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**MINUTES OF A MEETING OF THE  
PENSIONS COMMITTEE  
Training Room 2, Town Hall  
24 July 2019 (6.00pm – 7.15pm)**

**Present:**

**COUNCILLORS**

<b>Conservative Group</b>	John Crowder (Chairman), Osman Dervish and Jason Frost
<b>Residents' Group</b>	Stephanie Nunn
<b>Labour Group</b>	Keith Darvill
<b>Upminster &amp; Cranham Residents' Group</b>	Ron Ower
<b>North Havering Residents' Group</b>	Martin Goode

All decisions were taken with no votes against.

The Chairman reminded Members of the action to be taken in an emergency.

**107 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS**

There were no apologies for absence received.

**108 DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

**109 EXCLUSION OF THE PUBLIC**

The Committee resolved to exclude the public from the meeting during discussion of the following item on the grounds that if members of the public were present it was likely that, given the nature of the business to be transacted, that there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 which could reveal information relating to the financial or business affairs of any particular person (including the authority holding that information) and it was not in the public interest to publish this information.

There were no members of the public or press present for the duration of the meeting.

110 **STRATEGIC RATIONALE FOR MANAGING CURRENCY RISK**

On the 24 July 2018, the Pensions Committee agreed that further considerations be given to the management of currency associated with the Real Asset mandates. Developments in the Investment Strategy since that meeting, had resulted in commitments made to three Real Asset funds and two Private Debt funds, thus adding further impetus to the need to consider the management of currency risk within the Fund's investments strategy.

The Committee received a presentation from Russel Investments.

**RESOLVED: That the Committee**

1. **Seek to manage the currency risk associated with investment in Real Assets and Private Debt.**
2. **Initially seek to mitigate US Dollar, Euro and Australian Dollar exposure only, but extend currency hedging arrangements to include any further material currency exposures that may arise within the mandates.**
3. **Mitigate 100% of selected overseas currency exposure, subject to gaining comfort on practical consideration.**
4. **Manage currency risk passively.**
5. **Appoint Russell Investments to implement a currency hedge for the Fund for an initial four year contract, subject to due diligence and formal advice on suitability.**
6. **Ensure future collateral requirements of a currency management programme are reviewed alongside the review of cashflow management processes.**
7. **Agreed to delegate the decision on the amount to be hedged on the 1 October 2019 to the S151 Officer in consultation with the Chair of the Pensions Committee.**

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Chairman