

7 February 2013
Agenda Item:4
REPORT OF THE SERVICE DIRECTOR (FINANCE)
FUND VALUATION AND PERFORMANCE
Purpose of the Report

1. To report on the total value of the Pension Fund at, and performance over the period to, 31 December 2012.

Information and Advice

2. This report is to inform the Sub-Committee of the value of the Pension Fund at the end of the latest quarter and give information on the performance of the Fund over that quarter and the previous year. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position in relation to the Pension Fund. The exempt information is set out in the exempt appendix.
3. A summary of the total value of the Fund as at 31 December 2012, together with the previous two quarters, is included in the table below.

	31 Dec 2012		30 Sept 2012		30 June 2012	
	£m	%	£m	%	£m	%
UK Fixed Interest	297	9%	315	11%	319	11%
Overseas Fixed Interest	89	3%	73	2%	70	2%
Inflation-Linked	58	2%	57	2%	59	2%
UK Equities	1,104	34%	1,058	34%	1,030	34%
Overseas Equities	1,087	34%	1,005	32%	948	32%
Private Equity	73	2%	71	2%	71	2%
UK Property	308	10%	308	10%	296	10%
Overseas Property	84	3%	84	3%	85	3%
Cash	86	3%	119	4%	118	4%
TOTAL	3,186	100%	3,090	100%	2,996	100%

4. During the quarter the Fund increased overall by £96 million (3%). Since the start of 2012/13, the Fund has increased by £129 million (4%). The accounts for 2012/13 to the end of December show contributions to the Fund of £135 million with benefits paid and transfers to other funds of £131 million. The remaining increase comes from investment income and net profits on investments (both realised and unrealised).

Statutory and Policy Implications

5. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

- 1) That the report be noted.

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Background Papers

None.