



City of Westminster

# Committee Report

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| <b>Decision Maker:</b>    | <b>PENSION FUND COMMITTEE</b>   |
| <b>Date:</b>              | <b>15 November 2016</b>   |
| <b>Classification:</b>    | <b>Public</b>   |
| <b>Title:</b>             | <b>Fund Manager Monitoring Meeting Update</b>   |
| <b>Wards Affected:</b>    | <b>All</b>  |
| <b>Policy Context:</b>    | <b>Effective control over Council Activities</b>  |
| <b>Financial Summary:</b> | <b>There are no financial implications arising from this report.</b>  |
| <b>Report of:</b>         | <b>Steven Mair</b><br><i>City Treasurer</i><br><a href="mailto:smair@westminster.gov.uk">smair@westminster.gov.uk</a><br><b>020 7641 2904</b> |

## 1. Executive Summary

- 1.1 This report sets out finalised arrangements for the fund manager monitoring day, to which the Fund's managers are invited to provide the Committee with updates on the investments.

## 2. Recommendation

- 2.1 That the Committee note the contents of this report.

## 3. Background

- 3.1 At the September meeting, the Pension Fund Committee approved the annual fund manager monitoring day, where all fund managers are invited to update the Committee and officers on their respective mandates. It was agreed that the actively managed portfolio managers should be invited (thus excludes the Legal & General passive global equities mandate) and this should take place in December 2016.

## 4. Fund Manager Monitoring Day Arrangements

- 4.1. The fund manager monitoring day will take place on Friday 16<sup>th</sup> December 2016 and will be held at Deloitte's offices, 2 New Street Square, London EC4A 3BZ. All Pension Fund Committee members

and the Chair of the Pension Board (or a Pension Board alternate) are invited to attend.

3.2 The timings of the day are as follows:

| <b>Time</b> | <b>Fund Manager</b>          | <b>Mandate</b>             |
|-------------|------------------------------|----------------------------|
| 9.30am      | Baillie Gifford / London CIV | Pooled Global Equities     |
| 10.30am     | Majedie                      | Pooled UK Equities         |
| 11.30am     | Longview                     | Pooled Global Equities     |
| 12.30pm     | LUNCH                        |                            |
| 1.15pm      | Insight                      | Segregated Bonds           |
| 2.15pm      | Hermes                       | Pooled Property            |
| 3.15pm      | Standard Life                | Pooled Long Lease Property |

3.3 The fund managers have all confirmed their attendance and they have been provided with the prescribed set of questions, which can be found at Appendix 1. The presentations will each last for 30 minutes, with 15 minutes at the end for any other questions which members may wish to raise.

**If you have any questions about this report, or wish to inspect one of the background papers, please contact the report author:**

**Nikki Parsons [nparsons@westminster.gov.uk](mailto:nparsons@westminster.gov.uk) or 020 7641 6925**

**BACKGROUND PAPERS:** None

**APPENDICES:**

Appendix 1 – Questions for fund manager monitoring sessions – December 2016

**Questions for Fund Managers**

1. Please provide a brief overview of the portfolio you manage on behalf of Westminster including your investment philosophy and process.
2. Please outline any significant changes which have occurred in relation to your key staff or to your business which directly impact on the portfolio.
3. Please describe any changes you have made to your investment process since Westminster first invested in the current portfolio (or over the last three years where the investment has been held for longer), the reasons for them and the resulting impact on performance.
4. Please can you outline current portfolio characteristics including number of holdings, turnover, active risk, risk factors etc.
5. Please discuss your performance attribution analysis over the last 12 months and describe the level of risk you have taken to achieve this performance. How does this compare with the long term performance and risk level in your fund?
6. Please describe how you expect the portfolio to change over the coming 12 months.