


## Notice of Meeting

# Surrey Pension Fund Committee



<u>Date and Time</u>	<u>Place</u>	<u>Contact</u>	<u>Web:</u>
Friday, 16 June 2023 10.30 am	Council Chamber, Woodhatch Place, 11 Cockshot Hill, Reigate, Surrey, RH2 8EF	Angela Guest angela.guest@surreycc.gov.uk	<a href="https://www.surreycc.gov.uk/council-and-democracy">Council and democracy Surreycc.gov.uk</a>  <b>Twitter:</b> <a href="https://twitter.com/SCCdemocracy">@SCCdemocracy</a> 

### **Committee/Board Members: Elected Members**

Nick Harrison (Chairman), David Harmer, Trefor Hogg (Vice-Chairman), George Potter, Richard Tear and Robert Hughes

### **Co-opted Members:**

Robert King (Borough & Districts) Steve Williams (Borough & Districts), Kelvin Menon (Employers) and Philip Walker (Employees)

If you would like a copy of this agenda or the attached papers in another format, e.g. large print or braille, or another language, please email Angela Guest on [angela.guest@surreycc.gov.uk](mailto:angela.guest@surreycc.gov.uk).

This meeting will be held in public at the venue mentioned above and may be webcast live. Generally the public seating areas are not filmed. However, by entering the meeting room and using the public seating area or attending online, you are consenting to being filmed and recorded, and to the possible use of those images and sound recordings for webcasting and/or training purposes. If webcast, a recording will be available on the Council's website post-meeting. The live webcast and recording can be accessed via the Council's website:

<https://surreycc.public-i.tv/core/portal/home>

If you would like to attend and you have any special requirements, please email Angela Guest on [angela.guest@surreycc.gov.uk](mailto:angela.guest@surreycc.gov.uk). Please note that public seating is limited and will be allocated on a first come first served basis.

## **AGENDA**

### **1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

### **2 MINUTES OF THE PREVIOUS MEETING - 10 MARCH 2023**

(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 (*12 June 2023*).
2. The deadline for public questions is seven days before the meeting (*9 June 2023*).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

### **5 ACTION TRACKING AND WORKPLAN**

(Pages  
15 - 20)

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

### **6 THE SURREY PENSION TEAM 3 YEAR STRATEGIC PLAN**

(Pages  
21 - 26)

This report summarises the next phase of our Transformation via a 3 year Strategic plan.

<b>7</b>	<b>SUMMARY OF THE LOCAL PENSION BOARD REPORT</b>	(Pages 27 - 48)
	This report provides a summary of administration and governance issues reviewed by the Local Pension Board (the Board) at its last meeting (19 May 2023) for noting or actioning by the Pension Fund Committee (the Committee).	
<b>8</b>	<b>INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE</b>	(Pages 49 - 66)
	This report is a summary of manager issues for the attention of the Pension Fund Committee (Committee), as well as an update on investment performance and the values of assets and liabilities.	
<b>9</b>	<b>2022 VALUATION</b>	(Pages 67 - 146)
	This report provides an update on the progress of the 2022 triennial valuation being undertaken by the Fund actuary, Hymans Robertson.	
<b>10</b>	<b>COMPANY ENGAGEMENT &amp; VOTING</b>	(Pages 147 - 178)
	This report is a summary of various Environmental, Social & Governance (ESG) engagement and voting issues that the Surrey Pension Fund (the Fund), Local Authority Pension Fund Forum (LAPFF), Robeco, and Border to Coast Pensions Partnership (BCPP) have been involved in, for the attention of the Pension Fund Committee (Committee).	
<b>11</b>	<b>ASSET CLASS FOCUS - EQUITY</b>	(Pages 179 - 192)
	As part of good governance, the Committee periodically reviews the performance of the Fund's investments. There is a further focused review of different asset classes. This paper concentrates on Equities.	
<b>12</b>	<b>RESPONSIBLE INVESTMENT UPDATE</b>	(Pages 193 - 222)
	The agreed priorities of the Pension Fund Committee (Committee) in relation to the Responsible Investment (RI) policy are to set a net zero date, update the voting policy, submit an application to become a signatory of the UK Stewardship Code and align manager reporting.	
<b>13</b>	<b>LGPS UPDATE (BACKGROUND PAPER)</b>	(Pages 223 - 228)
	This report considers recent developments in the LGPS.	
<b>14</b>	<b>EXCLUSION OF THE PUBLIC</b>	
	<b>Recommendation:</b> 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.	

- 15 INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE** (Pages 229 - 230)  
Part 2 annexes for item 12 attached.
- 16 RESPONSIBLE INVESTMENT UPDATE** (Pages 231 - 292)  
Part 2 annexes for item 11 attached.
- 17 INVESTMENT STRATEGY REVIEW - EMPLOYER STRATEGIES, FIXED INCOME WEIGHTS & INVESTMENT STRATEGY STATEMENT** (Pages 293 - 332)  
The Pension Fund is reviewing its Investment Strategy in accordance with the 2022 valuation, taking into account its investment core beliefs and in line with the asset offerings of Border to Coast Pensions Partnership (BCPP). This paper presents analysis on the employer strategies, fixed income weights and Investment Strategy Statement.
- 18 REAL ESTATE UPDATE** (Pages 333 - 354)  
Border to Coast Pension Partnership (BCPP) is developing a range of Real Estate funds for Partner Funds to invest in. Government guidance expects the LGPS to use pooling when products are available.
- 19 BORDER TO COAST PENSIONS PARTNERSHIP UPDATE** (Pages 355 - 366)  
This paper provides the Pension Fund Committee (Committee) with an update of current activity being undertaken by the Border to Coast Pensions Partnership (BCPP).
- 20 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.
- 21 DATE OF NEXT MEETING**  
The next meeting of the Surrey Pension Fund Committee will be on 8 September 2023.

**Joanna Killian  
Chief Executive**

Published: Thursday, 8 June 2023

## **MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE**

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Anyone is permitted to film, record or take photographs at Council meetings. Please liaise with the committee manager prior to the start of the meeting so that the meeting can be made aware of any filming taking place.

The use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to any Council equipment or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

Thank you for your co-operation.

## **QUESTIONS AND PETITIONS**

Cabinet and most committees will consider questions by elected Surrey County Council Members and questions and petitions from members of the public who are electors in the Surrey County Council area.

### **Please note the following regarding questions from the public:**

1. Members of the public can submit one written question to a meeting by the deadline stated in the agenda. Questions should relate to general policy and not to detail. Questions are asked and answered in public and cannot relate to “confidential” or “exempt” matters (for example, personal or financial details of an individual); for further advice please contact the committee manager listed on the front page of an agenda.
2. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman’s discretion.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Cabinet members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Cabinet members may decline to answer a supplementary question.