

**DURHAM COUNTY COUNCIL**

**At a Meeting of the Pension Fund Committee** held at the County Hall Durham on **Monday 30 October 2006 at 10.00 a.m.**

**Present:**

**COUNCILLOR N MARTIN** in the Chair

**Members:**

Councillors Coates, Iveson, Ord and Pye.

**District Council Members nominated by the Durham County District Councils Association:**

Councillors P Ward and Councillor GK Robinson.

**Advisers**

**County Council Officers:**

County Treasurer	-	Mr S Crowe
Principal Accountant	-	Mrs H Appleton
Assistant Head of Legal Services	-	Mrs C Longbottom

**Independent Advisors:**

P J Williams	-	Mr P J Williams
P Solve Asset Solutions	-	Mr A Manjrekar

**Investment Managers**

Baring Asset Management Ltd	-	Ms K Munday
	-	Mr P Stanion
Morley Fund Management	-	Mr A Charlwood
	-	Mr M Cawthorne

## **A1 Minutes**

The Minutes of the meeting held on 31 July 2006 were confirmed as a correct record and signed by the Chairman.

## **A2 Graphs Showing Movements in Stock and Share Indices since 1 October 2005**

The County Treasurer submitted graphs showing movements in the Financial Times All Share UK Equities Index, Government Bond Index and Government Bonds Index Linked Index since 1 October 2005 (for copy see file of Minutes).

## **A3 Graphs Showing Movements in Stock and Share Indices since 1 October 2005**

The County Treasurer submitted graphs showing movements in the FTA World Index - Japan, FTA World Index - North America, FTA World Index - Europe and FTA World Index - Pacific Ex-Japan since 1 October 2005 (for copy see file of Minutes).

## **A4 Pension Fund Investments**

The Committee considered a report of the County Treasurer which provided an overview of the transactions by Fund Managers during the period 1 July 2006 to 30 September 2006 and showed how the value of the portfolio had changed during the quarter (for copy see file of Minutes).

### **Resolved:**

That the report and the recommendation included therein be approved.

## **A5 Augmentation Payments**

The Committee considered a report of the County Treasurer regarding augmentation payments (for copy see file of Minutes)

### **Resolved:**

That the report and the recommendation included therein be approved

**A6 Consultation Response on 'new-look' Local Government Pension Scheme**

The Committee considered a report of the County Treasurer regarding the response Durham County Council made to the recent consultation exercise on the future of the Local Government Pension Scheme (for copy see file of Minutes)

**Resolved:**

That the report be noted

**A7 Annual Report and Accounts 2005/2006**

The Committee noted a report of the County Treasurer concerning the Annual Report and Accounts for 2005/2006 (for copy see file of Minutes)

**Resolved:**

That the report be received

**A8 Annual Meeting of the Pension Fund**

The Committee considered a report of the County Treasurer regarding the Annual Meeting of the Pension Fund on 6 November 2006 (for copy see file of Minutes)

**Resolved:**

That the report be noted.

**A9 Exclusion of the Public**

**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 7 of Part 1 of Schedule 12A to the said Act.

**B10 Report of Baring Asset Management Limited**

The Committee considered a report of Baring Asset Management Limited which included:-

- (i) Manager's view on the economy and investment strategy for the future
- (ii) Investment Policy
- (iii) List and valuation of investment holdings including a statement of transactions carried out during the last quarter (for copy see file of Minutes)

**Resolved:**

That the report be received.

**B11 Report of Morley Fund Management**

The Minute relating to this item is set out in Part B.

**B12 Report of Legal and General Investment Management Limited**

The Committee considered a report of Legal and General Investment Management Limited which included:-

- (i) Manager's view on the economy and investment strategy for the future
- (ii) Investment Policy
- (iii) List and valuation of investment holdings including a statement of transactions carried out during the last quarter (for copy see file of Minutes)

**Resolved:**

That the report be received.

**B13 Derwentside Homes**

The Committee considered a report of the County Treasurer regarding the admission of Derwentside Homes to the Pension Fund (for copy see file of Minutes)

**Resolved:**

That the report and recommendations included therein be approved.

#### **B14 Custodian and Transition Management**

The Committee considered a report of the County Treasurer regarding the appointment of a global custodian and a transition manager (for copy see file of Minutes)

**Resolved:**

That the report be received.

Mr P J Williams and Mr A Manjrekar left the room prior to consideration of the next item.

#### **B15 Manager Selection Update**

The Committee considered a report of the County Treasurer regarding manager selection update (for copy see file of Minutes)

**Resolved:**

That the report be received.