

DELEGATED RESPONSIBILITIES

	Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
1.011	Rebalancing and cash management	PFM (having regard to ongoing advice of the IC and PAP)	High level monitoring at PFC with more detailed monitoring by PAP

Action taken –

The Asset allocation for the Fund is monitored against the strategic ranges within the SIP on a monthly basis. These are reported at the monthly Tactical Asset Allocation Group (TAAG) meetings. This quarter the Fund's strategic allocation is mainly within the SIP ranges. The exception being Stone Harbour who are marginally outside. It has been agreed that any rebalancing will be deferred until any changes as a result of the "light touch" Investment Review are implemented.

Cash flows are monitored and reconciled quarterly to report to Committee but cash balances are monitored on a regular basis to ensure the availability of cash to meet payments of pensioner benefits and calls on drawdowns for In House investments. The cash balance as at 30th September 2016 was £37.7m (£45.3m at 30th June 2016). The cash flow will be monitored to ensure there is sufficient monies to pay benefits and capital calls for the In House investments and any surplus will be invested.

1.012	Short term tactical decisions relating to the 'best ideas' portfolio	PFM (having regard to ongoing advice of the IC and PAP)	High level monitoring at PFC with more detailed monitoring by PAP
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Action Taken –

Meetings of the (TAAG) involving Fund officers and JLT Consultants take place on a monthly basis. Standard agenda items for the meetings cover short term (12 months) market outlook and discussions to determine which asset classes should be included in the 9% of the Fund's assets which is based on JLT's suggested "best ideas". Detailed minutes of the TAAG identifying the rationale behind any decisions agreed are circulated to the Advisory Panel.

The following areas have been identified since the last Committee:

- Crystallise some profits from Equity Linked Bonds and reduce holding to £20m (returned 30% since inception in September 2015)
- Invest in Emerging Market Equities

The transition of these assets has been actioned in October resulting in the following allocations within the portfolio:

- Commodities (3%)
- Japanese Equities (1%)
- US Equities (2%)
- Equity Linked Bonds (1.5%)
- Emerging Market Equities (1.5%)

As at the end of September, the Best Ideas portfolio has both outperformed its target and added value to the investment return at total Fund level.

	Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
1.084	Ongoing monitoring of Fund Managers	PFM, CFM and COPR (having regard to ongoing advice of the IC) and subject to ratification by PFC	High level monitoring at PFC with more detailed monitoring by PAP

Action taken –

The in – house team monitor the Fund’s managers on a regular basis. The next meetings have been scheduled for November. A record of the managers monitored is shown in the following table. Further ongoing monitoring and details on the managers are reported by JLT, the Fund’s Investment Consultant, in a separate agenda item of the committee papers. There are no strategic issues to report.

Manager	Mandate	Strategic Weight %	Dec 2015	Mar 2016	Jun 2016	Sept 2016
Insight	LDI	19		✓		
Stone Harbor	Multi Asset Credit	15	✓	✓	✓	
Investec	Global Equity (8) & DGF (5)	13	✓	✓	✓	
MAN FRM	Managed Account Platform	9		✓		
Wellington	Emerging Market Equity	6.5	✓	✓		
Pyrford	DGF	5	✓	✓		
Aberdeen	Frontier Market Equity	2.5	✓	✓		