

MINUTES

A&B - Public

Pension Fund Committee Remotely via Teams Wednesday 2 September 2020 at 10am Present - Members: A Cooper S Coutts E Macdonald S Leask R McGregor I Scott G Smith T Smith R Thomson <u>Apologies:</u> None	Pension Board Remotely via Teams Wednesday 2 September 2020 at 10am Present - Members: M Bell S Flaws J Fraser D Marsh A Taylor <u>Apologies:</u> None
In Attendance: J Manson, Executive Manager – Finance K Adam, Solicitor A Cogle - Team Leader - Administration L Adamson, Committee Officer	

Chair

Mr Coutts, Chair of the Pension Fund Committee, presided.

The Chair advised that whilst the public are excluded from attendance at this meeting under the **terms of the Coronavirus (Scotland) Act 2020**, Members of the local media were in attendance via remote link. He also advised that this meeting was being recorded for test purposes only, and would not be published online.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

09/20

Management Accounts for Pension Fund Committee: **2020/21 – Projected Outturn at Quarter 1**

The Committee and Board considered a report by the Executive Manager - Finance (F-036-F), that presented the Management Accounts showing the projected outturn position for 2020/21 as at 30 June 2020.

In introducing the report, the Executive Manager – Finance advised on the projected revenue outturn position, with the increase in income at Quarter 1 being largely due to the additional contributions received.

There were no questions or debate, and the Committee and Board noted the report.

Decision:

The Committee and Board NOTED the Management Accounts showing the projected outturn position at Quarter 1.

10/20

Pension Fund – Quarter to June 2020 Investment Review Report

The Committee and Board considered a report by the Executive Manager - Finance (F-036-F), that allowed the Pension Fund Committee and Board to review the investment position and performance of the Pension Fund's external investments, managed on their behalf by fund managers, for the quarter to June 2020.

In introducing the report, the Executive Manager - Finance advised that compared to the end of the last financial year, when investments had fallen in value, market conditions have improved and largely recovered in many areas. In that regard, he reported that during April to June 2020 investments have increased by £58m to an overall value of £517m at the end of the quarter.

The Executive Manager – Finance advised that during the last quarter the combined investment return was 12.9%, being 1.6% above the benchmark expectation. In referring to the table at Section 2.2 of Appendix 1, the Executive Manager – Finance advised on the strong performance of Fund Managers in many asset categories and that all bar Schroders, who invest in property, have seen positive returns during the quarter. In that regard, he reported that property remains uncertain, and as COVID-19 restrictions ease particular attention would be paid to that portfolio.

The Chair thanked the Executive Manager – Finance for the summary provided, and he reminded Members to bear in mind that this report informed on a short-period only, being the first quarter of the year, in what was very long-term investments for the Pension Fund.

In response to a question, the Executive Manager – Finance advised that he would provide Members of the Committee and Board with detail on the Pension Fund's investments in the property sector.

In response to questions, the Executive Manager – Finance reported on the flexibility to divest from any investments. He went on to advise that to fully withdraw from the property portfolio would take time and for the reallocation of that asset class. In referring to the review of the Investment Strategy that was underway, he advised that a move from property could be factored in should that be agreed as the way forward.

During further discussion, it was agreed that arrangements would be made for Schroders to report virtually to the next meeting of the Pension Fund Committee/Pension Board.

Decision:

The Committee and Board NOTED the report.

The meeting concluded at 10.20 am

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Chair

