Functions Committee. A recruitment, selection and interview process was accordingly held for the remaining vacancies which involved seeking expressions of interest (including advertising in the local press for the independent member, advertising on the council intranet and internet, letters to retired members, and approaching admitted bodies for nominations for the employer representative).

Following shortlisting interviews were held on 15 June, 13 July and 14 July, with an interview panel of the Deputy Chief Operating Officer, the Head of Governance and a Councillor Member of Pensions Fund Committee.

The successful applicants were appointed to the Local Pensions Board following the agreement of Council on 28 July 2015 and the first meeting of the Board took place on 29 July 2015, in line with statutory requirements. The appointments below were recommended to and approved by Full Council.

Role	Member	Substitute Member
Independent Member	Stephen Ross	N/A
Employer Representative	Tom Evans (Re)	Richard Budd (Re)
Employee Representative (Retired/ Deferred Member)	Geoffrey Alderman	Hem Savla
Employee Representative (Active Member)	Luke Ward (LBB)	Vacancy

There is currently one vacancy for a substitute employee Representative (Active Member) and new recruitment has been undertaken to fill this appointment. Once the recruitment, selection and interview process is complete, the successful candidate will be appointed to the Local Pensions Board following the agreement of Council.

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Appendix B

Terms of Reference for the London Borough of Barnet Pension Board

The purpose of this document is to set out the detailed Terms of Reference for the Local Pension Board of the London Borough of Barnet Pension Fund.

1. Role of the Local Pension Board

1.1 The role of the local Pension Board, as defined by sections 5(1) and (2) of the Public Services Pension Act 2013 and regulation 106 of the Local Government Pension Scheme (LGPS) Governance Regulations 2013.

- To assist with:
 - securing compliance with LGPS Government regulations and any other legislation relating to the governance and administration of the LGPS
 - securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator.
 - such other matters that the LGPS regulations may specify
- Ensure the effective and efficient governance and administration of the LGPS for the LBB Pension Fund.
- Ensure the Pension Fund's strategy and policy documents are in place and have been maintained in accordance with the LGPS Regulations. These documents are the: communications policy statement; funding strategy statement; governance compliance statement; statement of investment principles and the Pension Fund annual report and accounts.
- Ensure the Pension Fund's internal Risk Register is in place and reviewed at least annually.
- Review the Pension Fund's performance in complying with the requirements of the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS.
- Review the Pension Fund's performance in complying with the requirements of the Pension Regulator.
- Annually submit a proposed work plan for the forthcoming financial year, to the Pension Fund Committee.
- To carry out any other activities relating to the efficient governance and administration of the Pension Fund.
- To submit an annual budget to the Barnet Pension Fund Committee for approval.

1.2 The Local Pension Board does not replace the Administering Authority or make decisions or carry out duties other duties which are the responsibility of the Administering Authority (refer

to Compliance statement). The Pension Board is an advisory/scrutiny board and does not have decision making powers.

- 1.3 The Administering Authority retains ultimate responsibility for the administration and governance of the scheme. The role of the Board is to support the Administering Authority to fulfil that responsibility and secure compliance with any requirements imposed by the Pensions Regulator.

2. Appointment of members of the Pension Board

- 2.1 All Board members will be appointed by Full Council. It is a statutory requirement (section 248A of the 2004 Act) that the Administering Authority must be satisfied that every individual member of the Pension Board is;

- 2.2 conversant with;

- the legislation and associated guidance of the Local Government Pension Scheme
- any document recording policy about the administration of the fund which is for the time being adopted by LBB Fund; and

- 2.3 have knowledge and understanding of;

- the law relating to pensions; and
- such other matters as may be prescribed

3 Rules governing Membership the Local Pension Board

- 3.1 Local Pension Boards must include an equal number of employer and member representative with a minimum requirement of no fewer than four in total.

- 3.2 No officer or Councillor who would be responsible for the discharge of any functions under the Regulations (apart from any relating to LPB) may be a Member of the Local Pension Board of that authority.

- 3.3 Officer precluded would be any officer named in the scheme of delegation (e.g. Section 151 Officer and the head of investments). The guidance also states that consideration should be given as to whether officers of the Fund at a senior level, who are not named in the formal scheme of delegation, but who are responsible for discharging functions under the Regulations, should be precluded from being a member of the LPB.

4 Composition of the Board

- 4.1 The Board shall consist of 5 members constituted as follows:

- 2 Council representatives (employers side) comprising:
 - 1 Councillor who is not a member of the Pension Fund Committee
 - 1 employer representative from an admitted or scheduled body (e.g. Re, CSG or Middlesex University)
- 2 scheme member representatives (employee side) comprising:
 - 1 active member
 - 1 retired/deferred member

- **1 independent member/advisor**
Having no current employment, contractual, financial or other material interest in the Council or any scheme employer fund and not being a member of the LGPS Fund.

4.2 Independent and Scheme Members shall be appointed following a public recruitment, selection and interview process.

5. Chairman and Vice-Chairman of the Board

5.1 The Chairman and Vice-Chairman of the Board will be appointed by Members of the Board as the first business at their first meeting.

5.2 Should the elected Chairman be an Employer representative the Vice-Chairman must be a Scheme Member representative and vice versa.

NB: Independent member cannot be appointed Chairman or Vice-Chairman.

6. Substitute Members

6.1 Each member will have a substitute to act as Board member in their absence, which will be recommended following a recruitment process consistent with their own appointment. These nominations will be approved as part of the overall appointments made by Full Council.

NB: The independent member shall not have a substitute.

7. Quorum

7.1 The Pension Board will be quorate when three voting Pension Board Members are in attendance.

8. Period of Office

8.1 Each Board member shall be appointed for a fixed period of four years, which will usually occur at the Annual Council meeting.

9. Termination of office

9.1 Each Board member will be expected to attend all meeting and training sessions during the year. The membership of any member who fails to attend two or more meetings shall be reviewed and determined by other Board members in consultation with officers.

9.2 The removal of a member from office during their term of appointment can only be enacted by the unanimous agreement of the other members present at the meeting.

9.3 In absence of mitigating factors a Board member can be removed from the Board in the following circumstances (but not limited to):

- A poor attendance record;

- If a member does not undertake training as requested;
- If a member is In breach of Council's Code of Conduct, Pension Board Code of Conduct and Conflict of Interest policy;
- If a member has a conflict of interest that cannot be managed in accordance with the Board's conflicts policy.

9.4 Should the Council representative members, or the active scheme member(s) cease to be Council representatives or active scheme members, he/she will automatically cease to be a member of the Board and the Administering Authority will conduct a replacement process.

95. If a Board member chooses not to continue their role, they must provide a written notice of their resignation from their post to the Governance Service. The notice period shall be two months. Once the written notice is received the Board shall be notified accordingly and arrangements shall be made for a replacement in line with the procedures for their original appointment.

10. Voting Rights (this is dependent on makeup of the Board)

10.1 The Independent Member will not have any voting rights. All other members of the board will be entitled to vote.

10.2 In the event of an equality of voted the Chairman will have the casting vote.

11. Frequency of meeting

11.1 The number of meetings a year should be in alignment with the number of the Pension Committee meetings year, or should be determined by the Board once it has agreed a work plan, with a minimum of two meetings annually.

12. Notice of meeting and circulation of papers

12.1 In accordance with the Access to Information Procedure Rules as set out in the Council's Constitution.

13. Minutes

13.1 In accordance with the Access to Information Procedure Rules as set out in the Council's Constitution.

14. Accountability and reporting

14.1 The Board is accountable solely to the Council for the effective operation of its functions.

14.2 The Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually:

- a summary of the work undertaken;
- the work plan for the next 12 months;
- details of training received and planned; and
- details of any conflicts of interest and how they were dealt with.

On certain matters the board will report directly to Council;

14.3 The Board shall report annually to Full Council on its work.

14.4 It will also and as necessary from time to time to report to Full Council any breach in compliance or other significant issues such as:

- any areas of persistent non-compliance
- any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee
- areas raised to the Board to be investigated and how they were dealt with;
- any risks or other areas of potential concern it wishes to raise;

15. Code of Conduct

15.1 All members of the Board are expected to act in accordance with Barnet Council's Code of Conduct for Councillors, and where applicable and the Pensions Regulator's Code of Practice.

16. Conflicts of interest

16.1 All members of the Board must declare on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.

16.2 In accordance with s5(5) Public Service Pension Act 2013, a Board member must not have a financial or other interest that could prejudice him/her in carrying out his/her Board duties. This does not include a financial or other interest arising merely by virtue of being a member of the LGPS.

