

Notice of Meeting

Surrey Pension Fund Committee

**Date & time**

Friday, 16
November 2018 at
9.30 am

Place

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

Contact

Sharmina Ullah
Room 122, County Hall
Tel 020 8213 2838

Chief Executive

Joanna Killian



We're on Twitter:
@SCCdemocracy

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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 Sharmina Ullah on 020 8213 2838.

Elected Members

Tim Evans (Chairman), Ben Carasco (Vice-Chairman), Ayesha Azad, John Beckett, David Mansfield and Hazel Watson

Co-opted Members:

Margaret Janes (Employers), Councillor Ruth Mitchell (Borough representative), Councillor Tony Elias (District representative) and Philip Walker (Employees)

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING [14 SEPTEMBER 2018]

(Pages 1
- 14)

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

3 DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter

- (i) Any disclosable pecuniary interests and / or
- (ii) Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

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 (*Friday 9 November 2018*).
2. The deadline for public questions is seven days before the meeting (*Thursday 8 November 2018*).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 PENSION FUND COMMITTEE FORWARD PLAN

(Pages
15 - 16)

Purpose of the report: The Committee to review its forward work programme.

6	LOCAL BOARD REPORT	(Pages 17 - 22)
	Purpose of the report: This report is a summary of administration and governance issues reviewed by the Local Pension Board at its meeting of 23 October 2018 that need to be brought to the attention of the Pension Fund Committee.	
7	CORPORATE GOVERNANCE SHARE VOTING	(Pages 23 - 36)
	Purpose of the report: This report provides a summary of the Fund's share voting process in Q2 of 2018/19 (1 July 2018 to 30 September 2018).	
8	COST EFFECTIVE MEASUREMENT BENCHMARKING REVIEW	(Pages 37 - 40)
	Purpose of the report: The Pension Fund Committee must approve and review all working documents produced for the Pension Fund.	
9	CASHFLOW ANALYSIS	(Pages 41 - 44)
	Purpose of the report: A cash-flow analysis allows the Fund to ascertain a projection as to when benefit payments may exceed income. This information can influence both the investment and funding strategy.	
10	INVESTMENT STRATEGY STATEMENT	(Pages 45 - 48)
	Purpose of the report: The Pension Fund is required to publish an investment strategy statement (ISS) as a result of new investment regulations. It is a statutory requirement that the Pension Fund Committee should approve and regularly review its ISS.	
11	EXCLUSION OF THE PUBLIC	
	Recommendation: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.	
	PART TWO – PRIVATE	
12	INVESTMENT MANAGER ISSUES AND PERFORMANCE ASSET/LIABILITIES UPDATE	(Pages 49 - 80)
	Purpose of the report: This report is a summary of all manager issues that need to be brought to the attention of the Pension Fund Committee, as well as an update on investment performance and the values of assets and liabilities.	

13	MULTIPLE EMPLOYER INVESTMENT STRATEGIES	(Pages 81 - 92)
	Purpose of the report: This paper informs the Committee of the analysis required to ascertain if tailored investment strategies are appropriate for the Surrey Fund.	
14	BORDER TO COAST PENSIONS PARTNERSHIP: POOLING UPDATE	(Pages 93 - 142)
	Purpose of the report: The Pension Fund Committee must be kept apprised of the progress made by the Officer Operations Group (OOG), Joint Committee and BCPP Shareholder Board in the drive to create a full functioning asset pool.	
15	INFRASTRUCTURE MANAGER SELECTION	(Pages 143 - 170)
	Purpose of the report: At its meeting of 14 September 2018, the Pension Fund Committee approved the recommendation of the Fund's investment consultant, Mercer, to invest a further £30-40m in new private equity fund with its defined characteristics.	
	The Committee further authorised officers to work with Mercer and the independent advisor to research the market for appropriate private equity providers with these defined characteristics and bring a further recommendation to the pension fund committee.	
	This paper provides a recommendation for the selection of an Infrastructure manager which most closely meets the defined characteristics.	
16	PUBLICITY OF PART 2 ITEMS	
	To consider whether the item considered under Part 2 of the agenda should be made available to the Press and public.	
17	DATE OF NEXT MEETING	
	The next meeting of the Surrey Pension Fund Committee will be on Friday 8 February 2019.	

Joanna Killian
Chief Executive
Published: Wednesday 7 November 2018

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