

Notice of Meeting

Surrey Pension Fund Committee



Date and Time

Friday, 22 March
2024
11.15 am

Place

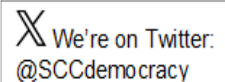
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Contact

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Committee/Board Members:

Elected Members

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

Co-opted Members:

Robert King (Borough & Districts) Steve Williams (Borough & Districts),
Kelvin Menon (Employers) and Duncan Eastoe (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.

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. 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 [15 DECEMBER 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

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (18/03/2024).
2. The deadline for public questions is seven days before the meeting (15/03/2024).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 GLOSSARY, ACTION TRACKER & FORWARD PLAN

(Pages
15 - 26)

Members to consider and comment on the Pensions Fund Committee's recommendations tracker and workplan.

6 SECOND YEAR OF THE STRATEGIC PLAN FOR THE SURREY PENSIONS TEAM

(Pages
27 - 52)

This report provides a summary of the second year plans for the Surrey Pensions Team strategic plan.

7 CHANGE PROGRAMME UPDATE - QUARTER 3

(Pages
53 - 64)

This paper details the Change Team Quarterly Report of activity for the period October-December 2023.

- 8 COMMUNICATION POLICY STATEMENT 2024/25** (Pages 65 - 84)
- This report introduces the Pension Fund communication policy statement.
- 9 TRAINING POLICY 2024/2025** (Pages 85 - 102)
- This report introduces the Pension Fund training policy.
- 10 SUMMARY OF THE LOCAL PENSION BOARD REPORT** (Pages 103 - 110)
- This report provides a summary of administration and governance issues reviewed by the Local Pension Board at its last meeting on 16 February 2024, for noting or actioning by the Pension Fund Committee.
- 11 LOCAL PENSION BOARD - PROPOSED AMENDMENT TO THE TERMS OF REFERENCE** (Pages 111 - 124)
- This report provides a summary of proposed amendments required to the Terms of Reference of the Local Pension Board. This report is for noting and actioning by the Pension Fund Committee.
- 12 BUDGET 2024/25** (Pages 125 - 134)
- The Budget for 2024/25 is the financial objective for the Fund within which to deliver its operations.
- 13 INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE** (Pages 135 - 154)
- This report is a summary of manager issues for the attention of the Pension Fund Committee, as well as an update on investment performance and the values of assets and liabilities.
- NB: Part 2 annex at item 19.
- 14 COMPANY ENGAGEMENT & VOTING** (Pages 155 - 182)
- 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).
- 15 ASSET CLASS FOCUS - CREDIT MARKETS** (Pages 183 - 196)
- As part of good governance, the Pension Fund Committee (Committee) periodically reviews the performance of the Fund's investments. There is a further focused review of different asset classes each quarter. This quarter the paper concentrates on credit markets.

- 16 RESPONSIBLE INVESTMENT IMPLEMENTATION REPORT** (Pages 197 - 344)
- One of the Fund's Responsible Investment (RI) priorities is to apply to become a signatory of the Financial Reporting Council's UK Stewardship Code, in line with the RI policy.
- 17 LGPS UPDATE (BACKGROUND PAPER)** (Pages 345 - 350)
- This report considers recent developments in the Local Government Pension Scheme.
- 18 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.
- 19 INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE** (Pages 351 - 352)
- Part 2 Annex to item 16 attached.
- 20 NEW INVESTMENT PROPOSITIONS** (Pages 353 - 380)
- As part of good governance, the Pension Fund Committee (Committee) reviews new investment propositions for inclusion into the Fund's portfolio. This paper covers two funds developed by Border to Coast Pensions Partnership (BCPP) – BCPP UK Opportunities and BCPP UK Real Estate.
- 21 BORDER TO COAST PENSIONS PARTNERSHIP UPDATE** (Pages 381 - 416)
- This paper provides the Pension Fund Committee with an update of current activity being undertaken by the Border to Coast Pensions Partnership.
- 22 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.
- 23 DATE OF NEXT MEETING**
- The next meeting of the Surrey Pension Fund Committee will be on 21 June 2024.

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Members of the public and the press may use social media or mobile devices in silent mode during meetings. Public Wi-Fi is available; please ask the committee manager for details.

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.