16.2 On appointment to the Board and following any subsequent declaration of potential conflict the conflict must be managed in line with the Council's Members Code of Conduct, the Local Government Pension Scheme (LGPS) Guidance on Conduct of Members and Conflicts of Interest, the requirements of the Public Service Pensions Act 2013 and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Board members.

17. Knowledge and understanding including training

17.1 All new members must follow an induction training plan and all members of the Board will be expected to attend the training provided to ensure that they have the requisite knowledge and understanding to fulfil their role.

17.2 All members must be prepared to participate in such regular personal training needs analysis or other processes as are put in place to ensure that they maintain the required level of knowledge and understanding to carry out their role.

17.3 Failure to attend training or participate in the processes may lead to membership being reviewed.

18. Definitions

The undernoted terms shall have the following meaning when used in this document:

<i>Administering Authority</i>	London Borough of Barnet
<i>Board or Pension Board</i>	The local Pension Board for the London Borough of Barnet, Administering Authority for the London Borough of Barnet Pension Fund as required under the Public Service Pensions Act 2013
<i>Board Member</i>	A member of the Board including Employer representatives, Scheme Member representatives and an independent member
<i>Code of Practice</i>	The Pensions Regulator's [draft] Code of Practice no 14 entitled " <i>Governance and administration of public service pension schemes.</i> "
<i>Conflicts of Interest</i>	As defined in the Public Service Pensions Act 2013
<i>Employer Representative</i>	A person appointed to the Board for the purpose of representing employers for the Scheme
<i>Fund</i>	The London Borough of Barnet Pension Fund within the Scheme administered and maintained by the Scheme Employer
<i>Independent Member</i>	A Member of the Board who is neither an Employer Representative nor a Member Representative
<i>LGPS</i>	The Local Government Pension Scheme as constituted by the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional

Provisions, Savings and Amendment) Regulations 2014 and The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009.

Member Representative

A person appointed to the Board for the purpose of representing members of the Scheme

Scheme

The Local Government Pension Scheme as defined under LGPS

Scheme Manager

London Borough of Barnet as administering authority of the London Borough of Barnet Pension Fund

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Appendix C

Decisions of the Local Pension Board

29 July 2015

Members Present:-

Councillor Brian Salinger (Chairman) (Employer Representative)

Geoffrey Alderman (Vice-Chairman) (Employee Representative)

Luke Ward (Employee Representative)

Stephen Ross (Independent Member)

Tom Evans (Employer Representative)

Also in attendance:

Hem Savla (Substitute Employee Representative)

Pending the appointment of a Chairman and vice-Chairman, the clerk opened the meeting and reported the absence of Members and sought nominations for the position of Chairman.

1. ABSENCE OF MEMBERS

There were none.

2. ELECTION OF CHAIRMAN AND VICE CHAIRMAN

RESOLVED-

1. That Councillor Brian Salinger be appointed as Chairman of the Local Pension Board

2. That Professor Geoffrey Alderman be appointed as Vice-Chairman of the Local Pension Board.

3. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

There were none

4. PUBLIC QUESTION AND COMMENTS (IF ANY)

There were none

5. REPORT OF THE MONITORING OFFICER (IF ANY)

There were none

6. MEMBERS' ITEMS (IF ANY)

There were none

7. APPROVAL AND ADOPTION OF THE TERMS OF REFERENCE

The Board considered the report. The Board asked officers to review why the Board's terms of reference prohibited the Independent Member from being the Chairman and requested a report back at the next meeting.

The Board

RESOLVED – to note the Terms of Reference set out in Appendix 2 of the report.

8. LOCAL PENSION BOARD CONSTITUTIONAL FRAMEWORK

The Board considered the report. Board Members agreed to complete the notification of Members Interest and provide a bio for the Local Pension Board internet page.

The Board

RESOLVED –

1. To note that members of the Board are required to comply with the Council's Members Code of Conduct and Conflicts of Interest Policy and the Local Government Pension Scheme (LGPS) Guidance on Conduct of Members and Conflicts of Interest.
2. To note that members of the Board are required to comply with the Council's Data Protection Policy and Information Security Policy.

9. BOARD KNOWLEDGE, UNDERSTANDING AND TRAINING

The Board considered the report.

Board Members agreed to complete the skills and self-assessment form and officer would also routinely circulate any upcoming Pension Training to Board Members.

The Board

RESOLVED –

1. to note the requisite level of knowledge and understanding required for the role and that members will be required to acquire this knowledge and understanding through self-assessment and training.
2. To instruct officers to develop a detailed Member Development Plan for Board Members

10. KEY POLICY DOCUMENTS OF THE BARNET PENSION FUND

The Board considered the report.

Board Members asked for the new Council Corporate Social Responsibility Policy to be incorporated in the review of the Statement of Investment Principles, currently being undertaken and for the results to be shared with the Board.

The Board

RESOLVED –

1. To note the Pension Fund's key strategy and policy documents.
2. To receive the results of the in the review of the Statement of Investment Principles.

11. BARNET PENSION FUND PERFORMANCE

The Board considered the report.

Board Members asked for WM Company Ltd to attend a training session or the next meeting to provide details on how the benchmarking is assessed.

The Board

RESOLVED –

1. To note the Barnet Council Pension Fund Performance for Quarter January to March 2015
2. To invite WM Company Ltd to attend a training session or the next meeting of the Board to provide details on the benchmarking assessment.

12. LOCAL PENSION BOARD BUDGET 2015/16

The Board considered the report.

The Board

RESOLVED – to note the Local Pension Board Budget for 2015-16.

13. LOCAL PENSION BOARD WORK PROGRAMME

The Board considered the report.

The Board


RESOLVED – to note the work programme.

14. ANY OTHER ITEM(S) THE CHAIRMAN DECIDES ARE URGENT

There were none.

The meeting finished at 7.50 pm

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	AGENDA ITEM 9 <h2 style="text-align: center;">Pension Fund Committee</h2> <h3 style="text-align: center;">22 October 2015</h3>
Title	Barnet Council Pension Fund Performance for Quarter April to June 2015
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Pension Fund Market Value of Investments as at 30 June 2015 Appendix B – Hymans Robertson Performance Report to 30 June 2015 Appendix C – WM Local Authority Universe Comparison to 30 June 2015 (<i>to follow</i>)
Officer Contact Details	Iain Millar, Head of Treasury Services iain.millar@barnet.gov.uk 0208 359 7126

Summary

This report summarises Pension Fund investment manager performance for the April to June quarter 2015 based on the performance monitoring report provided by Hymans Robertson.

Recommendation

That, having considered the performance of the Pension Fund for the quarter to 30 June 2015, the Committee instruct the Chief Operating Officer and Chief Finance Officer to address any issues that it considers necessary.

1. WHY THIS REPORT IS NEEDED

- 1.1 To ensure that the pension fund is being invested prudently and in accordance with the investment strategy.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Not applicable.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable.

4. POST DECISION IMPLEMENTATION

- 4.1 The Chief Operating Officer and Chief Finance Officer will carry out any actions considered necessary.

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 As administering authority for the London Borough of Barnet Pension Fund, the Council is required to invest any funds not required for the payment and administration of pension fund contributions and benefits.
- 5.2.2 The Pension Fund has appointed external fund managers to maximise pension fund assets in accordance with the fund investment strategy. The Pension Fund is a long term investor and volatility of investment return is expected, though in the longer term, the appointed fund managers are expected to deliver positive returns in accordance with the fund benchmarks. The Scheme benchmark is a liability driven benchmark and is dependent on the movement in gilt yield. The Growth portfolio targets of the respective Diversified Growth Funds are Newton; LIBOR +4%, and Schroder; RPI+5%.
- 5.2.3 The total value of the pension fund's investments including internally managed cash was £888.469 million as at 30 June 2015, down from £919.903 million as at 31 March 2015. The total market value of externally managed investments fell by £16.45 million over the quarter. The graph in Appendix A shows how the

market value of the fund has grown since 2007. Since June 2015, markets have been volatile. The total value of the fund as at 30 September 2015 was £872.014 million (£882.744 million as at 31 August 2015).

5.2.4 **Summary:** Over the quarter at a total scheme level the Fund's externally managed investments produced an absolute negative returns of -3.2%. In relative terms the scheme underperformed against benchmark by -1.9. Over 12 months the absolute return was 5% with relative outperformance of 0.2%.The attached performance report is the first monitoring report from Hymans Robertson.

5.3 **Social Value**

5.3.1 Not applicable.

5.4 **Legal and Constitutional References**

5.4.1 Regulation 10 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 requires the Administering Authority to review the performance of the investment manager on a quarterly basis.

