

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CLWYD PENSION FUND COMMITTEE**

DATE: **21ST MAY 2015**

REPORT BY: **CHIEF OFFICER (PEOPLE AND RESOURCES)**

SUBJECT: **STATEMENT OF INVESTMENT PRINCIPLES (SIP)**

1.00 PURPOSE OF REPORT

1.01 To review the Fund's Statement of Investment Principles for the year 1st June 2015 to 31st May 2016.

2.00 BACKGROUND

2.01 Since 1st July 2000, LGPS Funds have been required by the Local Government Pension Scheme (Management and Investment)(Amendment) Regulations 1999, to publish a Statement of Investment Principles (SIP).

2.02 The above regulation has been replaced from 1st January 2010 by the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009.

2.03 The Statement must cover its policy on:

- 1 The types of investments held.
- 2 The balance between different types of investments.
- 3 Risk, including ways in which risks are to be measured and managed.
- 4 The expected return on investments.
- 5 The realisation of investments.
- 6 The extent (if at all) to which social, environmental, or ethical considerations are taken into account in the selection, retention and realisation of investments.
- 7 The exercise of the rights (including voting rights) attaching to investments, if the authority has any such policy.
- 8 Stock lending.

2.04 The statement will be reviewed every six months and if there are any material changes, these will be reported to the Panel and published.

3.00 CHANGES TO THE SIP

3.01 The main changes to the SIP are as follows:

- The content has been updated for the changes to the investment strategy as a result of the 2014 Fund Review.
- The Sustainability Policy and the Myners Principles Compliance has been updated.

4.00 RECOMMENDATIONS

4.01 That Panel Members approve the Statement of Investment Principles for the year 1st June 2015 to 31st May 2016 including the Sustainability Policy and Myner's Principles and Stewardship Code Compliance Statements (as attached).

4.02 That the new SIP be published on the Fund's web-site by 1st July 2015.

5.00 FINANCIAL IMPLICATIONS

5.01 None.

6.00 ANTI-POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 Consultant.

11.00 CONSULTATION UNDERTAKEN

11.01 Consultant.

12.00 APPENDICES

12.01 Statement of Investment Principles

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Various

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