

Notice of Meeting (rescheduled from 9 September 2022)

Surrey Pension Fund Committee

**Date & time**

Friday, 23
September 2022 at
10.00 am

Place

Council Chamber,
Woodhatch Place, 11
Cockshot Hill,
Woodhatch, Reigate,
RH2 8EF.

Contact

Joss Butler
joss.butler@surreycc.gov
.uk

Chief Executive

Joanna Killian



We're on Twitter:
@SCCdemocracy

Please note that the meeting will be held in public. If you would like to attend or you have any special requirements, please email joss.butler@surreycc.gov.uk

The meeting will also be webcast live, and can be viewed here: <https://surreycc.public-1.tv/core/portal/webcasts>

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 joss.butler@surreycc.gov.uk

Elected Members

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

Co-opted Members:

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

- **Our vision: To provide our customers with a better tomorrow**
- **Our mission: To responsibly deliver a first-class customer experience**

PART 1
IN PUBLIC

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING [17 JUNE 2022]

(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

(Pages
15 - 18)

Five questions have been received from the public. These and the responses are attached.

5 FORWARD PLAN AND ACTION TRACKING

(Pages
19 - 24)

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

6 LOCAL PENSION BOARD REPORT

(Pages
25 - 42)

This report provides a summary of administration and governance issues reviewed by the Local Pension Board (the Board) at its last meeting for noting or action by the Pension Fund Committee.

7 INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE

(Pages
43 - 58)

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.

NB: Part 2 annex at item 13

8	COMPANY ENGAGEMENT & VOTING	(Pages 59 - 126)
	This report is a summary of various Environmental Social & Governance (ESG) issues that the Surrey Pension 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.	
	NB: Part 2 annexes 4 and 5 at item 14	
9	ANNUAL REPORT 2021/22	(Pages 127 - 442)
	This report provides an update to the production of the 2021/22 Pension Fund Annual Report.	
10	2022 VALUATION	(Pages 443 - 448)
	This report provides an update to the 2022 triennial valuation including a report from the Fund actuary, Hymans Robertson.	
11	LGPS UPDATE (BACKGROUND PAPER)	(Pages 449 - 460)
	This report considers recent developments in the LGPS.	
12	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.	
13	INVESTMENT MANAGER PERFORMANCE AND ASSET/LIABILITIES UPDATE	(Pages 461 - 462)
	This is the Part 2 annex to item 7	
	Confidential: Not for publication under Paragraph 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
14	COMPANY ENGAGEMENT & VOTING	(Pages 463 - 470)
	Annexes 4 and 5 for item 8 attached.	
	Confidential: Not for publication under Paragraph 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
15	ASSET CLASS FOCUS - REAL ESTATE	(Pages 471 - 480)
	As part of good governance, the Committee periodically reviews the performance of the Fund's investments.	
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person (including the authority holding that information)

- 16 RESPONSIBLE INVESTMENT POLICY UPDATE** (Pages 481 - 488)

This paper provides details of the progress made in developing the Surrey Pension Fund's (the Fund's) standalone Responsible Investment (RI) Policy.

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- 17 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT** (Pages 489 - 510)

The Surrey Pension Fund Committee has committed to publishing a Task Force on Climate-related Financial Disclosures (TCFD) report annually.

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- 18 BORDER TO COAST PENSIONS PARTNERSHIP UPDATE** (Pages 511 - 524)

This paper provides the Pension Fund Committee (Committee) with an update of current activity being undertaken by the Border to Coast Pensions Partnership (BCPP).

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- 19 BORDER TO COAST PENSIONS PARTNERSHIP PATHWAY TO NET ZERO** (Pages 525 - 538)

This paper provides details of the progress made by Border to Coast Pensions Partnership (BCPP) towards measuring and monitoring carbon emissions within the portfolios and how target reductions will be set with reference to a net zero pathway to 2050 or sooner.

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Information relating to the financial or business affairs of any particular person (including the authority holding that information)

- 20 NET ZERO CONSIDERATIONS** (Pages 539 - 560)

This paper provides an update on analysis by Mercer in consideration of the Surrey Pension Fund's desired date for achieving net-zero.

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- 21 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.

22 DATE OF NEXT MEETING

The next meeting of the Surrey Pension Fund Committee will be on 16 December 2022.

Joanna Killian
Chief Executive

Published: 14 September 2022

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting.

Anyone is permitted to film, record or take photographs at council meetings. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that those attending the meeting can be made aware of any filming taking place.

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 the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

Thank you for your co-operation