

meeting PENSIONS INVESTMENT SUB-COMMITTEE

date 18 MARCH 2010 agenda item number **7**

REPORT OF THE SERVICE DIRECTOR (FINANCE)

UPDATES TO FUND POLICIES

1. Purpose

- 1.1 To seek approval for revisions to the Fund's Governance Compliance Statement and Statement of Investment Principles.

2. Information and Advice

- 2.1 Under Local Government Pension Scheme regulations, the Fund is required to publish and maintain a Governance Compliance Statement and a Statement of Investment Principles. Attached to this report are the latest versions of both statements, each containing minor amendments.
- 2.2 The main changes to the Governance Compliance Statement are:
 - the number of county councillor members of the Pensions Committee and Sub-Committees
 - changes to the delegation of functions to officers
 - inclusion of the Risk Management Strategy
 - reference to 'proper advice' as required by the investment regulations
- 2.3 The main changes to the Statement of Investment Principles are
 - changes resulting from the merger of the two funds
 - new arrangements for investing pension fund cash

The investment management arrangements have also been updated to the end of December 2009. Compliance with the revised Myners' Principles has not yet been assessed but this will be done in the first quarter of 2010/11.

3. Statutory and Policy Implications

- 3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, crime and disorder and those using the service and where such implications are material they have been described in the text of the report.

4. Recommendations

- 4.1 That the Sub-Committee recommends approval of the Governance Compliance Statement and Statement of Investment Principles to the Pensions Committee.

ALAN SUMBY
SERVICE DIRECTOR (FINANCE)

Background Papers Available for Inspection
None