5.4.2 The Council's Constitution – Annex A – Responsibility for Functions, details the responsibilities of the Pension Fund Committee, including To review and challenge at least quarterly the Pension Fund investment managers' performance against the Statement of Investment Principles in general and investment performance benchmarks and targets in particular. One of these meetings to be the annual review, at which the representative from the council's performance management organisation attends to comment on the relative performance of the fund managers.

5.5 **Risk Management**

5.5.1 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 Hymans Robertson, 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.

5.5.2 Risks around safeguarding of pension fund assets are highlighted in the current economic climate following the sovereign debt crises in the Euro zone. Fund managers need to have due regard to longer term investment success, in the context of significant market volatility..

5.6 **Equalities and Diversity**

5.6.1 Pursuant to the Equalities Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations

between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with this public sector equality duty. Good governance arrangements and monitoring of the pension fund managers will benefit everyone who contributes to the fund.

5.7 Consultation and Engagement

5.7.1 Not applicable.

5.8 Insight

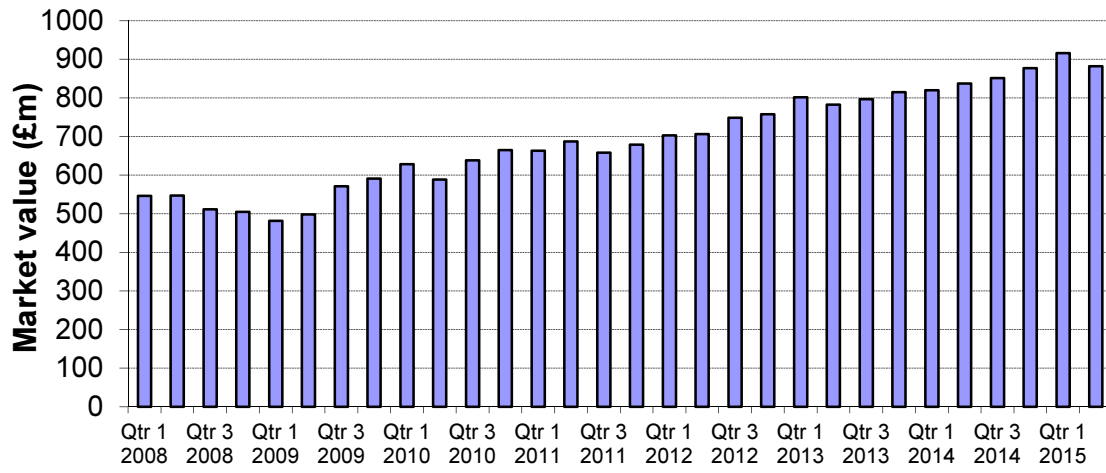
5.8.1 Not applicable.

6. BACKGROUND PAPERS

6.1 None

Appendix A – Pension Fund Market Value of Investments as at 30 June 2015.

Market value of Pension Fund



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London Borough of Barnet Pension Fund

Review of Investment Managers' Performance for the Second Quarter of 2015



Prepared By:

Andrew Elliott - Senior Investment Consultant
Phil Spencer - Associate Investment Consultant

For and on behalf of Hymans Robertson LLP
October 2015

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Performance Calculation	13

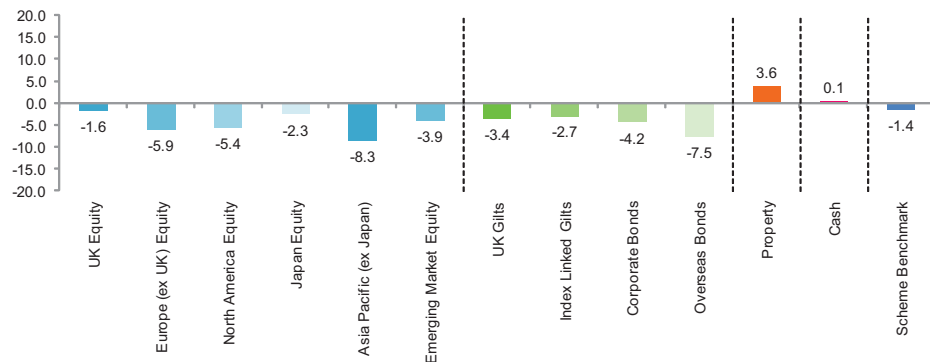
Please note the value of investments, and income from them, may fall as well as rise. This includes equities, government or corporate bonds, and property, whether held directly or in a pooled or collective investment vehicle. Further, investment in developing or emerging markets may be more volatile and less marketable than in mature markets. Exchange rates may also affect the value of an investment. As a result, an investor may not get back the amount originally invested. Past performance is not necessarily a guide to future performance.

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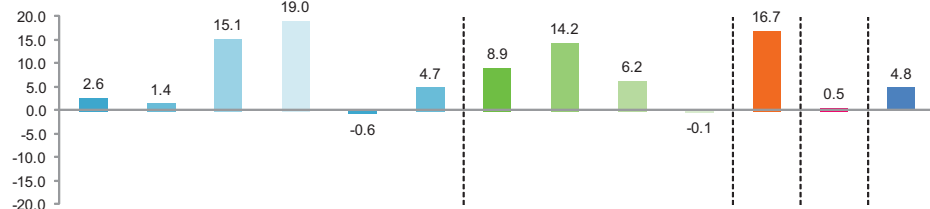
Historic Returns for World Markets to 30/06/2015

Historic Returns ^[1] [i]

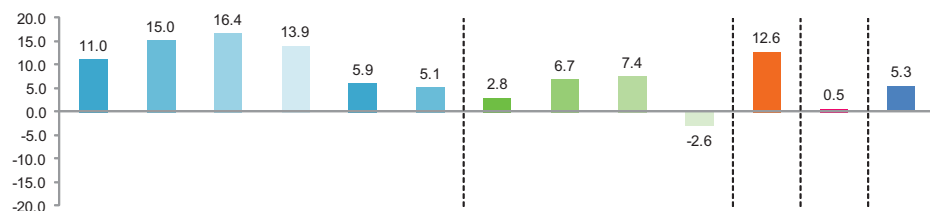
3 Months (%)



12 Months (%)



3 Years (% p.a.)



Market Comment

Global equity and bond markets fell during the second quarter of 2015. Concerns about deflation eased and pushed bond yields steadily higher; Sterling strengthened against most major currencies and so broadly flat equity markets in local currency delivered negative sterling returns.

Economic news was mildly positive in most regions. The US enjoyed a modest rebound after a disappointing first quarter and data relating to the Eurozone suggested a continuation of the gradual recovery seen in recent quarters.

In the UK, economic growth estimates for Q1 2015 were revised upwards from 0.3% to 0.4% and the estimate of growth for 2014 as a whole was revised from 2.8% to 3.0%, the highest rate since 2007. Inflation turned marginally negative in April for the first time in 50 years as prices declined by 0.1% compared with a year earlier, although this was reversed with a 0.1% increase on an annual basis in May.

Negotiations over a bailout for Greece dominated headlines, as the four-month extension negotiated in February grew closer to expiry. Towards the end of June the Greek government dramatically called a referendum on the terms of the expired bailout proposal, which was widely considered to be a referendum on Euro membership; following a “no” vote in early July, banks remained closed and last-ditch negotiations continued.

Key events during the quarter included:

Global Economy

- Short-term interest rates were unchanged in the UK, US, Eurozone and Japan;
- UK inflation (CPI) fell to -0.1% in April, but recovered to 0.1% in May;
- Modest deflationary pressures in the Eurozone gave way to mild inflation throughout the quarter;
- Japan’s economy continued to grow moderately, after emerging from recession in late 2014;
- Trade data increased fears that the Chinese economy is slowing more quickly than expected; the authorities responded with a surprise cut to interest rates at the end of June.

Equities

- The strongest sectors relative to the FTSE All World Index were Telecoms (+2.5%) and Financials (+1.6%); the weakest were Utilities (-2.6%) and Industrials (-1.6%);
- Corporate activity came close to the record levels experienced in Q2 2007, driven by the £47bn takeover of BG Group by Royal Dutch Shell and the continued activity in the healthcare sector.

Bonds and currencies

- Sterling strengthened against major currencies; the Yen weakened the most, with the Euro surprisingly resilient to the Greek crisis;
- Bond yields generally rose; German ten year bonds dipped below 0.1% p.a. in April, before rising sharply to finish the quarter around 0.8% p.a.

