

Notice of Meeting

Surrey Pension Fund Board

**Date & time**

Friday, 13 February
2015 at 9.30 am

Place

Ashcombe Suite,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact

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Chief Executive

David McNulty

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9122, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 8914, fax 020 8541 9009, or email cherylh@surreycc.gov.uk.

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 Tim Evans, Mr John Orrick and Mr Stuart Selleck

Co-opted Members:

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

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING: 14 NOVEMBER 2014

(Pages 1
- 20)

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 (*9 February 2015*).
2. The deadline for public questions is seven days before the meeting (*6 February 2015*).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 ACTION TRACKING

(Pages
21 - 24)

An action tracker is attached, detailing actions from previous meetings. The Board is asked to review progress on the item listed.

6 MANAGER ISSUES AND INVESTMENT PERFORMANCE

(Pages
25 - 76)

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 BUSINESS PLAN 2015/16	(Pages 77 - 88)
	The 2001 Myners Report recommended that local authority pension funds should approve an annual business plan in respect of the objectives required for the ensuing year. Business planning is regarded as an important tool, assisting in the identification of how service delivery can be maximised within resource constraints.	
8	REVISED STATEMENT OF INVESTMENT PRINCIPLES	(Pages 89 - 108)
	With adjustments to asset allocation within the Pension Fund, it is necessary to approve a revised Statement of Investment Principles (SIP).	
9	RESPONSIBLE INVESTMENT AND STEWARDSHIP POLICY	(Pages 109 - 138)
	Shareholders have a clear interest in promoting the long term success of the companies in which they invest. As the ultimate owners of those companies, there is a clear incentive to vote the shares in a constructive way with the companies' long-term sustainability the ultimate objective. This paper will recommend that the Pension Fund take responsibility for the voting of its shares according to its own Responsible Investment and Stewardship Policy, a draft of which is attached to the paper.	
10	CORPORATE GOVERNANCE SHARE VOTING	(Pages 139 - 146)
	This report provides a summary of the Fund's share voting process in Q2 and Q3 2014/15.	
11	LOCAL GOVERNMENT PENSION SCHEME: GOVERNANCE REGULATIONS	(Pages 147 - 162)
	The report explains the planned changes to the governance of the Local Government Pension Scheme (LGPS) as a result of the Public Service Pensions Act 2013 and Regulations issued on 28 January 2015. The key requirement is for a proposed new Local Pension Board to assist the Administering Authority in the running of the Pension Fund and to monitor compliance with rules and standards.	
12	KEY PERFORMANCE INDICATORS	(Pages 163 - 168)
	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.	
13	PENSION FUND RISK REGISTER	(Pages 169 - 174)
	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 monitoring on a quarterly basis.	

14 DATE OF NEXT MEETING

The next meeting of the Surrey Pension Fund Board will be on 15 May 2015.

David McNulty
Chief Executive

Published: 6 February 2015

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