

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Director of Corporate Resources
Date:	16 September 2019
Title:	Hampshire Pension Fund – Cash Investments
Report From:	Mike Chilcott

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1. The decision:

- 1.1. Hampshire Pension Fund's cash balances will be invested in accordance with the approved decision sheet for Hampshire Pension Fund – Cash Investments. This has been prepared with the advice of the County Council's Treasury Management adviser, Arlingclose Ltd, and in accordance with the Annual Investment Strategy 2019/20.

2. Reason(s) for the decision:

- 2.1. In accordance with the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, an investment policy must be formulated for the investment of the Fund's cash.
- 2.2. The production of an Annual Investment Strategy is in line with the recommendations of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in the Public Services.
- 2.3. The Annual Investment Strategy 2019/20 was prepared with the advice of the County Council's treasury management advisers, Arlingclose Ltd.
- 2.4. The Director of Corporate Resources has been authorised by the Pension Fund Panel and Board in the Annual Investment Strategy 2019/20 to manage the Pension Fund's cash balance in accordance with the policy as set out in the report dated 14 December 2018.
- 2.5. The primary objective in relation to the investment of Pension Fund cash remains the security of capital. The liquidity or accessibility of the Fund's cash investments followed by the yields earned on these investments are important but secondary considerations. Counterparties, durations, and minimum yields are set according to the advice of Arlingclose Ltd to achieve the policy objectives.

2.6. This decision sheet has been updated to reflect the maximum investment durations with Close Brothers and National Australia Bank reducing from 6 months to 100 days and with DBS Bank, Overseas-Chinese Banking Corporation and United Overseas bank reducing from 13 months to 6 months.

3. Other options considered and rejected:

3.1. Within the market there are a huge number of counterparties and different types of investments that the Pension Fund could use to invest its cash balances. However, the Pension Fund uses the County Council's treasury management adviser, Arlingclose Ltd, who has great experience and knowledge of the market, and therefore the decision sheet is created with their advice.

4. Conflicts of interest:

4.1. None

5. Dispensation granted by the Head of Paid Service:

5.1. None

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:



Carolyn Williamson

Director of Corporate Resources

**Date: 16 September
2019**