

SURREY COUNTY COUNCIL

PENSION FUND BOARD

DATE: 14 NOVEMBER 2014

LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE

SUBJECT: CORE BELIEF STATEMENT



SUMMARY OF ISSUE:

The adoption of a core belief statement is regarded as good practice for the Pension Fund.

RECOMMENDATIONS:

It is recommended that the Pension Fund Board:

- 1 Discuss the draft statement with a view to possible amendments and final approval of the Core Belief Statement.

REASON FOR RECOMMENDATIONS:

The Pension Fund Board must approve all working documents produced for the Pension Fund.

DETAILS:

Background

- 1 This Core Belief Statement (CBS) is not a statutorily required document. Adoption of such a statement is regarded as good practice.
- 2 This statement describes the investment philosophy of the Surrey County Council as the administering authority for the Surrey Pension Fund.
- 3 These investment beliefs are the basis for decisions on setting investment strategy, formulating investment agreements, and many other key investment decisions.
- 4 The document is a useful record for Board members and officers on how the investment strategy has developed.
- 5 This document complements the Statement of Investment Principles (SIP) and will be of value to scheme members, employers and investment managers who wish to understand the Fund's approach to investing.

Draft Statement

- 6 The draft Core Belief Statement (CBS) is shown as Annex 1.

Monitoring and Review

- 7 The CBS will be kept under constant review and will be submitted for approval to future Board meetings when any revision is required.

CONSULTATION:

- 8 The Chairman of the Pension Fund has been consulted on the suggested draft and has offered full support for the proposals.

RISK MANAGEMENT AND IMPLICATIONS:

- 9 Risk related issues contained within the draft statement (paragraphs 1.4, 2.2, 2.3, and 3.1).

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

- 10 There are no financial and value for money implications involved in the adoption of this statement.

DIRECTOR OF FINANCE COMMENTARY

- 11 The Director of Finance is satisfied that CBS offers a clear philosophy structure, reflecting the investment beliefs embraced by the Pension Fund Board.

LEGAL IMPLICATIONS – MONITORING OFFICER

- 12 There are no legal implications or legislative requirements.

EQUALITIES AND DIVERSITY

- 13 The approval of the CBS will not require an equality analysis, as the initiative is not a major policy, project or function being created or changed.

OTHER IMPLICATIONS

- 14 There are no potential implications for council priorities and policy areas.

WHAT HAPPENS NEXT

- 15 The following next steps are planned:

- Adoption of the CBS
- CBS is kept under review

Contact Officer:

Phil Triggs, Strategic Finance Manager (Pension Fund and Treasury)

Consulted:

Pension Fund Board Chairman

Annexes:

Annex 1: Core Belief Statement

Sources/background papers:

None

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