[1] All returns are in Sterling terms. Indices shown (from left to right) are as follows: Equities – FTSE All Share, FTSE AW Developed Europe ex-UK, FTSE North America, FTSE Japan, FTSE AW Developed Asia Pacific ex-Japan, S&P/IFCI Composite; Bonds – FTSE Fixed Gilts All Stocks, FTSE Index-Linked Gilts All Maturities, iBoxx Corporates All Investment Grade All Maturities, JP Morgan GBI Overseas Bonds; Property – IPD UK Monthly Property Index; Cash – UK Interbank 7 Day.



Fund summary

Valuation Summary ^[1] ^[ii]

Asset Class	Values (£m)		Actual Proportion %	Target Proportion %	Difference %
	Q1 2015	Q2 2015			
Global Equity	52.0	49.2	5.6	6.0	-0.4
Diversified Growth Funds	559.5	546.2	61.9	62.0	-0.1
Corporate Bonds	299.7	286.7	32.5	32.0	0.5
Total	911.3	882.1	100.0	100.0	

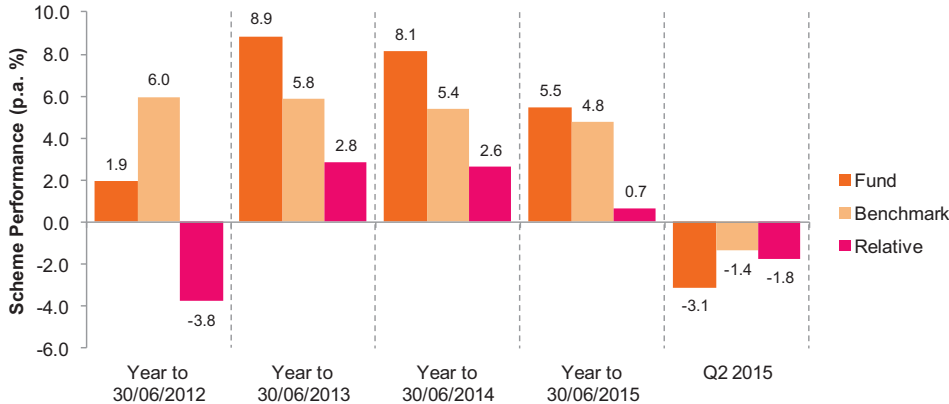
Comments

Total Fund assets fell over the second quarter of 2015 by c. £29m as markets fell.

In terms of relative performance, the Fund's combined assets underperformed the combined benchmark (gross of fees) by 1.8% over Q2 2015. This reflected the DGFs' absolute return targets which are difficult to meet when all markets are generally negative.

The Fund is currently 0.4% underweight to global equities versus its strategic target with roughly a corresponding overweight to corporate bonds. We do not see this as a reason to rebalance at this time.

Performance Summary ^[2] ^[iii]



Relative Quarterly and Relative Cumulative Performance ^[3] ^[iii]



[1] Excludes operating cash held in Fund bank account., [2] Gross of fees, [3] Gross of fees

Source: [i] Fund Manager, [ii] DataStream, Fund Manager, Hymans Robertson, [iii] DataStream, Fund Manager, Hymans Robertson



Manager Summary

Manager Summary

Manager	Investment Style	Benchmark Description	Annual Fee (bps)	Rating *
LGIM World ex UK Equity Index Fund	Passive	FTSE World ex UK Net Tax (UKPN)	15	
Newton Real Return Fund	Active	1 month £ LIBOR + 4% p.a.	59	
Schroder Life Diversified Growth Fund	Active	RPI + 5% p.a.	60	
LGIM Active Corporate Bond All Stocks Fund	Active	Markit iBoxx GBP Non-Gilts (All Stocks)	20	
Newton Corporate Bond Fund	Active	Merrill Lynch Sterling (Over 10 years) Investment Grade Index	10	
Schroder All Maturities Corporate Bond Fund	Active	Merrill Lynch Sterling Non-Gilts All Stocks Index	18	

* For information on our manager ratings, see individual manager pages

Key:- - Replace - On-Watch - Retain

Manager Valuations ^[1]

Manager	Value (£m)		Actual Proportion %	Target Proportion %	Difference %
	Q1 2015	Q2 2015			
LGIM World ex UK Equity Index Fund	52.0	49.2	5.6	6.0	-0.4
Newton Real Return Fund	275.1	267.5	30.3	31.0	-0.7
Schroder Life Diversified Growth Fund	284.4	278.7	31.6	31.0	0.6
LGIM Active Corporate Bond All Stocks Fund	19.9	19.1	2.2	2.0	0.2
Newton Corporate Bond Fund	147.7	140.2	15.9	15.0	0.9
Schroder All Maturities Corporate Bond Fund	132.1	127.3	14.4	15.0	-0.6
Total	911.3	882.1	100.0	100.0	0.0

[1] Excludes operating cash held in Fund bank account.

Source: Fund Manager, Hymans Robertson

Performance Summary (Net of Fees)

Performance Summary ^[1]

		LGIM World ex UK Equity Index Fund	Newton Real Return Fund	Schroder Life Diversified Growth Fund	LGIM Active Corporate Bond All Stocks Fund	Newton Corporate Bond Fund	Schroder All Maturities Corporate Bond Fund	Total Fund
3 Months (%)	Absolute	-5.4	-2.9	-1.9	-3.8	-5.1	-3.7	-3.2
	Benchmark	-5.4	1.1	0.7	-3.9	-6.4	-3.9	-1.4
	Relative	0.0	-4.0	-2.6	0.1	1.3	0.3	-1.9
12 Months (%)	Absolute	10.5	1.9	5.2	6.6	8.2	5.6	5.0
	Benchmark	10.6	4.5	1.1	6.5	8.0	6.5	4.8
	Relative	-0.1	-2.5	4.1	0.1	0.2	-0.9	0.2
3 Years (% p.a.)	Absolute	14.1	3.7	8.6	6.7	7.5	7.2	7.0
	Benchmark	14.2	4.2	2.3	6.6	7.8	6.6	5.3
	Relative	-0.1	-0.5	6.1	0.1	-0.3	0.5	1.6
Since Inception (% p.a.)	Absolute	8.9	3.2	5.0	7.5	8.9	6.9	5.5
	Benchmark	9.0	4.6	2.9	7.0	9.0	7.1	5.5
	Relative	-0.1	-1.4	2.1	0.4	-0.1	-0.2	0.0

[1] Since inception for all mandates shown is from 31 December 2010 when the current investment strategy for the Fund was implemented.

Source:  DataStream, Fund Manager

LGIM World ex UK Equity Index Fund

HR View Comment & Rating



We rate Legal and General Investment Management's ('LGIM') index-tracking equity capability at '5 – Preferred strategy'.

At the end of last year, Ali Toutouchi, Global Head of Index Funds, announced his intention to retire towards the end of 2015. Since then, there has been further changes announced within the senior management at LGIM. In March 2015, LGIM announced the departure of Joseph Molloy, Head of Index Equities, who has subsequently joined HSBC. Responsibility for Molloy's previous roles was passed to Julian Harding, Director of Index Fund Management in the UK.

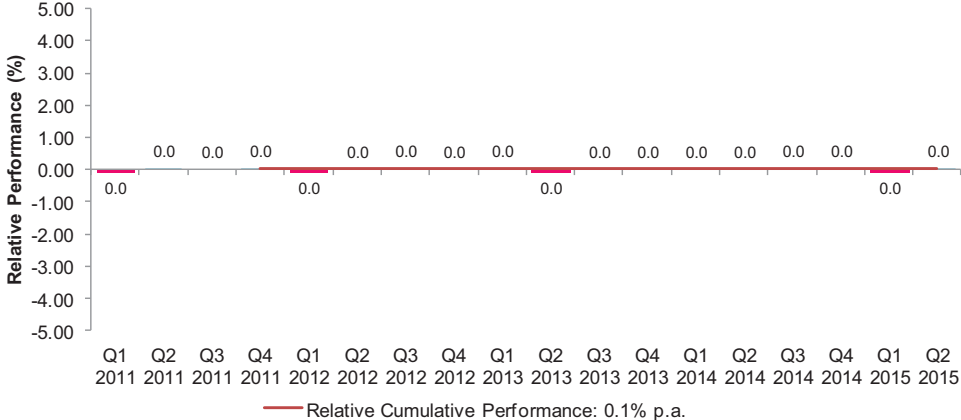
In September LGIM announced that Chad Rakvin will succeed Ali Toutouchi as Global Head of Index Funds. Rakvin was recruited from Northern Trust in 2013 to lead LGIM's index funds expansion in the US. Rakvin will relocate to London and will report to Aaron Meder, Head of Investments. Toutouchi will work through a handover period with Rakvin and will continue to be involved with LGIM in a strategic and advisory capacity. Having taken over Molloy's responsibilities only a few months ago, Julian Harding is set to leave LGIM and Colm O'Brien, who joined from Irish Life in 2012, will take over his responsibilities. Eve Finn, who joined LGIM in 2009, expands her role from engaging with clients on LDI derisking solutions to a much broader, newly created role as Head of Portfolio Solutions. Harding's departure is clearly a consequence of losing out to Rakvin to succeed Toutouchi. In our view Harding was a good manager who understood the UK market very well and his departure is an unfortunate consequence of these changes. Rakvin and O'Brien have plenty of relevant investment experience but have also had much less time at LGIM and less involvement with the UK market than the individuals they are replacing.

Notwithstanding the incidence of change in senior personnel at LGIM, we see no reason to question the continuity of the business at this point and maintain our rating of LGIM's passive capability at '5 - Preferred strategy'.

Fund Commentary

The mandate has broadly matched its benchmark over all time periods, as we would expect from a passive manager.

Relative Quarterly and Relative Cumulative Performance [i]



Performance Summary (Gross of fees) [ii]

	3 Months (%)	12 Months (%)	3 Years (% p.a.)	Since Inception* (% p.a.)
Fund	-5.4	10.7	14.2	9.0
Benchmark	-5.4	10.6	14.2	9.0
Relative	0.0	0.1	0.1	0.1

* Inception date 31 Dec 2010.

Newton Real Return Fund

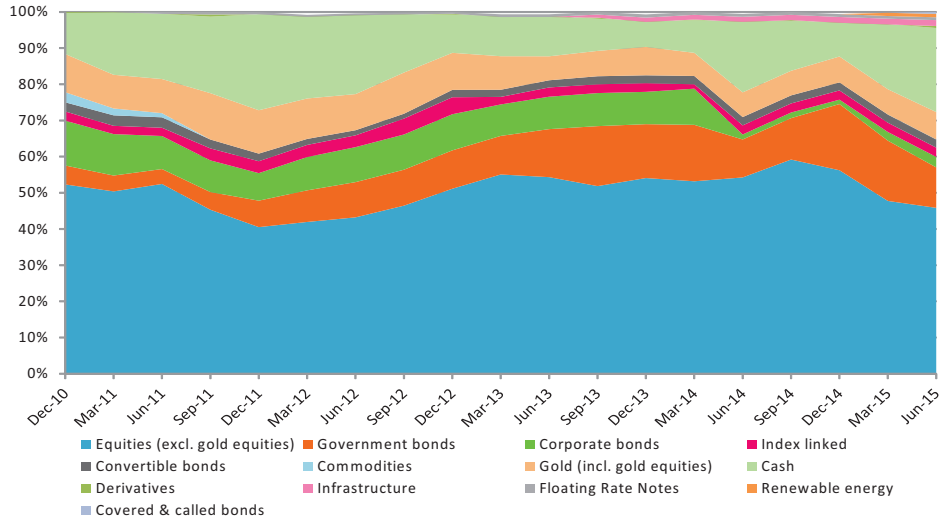
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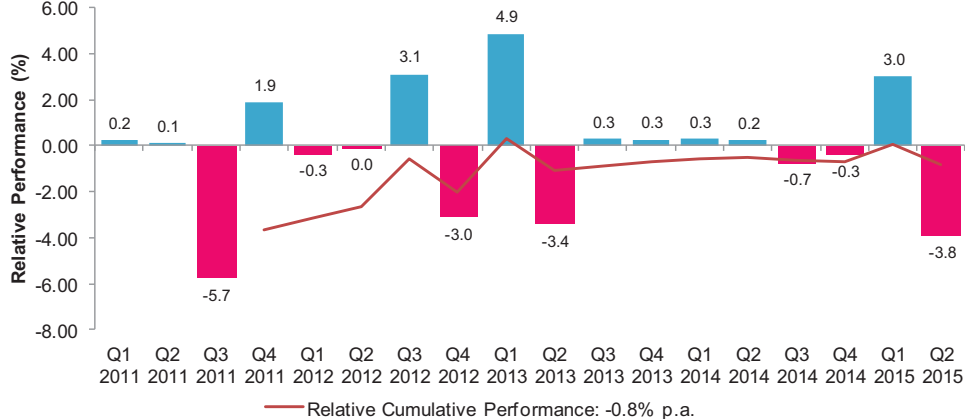
We rate Newton's Real Return Fund at '5 - Preferred strategy'.

The Real Return Fund is an unconstrained multi-asset strategy that seeks to generate a return through both dynamic asset allocation and security specific selection. We like the unconstrained nature of the Newton approach and the real focus on downside protection. It is this focus on risk as the loss of capital rather than a measure of portfolio volatility that distinguishes 'absolute return' managers such as Newton. While the approach draws on a range of inputs from various investment staff in the wider Newton team, we believe that the success or otherwise of the strategy is heavily reliant on the head of the team, Iain Stewart, and there is therefore a high level of key man risk. As at the end of the second quarter the Real Return strategy had assets under management of £12.8bn. Capacity is a consideration due to the portfolio investing in single stock names, however at this level Newton do not believe this is a concern. There were no significant changes to report over the quarter to 30 June 2015.

Change in asset allocation over time



Relative Quarterly and Relative Cumulative Performance



Fund Commentary

The Newton Real Return Fund delivered an absolute return of -2.8% over the second quarter of 2015, underperforming its performance objective of LIBOR + 4% p.a. It is important to note however, that this sort of performance objective is in line with our long-term expected return from equities and hence the expectation of 'equity-like returns with lower risk'. Whilst we still believe this to be an appropriate target it is less than helpful for measuring short and medium-term performance. With this in mind, the fund's longer term performance since inception currently lags this long-term objective by 0.8%.

Newton has reduced the fund's equity exposure over the past 12 months, both through lowering the capital allocation to equities but also through the use of derivatives to hedge some of the exposure. The first quarter of 2015 saw a number of global equity markets reach new highs, contributing positively to performance over the period; however, equity exposure then detracted over the second quarter. Around 16% of the fund is now protected, with the majority of this protection written against the S&P 500 index, principally implemented using index futures. One of Newton's long-running inflation hedging positions is exposure to gold, both directly through exchange traded funds (ETFs) and through gold-mining stocks. This has been reviewed this year and over the second quarter the team diversified the exposure through the inclusion of a number of small-cap gold producing stocks. During the second quarter the team took the decision to reduce the fund's exposure to the longer-duration government bond positions which it held in liquid US treasuries. The fund continues to hold Australian and New Zealand government bonds which it expects to benefit from further interest rate cuts. Both positions contributed positively over the first half of 2015, driven by signs of slowing growth in China and mixed signals from the US Federal Reserve on their forward guidance for interest rate expectations. Newton remains cautious on the global outlook and is currently holding 20% in cash.

