

SURREY PENSION FUND COMMITTEE REPORT



SURREY COUNTY COUNCIL

SURREY PENSION FUND COMMITTEE

DATE: 13 DECEMBER 2024

LEAD OFFICER: NEIL MASON, LGPS SENIOR OFFICER

SUBJECT: INVESTMENT STRATEGY – FIDUCIARY DUTY AND INVESTMENT BELIEFS UPDATE

SUMMARY OF ISSUE:

Investment decisions made by the Pension Fund Committee must be within the regulations, in accordance with fiduciary duty and aligned with agreed investment beliefs.

RECOMMENDATIONS:

It is recommended that the Pension Fund Committee:

1. Agree for the sub-committee to meet again to consider how the Committee's fiduciary duty in law relates to the objectives of the Fund and reaffirm investment beliefs.
2. Agree any proposed changes to the investment beliefs by the sub-committee be brought back to the Committee for consideration.

REASON FOR RECOMMENDATIONS:

To allow the current investment beliefs to be reviewed and changes considered.

BACKGROUND

1. Committee Members must make decisions that are within the regulations, in accordance with fiduciary duty and aligned to the agreed investment beliefs. The proposed training and discussions are aimed to establish the parameters of the factors above to enable effective decision making.

DETAILS:

2. As previously agreed at the June 2024 Committee meeting, the sub-committee has met on two occasions to discuss legal requirements & fiduciary duty, and the spectrum of capital & emerging investment themes.
3. The third session for the sub-committee to review the current investment beliefs has not taken place yet, although areas for discussion were raised during the Committee and Board Off-site in October 2024.

4. It is proposed that this third session now take place in the fourth quarter (Jan-March 2025).

CONSULTATION:

5. The Chair of the Pension Fund Committee.

RISK MANAGEMENT AND IMPLICATIONS:

6. Any relevant risk related implications have been considered and are contained within the report.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

7. Any relevant financial and value for money implications have been considered and are contained within the report. The cost of the resources necessary for implementing the changes recommended above and for delivering the administering authority role is met from the pension fund (under Regulation 4(5) of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009).

LEGAL IMPLICATIONS:

8. There are no legal implications or legislative requirements.

EQUALITIES AND DIVERSITY:

9. There are no equality or diversity issues.

OTHER IMPLICATIONS:

10. There are no other implications.

NEXT STEPS:

11. The following steps are planned:
 - a) Arrange a third session for the sub-committee to consider the Fund's investment beliefs.

Contact Officer:

Lloyd Whitworth, Head of Investment & Stewardship

Annexes:

Sources/Background papers: