

## Pension Fund Committee

28 February 2011

## Pension Fund Investments



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### Don McLure, Corporate Director Resources

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#### Purpose of the Report

1. To inform the Committee of the overall value of the Pension Fund as at 31 December 2010 of the additional sums available to the Managers for further investment and of the result of the latest Fund Rebalancing.

#### Value of the Fund

2. Reports from the six appointed Managers AllianceBernstein, Barings, BlackRock, CBRE, Edinburgh Partners and Royal London have been sent out with the papers but for information the Value of the Fund as at 31 December 2010 was £1,724,211,893.

#### Allocation of New Money

3. Table 1 details the cash position of the Fund, cash flow for the last four quarters, and an estimated cash flow for the quarter ending 31 December 2010.
4. In determining the amount of cash to be allocated to Managers at the quarter ended 31 March 2011, the un-invested cash balance at the end of the previous quarter, together with interest received in that quarter, is considered. The amount allocated to each Manager is subject to the need to retain money to meet the Fund's net cash outflow. After taking these issues into account it was decided that no money be added to the sums to be allocated to the Managers for investment in the quarter.

#### Fund Rebalancing

5. Table 2 showing the Cash Rebalancing matrix. From this quarter the dates for the rebalancing will be set in advance, and I list them below. The rebalancing will reflect the figures shown in the "Rebalanced" column.

Committee/Meeting Date	Date of Rebalancing
28 February 2011	24 March 2011
6 June 2011	7 July 2011
5 September 2011	6 October 2011
6 December 2011	12 January 2012
5 March 2012	29 March 2012

#### Recommendation

6. Members are asked to note the information contained in this report.

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TABLE 1

Quarter Ended (1)	31.3.10		30.06.10		30.09.10		31.12.10		31.03.11
	Estimate (2)	Actual (3)	Estimate (4)	Actual (5)	Estimate (6)	Actual (7)	Estimate (8)	Actual (9)	Estimate (10)
	£	£	£	£	£	£	£	£	£
Contributions - DCC	17,100,000	17,035,039	17,000,000	17,316,968	17,000,000	17,510,856	17,500,000	17,738,724	17,400,000
- Other	7,800,000	7,778,191	7,800,000	7,408,084	7,400,000	7,344,735	7,400,000	7,191,370	7,300,000
Pensions Increase	1,500,000	1,642,355	1,000,000	835,214	800,000	1,903,957	1,200,000	1,136,723	1,100,000
Transfer Values	2,500,000	2,483,105	1,500,000	1,719,376	1,800,000	2,819,490	2,000,000	1,854,135	2,000,000
Loans Repaid	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	2,173,219	0	1,421,218	1,000,000	1,029,707	500,000
Gross Dividend & Interest	300,000	0	0	0	0	0	0	0	0
Total Income	29,200,000	28,938,690	27,300,000	29,452,801	27,000,000	31,300,256	29,100,000	28,950,659	28,300,000
Payroll Paysheets	18,000,000	27,994,283	18,000,000	17,316,968	17,000,000	17,510,856	17,500,000	17,728,137	18,000,000
Payables Paysheets (incl. Managers' fees)	9,000,000	10,110,870	10,000,000	11,593,086	10,000,000	9,964,085	10,000,000	8,100,045	8,500,000
Total Expenditure	27,000,000	38,105,153	28,000,000	28,910,054	27,000,000	27,474,941	27,500,000	25,828,182	26,500,000
Surplus / (Deficit)	2,200,000	(9,166,463)	(700,000)	542,807	0	3,525,315	1,600,000	3,122,477	1,800,000
Net Capital payments/(receipts)		644,336		0		996,160		3,670,489	
Balance at Bank (opening)		19,915,225		5,882,733		2,053,829		25,087,188	
Balance at Bank (closing)		5,882,733		2,053,829		25,087,188		22,235,857	
Money paid/(recovered) to/(from Manager)		0		0		20,000,000		0	