Schroder Diversified Growth Fund

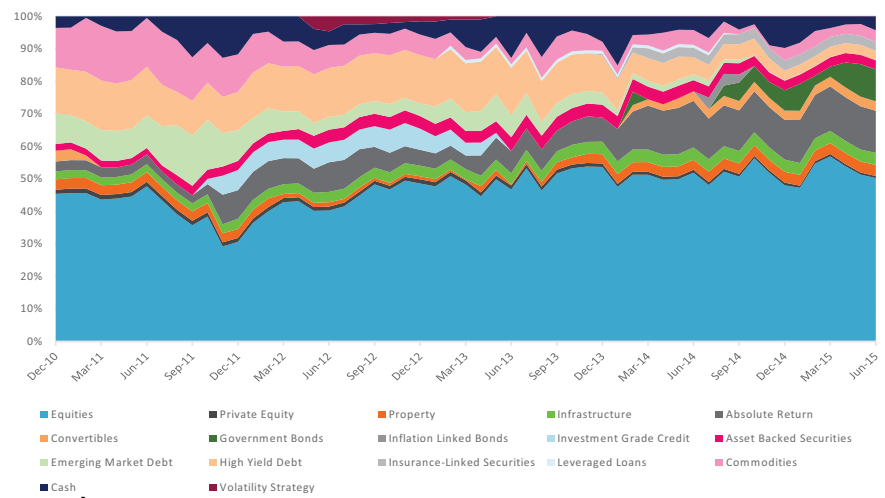
HR View Comment & Rating



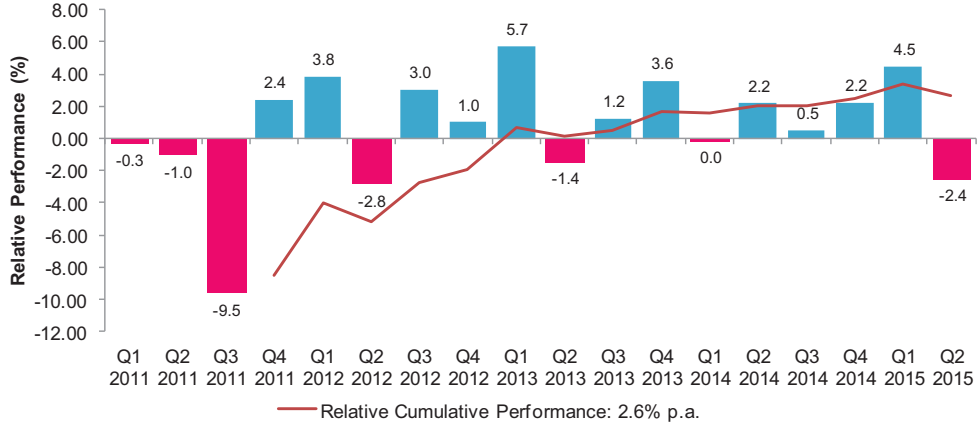
We rate Schroder's Diversified Growth Fund (DGF) at '4 - Retain'.

As a large, long-established multi-asset manager, Schroder is well placed to manage a mandate of this type. Its DGF was one of the first of its kind to gain traction in the institutional market, albeit largely amongst smaller pension funds. The product has a dual objective; on-going access to growth asset classes and the tactical management of those exposures. Schroder has tended to restrict its dynamic asset allocation within narrower bands than many. This fund will typically be highly dependent on the performance of equity markets to generate returns. It therefore offers less diversification benefits than some of the other multi-asset funds available. During the second quarter Schroder announced that David King, Head of Quantitative Research within the multi-asset team responsible for the DGF, is moving internally to a portfolio manager role for one of the firm's quantitative equity strategies, QEP. At this stage Schroder have not yet determined who will take over his role within the multi-asset team. We do not expect this to have any significant impact on the management of the DGF. There were no other changes over the quarter to the end of June 2015.

Change in asset allocation over time [i]



Relative Quarterly and Relative Cumulative Performance [ii]



Fund Commentary

The fund experienced a negative return over the second quarter both in absolute terms and in comparison to its inflation + 5% p.a. target. This performance target, like Newton's Real Return performance objective, is less meaningful for measuring short and medium-term performance but is appropriate for ensuring the fund is delivering over the longer term. Versus this target, the fund has performed strongly over the last 3 years and since implementation of the new strategy in December 2010, due mainly to the strong performance of equities.

The quarter saw increased volatility in both equity and bond markets. The biggest detractors from returns were European and UK equities and government bonds. However this was partially offset by the effect of diversifying assets such as commodities and property and also by positive contributions from US and Japanese equities.

Over the period, the manager reduced the fund's equity holding in order to mitigate any further market volatility, instead favouring equity option strategies. The manager also increased exposure to sterling, with the expectation that the UK economy will continue to strengthen.

Newton Corporate Bond Fund

HR View Comment & Rating

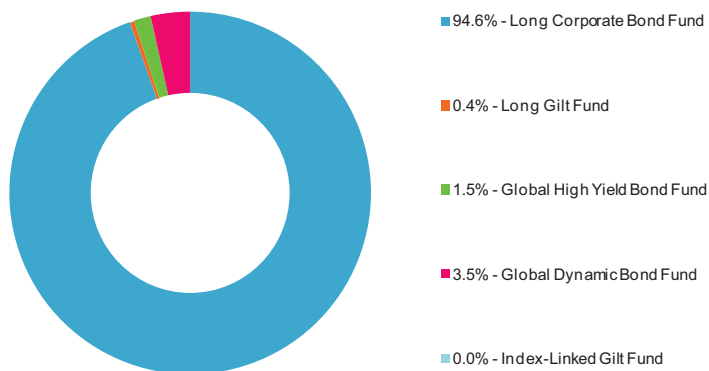


As highlighted previously to the Committee, fixed income constitutes a very small proportion of Newton's total assets under management (c. 5%) and, as a result, Newton has a very small fixed income team (10 investment professionals) relative to other managers in the market. For these reasons, we do not currently have a formal rating for the Fund's corporate bond mandate with Newton as we do not have significant client exposure and do not put them forward for new business.

We have therefore rated Newton's corporate bond mandate as '3 - On watch' for the interim period as we do consider the team as part of Newton's wider absolute return mandates. We will look to issue a formal rating in our Q3 2015 report.

The mandate in which the Fund invests allows Newton to allocate their investment into a number of Newton managed funds. At its core, the predominant investment (minimum 85%) is the Newton Long Corporate Bond Fund which can invest in sterling denominated corporate bonds, regardless of the country of issue. The fund can, and does, invest in non-UK issuers which are denominated in Sterling. Alongside this, Newton can also invest up to 15% of the portfolio in a number of Newton managed fixed income products which include the Newton Index-Linked Gilt Fund, Newton Global High Yield Bond Fund and the Newton Global Dynamic Bond Fund, which include non-GBP and non UK domiciled issuers.

Fund Holding as at 30 June 2015



50

Source: [i] DataStream, Fund Manager, Hymans Robertson. Gross of fees

Relative Quarterly and Relative Cumulative Performance [i]



Fund Commentary

The Newton Corporate Bond mandate seeks to outperform its benchmark by 1% p.a. (gross of fees) over a rolling 5 year period.

The fund managed to outperform its benchmark by 1.4% over the quarter to 30 June 2015 but still delivered a negative return of -5.10% as government bond yields and credit spreads increased over the period. Against this market backdrop, the majority of the fund's outperformance was attributable to the manager's decision to maintain a shorter duration position than that of the benchmark, with this relative position then being reduced towards the end of the period.

Elsewhere, the fund's exposure to the high yield bond market through its allocation to the Newton Global High Yield Bond Fund detracted from performance as the European high yield bond market fell over the quarter and the US Dollar depreciating by c. 6% against sterling negatively impacted the fund's US Dollar denominated bonds.

Assessing performance over longer term periods, the fund is marginally ahead of its benchmark over 1 and 3 year periods but has only managed to match its benchmark since the implementation of the Fund's current investment strategy in December 2010. Whilst the manager expects to achieve its performance target over a rolling 5 year period, we would have hoped to have seen some outperformance over the last four and half years since inception.

Schroder Corporate Bond Fund

HR View Comment & Rating



Schroders has announced a series of key appointments within its Fixed Income Multi Sector team, responsible for managing UK, Euro and Global Aggregate, Global Sovereign as well as Absolute Return and Unconstrained strategies. Paul Grainger joins in June as Senior Portfolio Manager within the London-based team, reporting to Bob Jolly, Head of Global Macro. With more than 18 years' investment experience, he has a background in global aggregate and interest rate investing. Prior to joining, he worked for Wellington Management where he was an associate partner and fixed income portfolio manager. Mads Nielsen joins in June as Quantitative Strategist within the London-based team, reporting to Bob Jolly. With more than 15 years' quantitative analytics experience, he joins from GLG Partners where he worked on a number of their macro and total return strategies. Three hires in the US; David Gottlieb, Vincent Messina, and Whitney Tindale joined in May 1 from hedge fund Third Wave Asset Management, a firm they collectively founded in 2014. The team based in New York, will manage a specialised strategy focused on relative value opportunities primarily in U.S. rates markets and will become part of the global macro team, led by Bob Jolly. Each member of the team has over 20 years of investment management experience, including 50 years of combined hedge fund experience employing relative value rates strategies.

We retain our rating at '4 - Retain'.

Fund Commentary

The Schroder All Maturities Corporate Bond Fund seeks to outperform its benchmark by 0.75% p.a. (gross of fees) over a rolling 3 year period.

Despite delivering a negative absolute return of -3.6% over the second quarter of 2015, the manager managed to outperform its benchmark by 0.3%. This was driven by the fund's underweight to the Industrials sector and Sterling Government-related debt. The manager also took the decision over the period to reduce the fund's exposure to longer-dated issues which contributed positively to performance versus the benchmark as yields steadily increased.

In terms of longer term performance, the manager has broadly managed to meet its performance target over the past 3 years but is behind since the Fund implemented its current investment strategy back in December 2010.

