

Notice of Meeting

Surrey Pension Fund Board

**Date & time**

Friday, 20
September 2013 at
9.30 am

Place

Committee Room C,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact

Cheryl Hardman
Room 122, County Hall
Tel 020 8541 9075

Chief Executive

David McNulty

cherylh@surreycc.gov.uk

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This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Cheryl Hardman on 020 8541 9075.

Elected Members

Ms Denise Le Gal (Chairman), Mr Nick Skellett CBE (Vice-Chairman), Mr W D Barker OBE,
Mr Mike Goodman, Mr John Orrick and Mr Stuart Selleck

Co-opted Members:

Mr Tony Elias (Borough/District Representative), Judith Glover (Borough/District Representative), Ian Perkin (Office of the Surrey Police and Crime Commissioner) and Philip Walker (Employee Representative)

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING: 31 MAY 2013

(Pages 1
- 30)

To agree the minutes as a true record of the meeting.

3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

4 QUESTIONS AND PETITIONS

To receive any questions or petitions.

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (*16 September 2013*).
2. The deadline for public questions is seven days before the meeting (*13 September 2013*).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 AFFIRMATION OF DISCUSSIONS HELD AT THE INFORMAL BOARD MEETING OF 31 MAY 2013

(Pages
31 - 38)

A summary of notes of the Board's informal London meeting of 31 May 2013 is included for discussion and approval.

6 MANAGER ISSUES AND INVESTMENT PERFORMANCE

(Pages
39 - 64)

This report is a summary of all manager issues that need to be brought to the attention of the Pension Fund Board, as well as manager investment performance.

- 7 PENSION FUND RISK REGISTER** (Pages 65 - 70)
- Surrey County Council, as administering authority for the Surrey Pension Fund, is responsible for the delivery of benefit promises made to members of the Surrey Pension Fund. It achieves this by setting objectives and goals with varying timeframes. Risks lie in failing to meet the intended goals.
- Risks that are established as an issue must be identified and evaluated via a risk register. The risks must be prioritised with existing controls or new controls implemented to mitigate the risks. This should be recorded in a risk register, which needs regular monitoring.
- 8 KEY PERFORMANCE INDICATORS** (Pages 71 - 76)
- In line with best practice, Pension Fund Board members will be supplied with Pension Fund key performance indicators (KPIs) on a quarterly basis, covering investment and administration practices.
- 9 REVISED STATEMENT OF INVESTMENT PRINCIPLES** (Pages 77 - 94)
- With the slight changes to the private equity portfolio and the property manager benchmark outperformance requirement, it is now necessary to approve a revised Statement of Investment Principles (SIP).
- 10 LGPS: CALL FOR EVIDENCE ON THE FUTURE STRUCTURE OF THE LOCAL GOVERNMENT PENSION SCHEME** (Pages 95 - 104)
- The Department for Communities and Local Government has issued a call for evidence on the future structure of the Local Government Pension Scheme. This paper sets out a summary of the various issues that need to be considered.
- 11 SURREY PENSION FUND ACCOUNTS 2012/13** (Pages 105 - 176)
- This report presents the audited financial statements of the Pension Fund for the year ended 31 March 2013, in respect of the County Council's obligations as the administering authority under the Local Government Pension Scheme (LGPS) Regulations.
- The external auditor (Grant Thornton) has issued an unqualified opinion on the accounts and this is outlined in the Audit Findings for Surrey Pension Fund Report.
- 12 LIABILITY MANAGEMENT, INFRASTRUCTURE DEBT**
- To receive a presentation on Liability Management and Infrastructure Debt.

13 PRESENTATION: STANDARD LIFE

To receive a presentation from Standard Life.

14 PRESENTATION: CBRE

To receive a presentation from CBRE.

15 PRESENTATION: MANIFEST

To receive a presentation from Manifest.

16 THE STEWARDSHIP CODE

The report sets out the case for adopting The Stewardship Code as a step towards achieving effective corporate governance and acting as a responsible investor with regards to the companies that it owns.

(Pages
177 -
184)

17 DATE OF NEXT MEETING

The next meeting of the Surrey Pension Fund Board will be on 15 November 2013.

David McNulty
Chief Executive

Published: 12 September 2013

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- Distract other people
- Interrupt presentations and debates
- Mean that you miss a key part of the discussion

Please switch off your mobile phone/BlackBerry for the duration of the meeting. If you wish to keep your mobile or BlackBerry switched on during the meeting for genuine personal reasons, ensure that you receive permission from the Chairman prior to the start of the meeting and set the device to silent mode.

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