

...Decisions... Decisions...

These notes indicate the decisions taken at this meeting and the officers responsible for taking the agreed action. For background documentation please refer to the agenda and supporting papers available on the Council's web site (www.oxfordshire.gov.uk.)

If you have a query please contact Julie Dean (Tel: (01865) 815322; E-Mail: julie.dean@oxfordshire.gov.uk)

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
1. Election of Chairman 2015/16 To elect a Chairman for the municipal year 2015/16 – to the first meeting of the next municipal year 2016/17.	Councillor Stewart Lilly	HLC (A. Newman/A. Bartlett)
2. Election of Deputy Chairman 2015/16 To elect a Deputy Chairman for the municipal year 2015/16 – to the first meeting of the 2016/17 municipal year.	Councillor Patrick Greene.	HLC (A. Newman/A. Bartlett)
3. Apologies for Absence and Temporary Appointments	None.	HLC (A. Newman)
4. Declarations of Interest - see guidance note	Councillors Fooks, Lilly, Owen and Sibley each declared personal interests as members of the Pension Fund Scheme under the provisions of Section 18 of the Local Government & Housing Act 1989. Councillor Lilly declared an interest in the report relating to Agenda Item 8 on account of his son's work in the area of earth science and exploratory geology.)))))))) HLC (A. Newman)))))
5. Minutes To approve the minutes of the meeting held on 13 March 2015 (PF5) and to receive information arising from them.	Approved and signed.	HLC (J. Dean)

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>6. Urgent Business - Membership of Local Pension Board</p> <p>Under the provisions set out in Section 100B(4) of the Local Government Act 1972 (as amended) the Chairman elect of the meeting is of the opinion that this item can be taken following Agenda Item 5 as urgent business because of the need for the Local Pension Board to meet prior to the next meeting of this Committee in September.</p>	<p>RESOLVED: to appoint Graham Burrow of Gloucestershire County Council to the office as independent Chairman of the Oxfordshire Local Pension Board.</p>	<p>(DEE (S. Collins))</p>
<p>7. Petitions and Public Address</p>	<p>Mr Peter Wallis spoke on behalf of Fossil Free Oxfordshire in relation to Agenda Item 8 – Corporate Governance and Socially Responsible Investment.</p>	<p>HLC (G.Watson)</p>
<p>8. Corporate Governance and Socially Responsible Investment</p> <p>This item covers any issues concerning Corporate Governance and Socially Responsible Investment which need to be brought to the attention of the Committee. It includes a discussion on the key issues being raised in the debate about future investments in fossil fuel companies, and reviews the Committee's current approach in respect of the guidance it provides to its Fund Managers.</p> <p>Members will recall that Professor Allport gave an address to the Committee in December of last year on Fossil Fuel Investment. As a result a report was commissioned from UBS and was submitted for consideration to the last meeting in March. Since then a petition was submitted to Cabinet and it was requested that it be sent to all members of this Committee. The petition's rationale is duly attached at PF7 together with a report from the officers (PF7). A full copy of the petition will be available to view at the meeting.</p>		

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<i>Committee setting out the cash flow projections, and any implications for the current investment strategy and asset allocation.</i>))))))))
<p>10. Employer Management</p> <p>The report (PF9) discusses the Committee's approach to the management of employers within the Oxfordshire LGPS Fund. It builds on the employer risk report presented to the last meeting, and sets out additional indicators to assess the quality of the record keeping within the Fund and the performance of individual employers.</p> <p><i>The Committee is RECOMMENDED to:</i></p> <p style="padding-left: 40px;"><i>(a) note the report;</i></p> <p style="padding-left: 40px;"><i>(b) approve the performance template as contained in Annex 1 as the basis for future reports to this Committee; and</i></p> <p style="padding-left: 40px;"><i>(c) review the Administration Strategy on a regular basis to ensure it supports the developing approach to employer management.</i></p>	<p>(a) noted;</p> <p>(b) approved; and</p> <p>(c) agreed.</p>))))) DEE (S. Collins))))
<p>11. Future Management Arrangements</p> <p>The report (PF10) looks at the potential implications for the management arrangements for the administration and investment functions in light of the new agenda for the service and the transfer of financial services to the Integrated</p>		