Relative Quarterly and Relative Cumulative Performance [ii]



Performance Summary (Gross of fees) [iii]

	3 Months (%)	12 Months (%)	3 Years (% p.a.)	Since Inception* (% p.a.)
Fund	-3.6	5.7	7.4	7.1
Benchmark	-3.9	6.5	6.6	7.1
Relative	0.3	-0.8	0.7	-0.0

* Inception date 31 Dec 2010.

LGIM Corporate Bond Fund

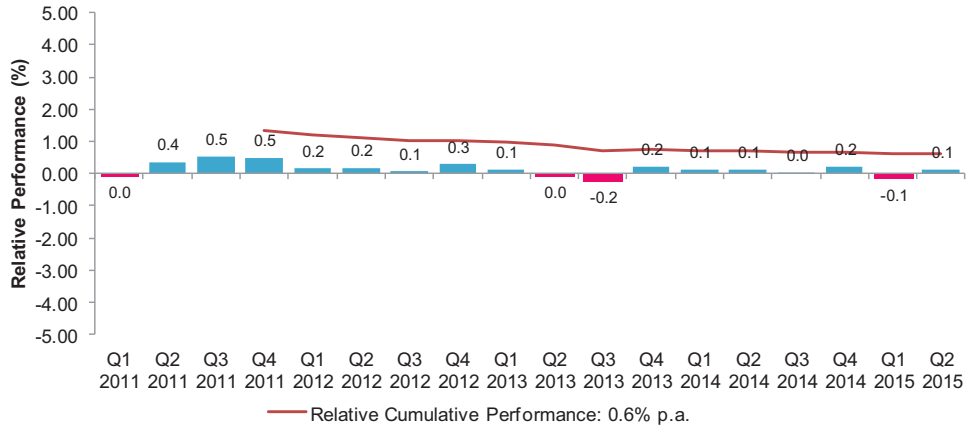
HR View Comment & Rating



There were no significant changes to report over the quarter to end June 2015.

We continue to rate the manager as '5 - Preferred strategy'.

Relative Quarterly and Relative Cumulative Performance [i]



Fund Commentary

The Legal & General Active Corporate Bond Fund seeks to outperform its benchmark by 0.75% p.a. (gross of fees) over a rolling 3 year period.

Over the 3 month period to 30 June 2015, the fund marginally underperformed its benchmark and delivered a negative absolute return of -3.7% as bond yields in general ticked up over the quarter.

The fund has delivered marginal outperformance over longer term periods but continues to lag its performance objective since the Fund's new investment strategy was implemented in December 2010.

Performance Summary (Gross of fees) [ii]

	3 Months (%)	12 Months (%)	3 Years (% p.a.)	Since Inception* (% p.a.)
Fund	-3.7	6.8	7.0	7.7
Benchmark	-3.9	6.5	6.6	7.0
Relative	0.1	0.3	0.3	0.6

* Inception date 31 Dec 2010.

Performance Calculation

Geometric vs Arithmetic Performance

Hymans Robertson are among the investment professionals who calculate relative performance geometrically as follows:

$$\left(\left(1 + \text{Fund Performance} \right) / \left(1 + \text{Benchmark Performance} \right) \right) - 1$$

Some industry practitioners use the simpler arithmetic method as follows:

$$\text{Fund Performance} - \text{Benchmark Performance}$$

The following example illustrates the shortcomings of the arithmetic method in comparing short term relative performance with the longer term picture:

Period	Arithmetic Method			Geometric Method			Difference
	Fund Performance	Benchmark Performance	Relative Performance	Fund Performance	Benchmark Performance	Relative Performance	
Quarter 1	7.00%	2.00%	5.00%	7.00%	2.00%	4.90%	0.10%
Quarter 2	28.00%	33.00%	-5.00%	28.00%	33.00%	-3.76%	-1.24%
Linked 6 months			-0.25%			0.96%	-1.21%
6 Month Performance	36.96%	35.66%	1.30%	36.96%	35.66%	0.96%	0.34%

Using the arithmetic method

If fund performance is measured quarterly, there is a relative underperformance of 0.25% over the six month period.

If fund performance is measured half yearly, there is a relative outperformance of 1.30% over the six month period.

Using the geometric method

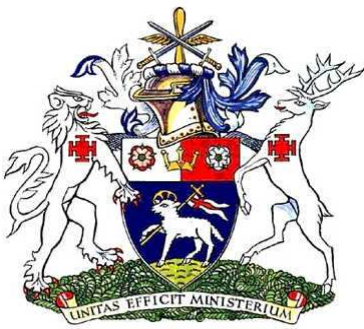
If fund performance is measured quarterly, there is a relative outperformance of 0.96% over the six month period.

If fund performance is measured half yearly, an identical result is produced.

The geometric method therefore makes it possible to directly compare long term relative performance with shorter term relative performance.



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Pension Fund Committee

22 October 2015

Title	Update Report London Collective Investment Vehicle
Report of	Chief Operating Officer
Wards	All
Status	Public Report with exempt appendices – not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended
Urgent	No
Key	No
Enclosures	Exempt Appendix 1: London’s Collective Investment Vehicle Articles of Association Exempt Appendix 2: London’s Collective Investment Vehicle Shareholders Agreement
Officer Contact Details	Iain Millar, Head of Treasury Services 0208 359 7126

Summary

This report updates the Pension Fund Committee and summarises progress made in setting up the London Local Government Pension Scheme Collective Investment Vehicle (CIV). This report proposes delegating authority to the Chief Operating Officer in consultation with the Chairman of the Pension Fund Committee to settle any contracts concerned with the CIV on behalf of the Council and pension fund where it is his opinion that the evidence indicates that it is likely to result in long-term financial benefit for the Council or Pension Fund.

The process of the CIV reaching “live operation” is nearing completion and will in due course require the Committee to assess the merits for the Fund to transfer assets or invest directly into funds held on the CIV, where this is deemed as beneficial for the Fund to do so. The report also outlines the need for the Fund to invest £150,000 into the CIV to be held as regulatory capital.

Recommendations

That the Pension Fund Committee

- 1. note the progress update on starting up the CIV.**
- 2. agree that the Chief Operating Officer sign the Shareholders' Agreement on behalf of the Council and the resolutions approving the Articles of Association of the CIV and the reclassification of shares in the CIV as set out in exempt Appendices 1 and 2.**
- 3. delegate authority to the Chief Operating Officer in consultation with the Chairman of the Pensions Fund Committee to invest sums required for regulatory capital to the London CIV to meet the requirements for Financial Conduct Authority (FCA) authorisation. The anticipated level of investment £150,000.**
- 4. agree that where circumstances arise and the Committee is not available for consultation, to delegate to the Chief Operating Officer, in consultation with the Chairman of the Pensions Fund Committee, the decision to agree to the transition of Pension Fund assets to the London CIV where the Fund has a pre-existing relationship with the investment manager and where the transfer of such assets is financially advantageous to the Pension Fund.**

1. WHY THIS REPORT IS NEEDED

- 1.1 To enable the Pension Fund's participation and investment in the London CIV.

2. REASONS FOR RECOMMENDATIONS

- 2.1 To ensure that the Pension Fund has access to a wider range of asset classes through the CIV to reduce costs and to improve fund performance.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative to further funding would be to withdraw support and retain independent mandates. The CIV has estimated that the additional costs would be recoverable from first years fee savings should the Pension Fund delegate any investment decisions to the CIV at a future date.

4. POST DECISION IMPLEMENTATION

- 4.1 Officers to sign the Shareholders' Agreement on behalf of the Council and the resolutions approving the Articles of Association of the CIV and the reclassification of shares in the CIV.

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. Participating in collective working and cost sharing 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 CIV has made significant progress in 2015. The Pensions Joint Committee has met four times and considered:

- The establishment of the operating company (London LGPS CIV Ltd.) and its governance arrangements;
- The appointment of Northern Trust as the Asset Servicer for the CIV. This will include services such as Depository, Custodian, Fund Accountant, Transfer Agency and Tax reclaims;
- The Joint Committee's role as also acting as a forum of shareholders of the CIV.

5.2.2 The interim Directors of the CIV company (comprising London Councils' Chairman and Vice Chairmen, two borough Treasurers, the Chamberlain of the City of London, and London Councils' Chief Executive) have met and considered/ratified decisions concerning:

- Procurement activity, including engaging a recruitment consultant to assist with recruiting the permanent executive and non-executive Board members, Eversheds and Deloitte as legal and technical advisors to the company, and an advisor for an asset servicer procurement.
- The appointment of Northern Trust as the Asset Servicer for the CIV.
- The company programmes, risk registers and procedures.
- The recruitment process for senior executives and future board members.

