

HAMPSHIRE COUNTY COUNCIL

Officer Decision Record

(Non-Executive Decision)

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| Decision Maker | Director of Corporate Resources |
| Title | Decision Sheet for Hampshire Pension Fund – Cash Investments |
| Date | 27 March 2020 |

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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 2020/21.

2. Reasons 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 2020/21 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 2020/21 to manage the Pension Fund's cash balance in accordance with the policy as set out in the report dated 13 December 2019.
- 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 interim decision sheet has been updated to reflect the temporary limits agreed in the Pension Fund Panel and Board report received on 13 December 2019, to manage the temporary increase in the Pension Fund's balances as a result of the pension contributions received in advance.

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. Delegated Authority

- 5.1. This decision has been taken on the basis of a general delegation as set out in Part 2, Chapter 4 of the County Council Constitution.

6. Dispensation granted by the Head of Paid Service

- 6.1. None.

7. Supporting information

- 7.1. None.

Approved by:



Carolyn Williamson, Deputy Chief Executive and Director of Corporate Resources

Date: 27 March 2020