5.2.3 The Technical Sub Group have met and considered:

- The fund managers that the boroughs currently invest in and the process by which they may come onto the CIV
- The process of narrowing down those managers for the launch phase of the CIV and the proposals those managers have put forward including fee reductions and scope of investment.
- The initial structures and governance modelling of the CIV and the methods by which the boroughs will interact with the vehicle.
- A number of procurements including the reviewing and ratification of candidate responses.
- An initial paper on regulatory capital requirements to meet the liquidity needs as set out by the FCA.

5.2.4 An initial investment of £75,000 towards the cost of establishing the CIV has already been approved by the Pension Fund Committee. As the London CIV is obtaining regulatory approval from the FCA, there is a requirement for regulatory capital to be placed in the CIV, without which the London CIV would not receive authorisation. This is likely to be in the region of £150k for each London Borough that participates in the CIV. However, it needs to be emphasised that this is not a cost in the same way as the previous sums to set up the CIV, instead this will be share capital and should be seen as an

investment in the CIV and will be recognised as such in the Pension Fund accounts.

- 5.2.5 Each London Borough who is a shareholder of the Company (each, a “**Shareholder**”) has been sent final drafts of the shareholders’ agreement relating to the Company, to be entered into by each Shareholder and the Company (the “**Shareholders’ Agreement**”), and the Articles of Association of the Company (the “**Articles**”) to be adopted by the Shareholders by way of written resolution. The Shareholders’ Agreement will be a contractual arrangement between the Shareholders and the Company governing the relationship between the Shareholders and the Company and the management of the Company. The Articles will be the constitutional governing document of the Company and will underpin the matters set out in the Shareholders’ Agreement. It is proposed that the authorisation to sign the CIV Articles of Association, the Shareholders Agreement and subsequent deeds of agreement is agreed and delegated to the Chief Operating Officer in consultation with the Chair of the Pension Fund Committee.
- 5.2.6 The CIV has now reached a stage where managers with multiple mandates across London have provided their best and final offers on fees for inclusion in the CIV. Each borough which currently invests with that manager will be asked in the near future whether they wish to transfer existing funds with that manager to the CIV under the CIV fee schedule.
- 5.2.7 Once those indications are received contracts will need to be signed and funds transferred. This can only be undertaken once the FCA have authorised the CIV Operator and Fund for trading. This authority is expected autumn of 2015. For the CIV to launch on schedule it is imperative that boroughs are able to sign off on the transition of current mandates into the CIV and associated capital. Otherwise there is the real possibility that the CIV launch will be delayed, thereby reducing the immediate benefits to the boroughs.
- 5.2.8 In order that the participating London Local Government Pension Scheme (LGPS) funds can start to receive CIV fee reduction benefits as soon as possible it is proposed to delegate authority to the Chief Operating Officer following consultation with the Chairman of the Pension Fund Committee to settle any contracts concerned with the CIV on behalf of the Council and Pension Fund. This is likely to include signing contracts, transferring funds, and supplying capital for investment as regulatory capital. In exercising this discretion, the Chief Operating Officer following consultation with the Chairman of the Pensions Fund Committee must be satisfied that in his opinion, it is likely to result in long-term financial benefit for the Council or Pension Fund.

5.3 Social Value

5.3.1 Not applicable

5.4 Legal and Constitutional References

5.4.1 This report is based on the provisions of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009) which have their basis in the Superannuation Act 1972.

5.4.2 The Council's Constitution – Annex A – Responsibility for Functions, details the responsibilities of the Pension Fund Committee including to determine the appropriate course of action on any matter not specifically listed above that pertains to the leadership and/or strategic management of the Pension Fund, in particular any matter which could materially affect its financial performance or long-term standing.

5.5 Risk Management

5.5.1 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 Hymans Robertson, 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.

5.6 Equalities and Diversity

5.6.1 Pursuant to the Equalities Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation.

5.7 Consultation and Engagement

5.7.1 Not applicable.

5.8 Insight

5.8.1 Not applicable

6. BACKGROUND PAPERS

- 6.1 Previous report to Pension Fund Committee 2 March 2015
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=7805&Ver=4>

- 6.2 Report to Council 8 April 2015
<http://barnet.moderngov.co.uk/documents/s14284/Report%20of%20the%20Head%20of%20Governance.pdf>

AGENDA ITEM 12



Pension Fund Committee
22 October 2015

Title	Pension Fund Committee Work Programme
Report of	Chief Operating Officer
Wards	Not Applicable
Status	Public
Enclosures	Committee Work Programme October 2015-May 2016
Officer Contact Details	Ola Dejo-Ojomo: ola.dejo-ojomo@barnet.gov.uk 020 8359 6326

Summary

The Committee is requested to consider and comment on the items included in the 2015-16 work programme

Recommendations

- 1. That the Committee consider and comment on the items included in the 2015-16 work programme**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Pension Fund Committee Work Programme 2015-16 indicates forthcoming items of business.
- 1.2 The work programme of this Committee is intended to be a responsive tool, which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.
- 1.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

2. REASONS FOR RECOMMENDATIONS

- 2.1 There are no specific recommendations in the report. The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 N/A

4. POST DECISION IMPLEMENTATION

- 4.1 Any alterations made by the Committee to its Work Programme will be published on the Council's website.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Committee Work Programme is in accordance with the Council's strategic objectives and priorities as stated in the Corporate Plan 2015-20.

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

- 5.2.1 None in the context of this report.

5.3 Legal and Constitutional References

- 5.3.1 The Terms of Reference of the Pension Fund Committee is included in the Constitution, Responsibility for Functions, Annex A.

5.4 Risk Management

- 5.4.1 None in the context of this report.

5.5 Equalities and Diversity

- 5.5.1 None in the context of this report.

5.6 Consultation and Engagement

5.6.1 None in the context of this report.

6. BACKGROUND PAPERS

6.1 None.

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**London Borough of Barnet
Pension Fund Committee Work
Programme
October 2015 - May 2016**

Contact: Ola Dejo-Ojomo, 020 8359 6326, ola.dejo-ojomo@barnet.gov.uk

Title of Report	Overview of decision	Report Of (officer)	Issue Type (Non key/Key/Urgent)
22 October 2015			
Barnet Council Pension Fund Performance for Quarter April to June 2015	To consider the performance of the Pension Fund for the quarter to June 2015.	Chief Operating Officer (Director of Finance / Section 151 Officer)	Non key
Update on admitted body organisations issues and monitoring report	To note the update to the issues in respect of admitted body organisations within the Pension Fund	Chief Operating Officer (Director of Finance / Section 151 Officer)	Non key
Update on Collective Investment Vehicle	For information / investment management decisions	Chief Operating Officer (Director of Finance / Section 151 Officer)	Non key
Review of Pension Fund Asset Allocation	To receive the Review of the current investment strategy	Chief Operating Officer (Director of Finance / Section 151 Officer)	Non key
Local Pension Board Report	To receive the report on the work of the Local Pension Board.	Chief Operating Officer (Director of Finance / Section 151 Officer)	Non key
20 January 2016			
Barnet Council Pension Fund Performance for July to September 2015	To consider the performance of the Pension Fund for the quarter to September 2015.	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc

Subject	Decision requested	Report Of	Contributing Officer(s)
Knowledge and Understanding Policy and Training Plan	To approve the Knowledge and Understanding Policy and Training Plan.	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Actuarial Review Final Report and Funding Strategy Statement	To review that funding strategy statement	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Update on admitted body organisations issues and monitoring report	To note the update to the issues in respect of admitted body organisations within the Pension Fund	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Update on Collective Investment Vehicle	For information / investment management decisions	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Statement of Investment principles	Review the statement of Investment Principles	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Review of the investment strategy	Hymans Report	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
15 March 2016			
Barnet Council Pension Fund Performance for October to December 2015	To consider the performance of the Pension Fund for the quarter to December 2015	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc

Subject	Decision requested	Report Of	Contributing Officer(s)
Update on admitted body organisations issues and monitoring report	To note the update to the issues in respect of admitted body organisations within the Pension Fund	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Update on Collective Investment Vehicle	For information / investment management decisions	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Review of the investment strategy	Hymans Report	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
Local Pension Board Report	To receive the report on the work of the Local Pension Board	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc
External Auditor: Audit Approach Memorandum for the year ended 31 March 2016	To note detailed Audit Approach Memorandum report from the external auditors for the year ended 31 March 2016	Chief Operating Officer (Director of Finance / Section 151 Officer)	Tbc

AGENDA ITEM 15

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