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>Business Centre in Hampshire.</p> <p><i>The Committee is RECOMMENDED to note the report and endorse the proposed changes in management arrangements as outlined.</i></p>	<p>Agreed.</p> <p>NB: The Committee asked for a diagram of the new structure to be submitted to the next meeting.</p>	<p>DEE (S. Collins)</p>
<p>12. Annual Review of Fund Policies</p> <p>The report (PF11) provides the annual review of the Fund policies and seeks Committee approval of any changes.</p> <p>The strategy statements and policies are attached as follows:</p> <ul style="list-style-type: none"> • Annex 1 - The Funding Strategy Statement • Annex 2 – The Statement of Investment Principles • Annex 3 – Governance Policy and Governance Compliance Statement • Annex 4 – Communication Policy and Annex • Annex 5 – Early Release of Deferred Benefits Policy • Annex 6 – Scheme of Delegation • Annex 7 – Administration Strategy Statement <p><i>The Committee is RECOMMENDED to approve the revised policy documents as set out in Annexes 1 - 7 to this report, noting the main changes in the documents as discussed above.</i></p>	<p>Approved, subject to the amendments as shown on the Addenda.</p>	<p>DEE (S. Collins)</p>
<p>13. Employer Update</p> <p>The report (PF12) covers the key operational issues around individual employer membership of the Fund, including any new applications for</p>		

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>admissions and cessations.</p> <p><i>The Committee is RECOMMENDED to:</i></p> <p style="margin-left: 40px;"><i>(a) note the position regarding the previous applications;</i></p> <p style="margin-left: 40px;"><i>(b) note the position regarding new applications for admission;</i></p> <p style="margin-left: 40px;"><i>(c) note the position regarding closure of scheme employers; and</i></p> <p style="margin-left: 40px;"><i>(d) confirm the intention that, in the event that Abingdon and Witney College was to cease operations before the completion of the reimbursement arrangements set out following the transfer of adult learning staff, to transfer notional assets from Abingdon and Witney College to the County Council as set out in paragraph 12 above.</i></p>	<p>(a) noted;</p> <p>(b) noted;</p> <p>(c) noted; and</p> <p>(d) agreed.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>DEE (S. Fox)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>14. Write Offs</p> <p>The report (PF13) provides the Committee with summary details of the amounts written off in the last quarter in accordance with Financial Regulations of the Fund.</p> <p><i>The Committee is RECOMMENDED to note the report.</i></p>	Noted.	DEE(S.Fox)
<p>15. Overview of Past and Current Investment Position</p> <p>The Independent Financial Adviser will review the investment activity during the past quarter and present an overview of the Fund's position as at 31 March 2015 using the following tables:</p> <p>In addition to the above tables, the market value of the Fund over the past three years has been displayed graphically in Graph 1.</p> <p><i>The Committee is RECOMMENDED to receive the tables and graph, and that the information contained in them be borne in mind, insofar as they relate to items 16, 17 and 18 on the agenda.</i></p>	Received.	All to note
<p>16. EXEMPT ITEMS</p> <p><i>The Committee is RECOMMENDED that the public be excluded for the duration of items 16, 17, 18, 19, and 20 in the Agenda since it is likely that if they were present during those items there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified in relation to the respective items in the Agenda and since it is considered that, in all the circumstances of each case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</i></p>	Agreed.	

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>17. Overview and Outlook for Investment Markets</p> <p>The report by the Independent Financial Adviser (PF16) sets out an overview of the current and future investment scene and market developments across various regions and sectors. The report itself does not contain exempt information and is available to the public. The Independent Financial Adviser will also report orally and any information reported orally will be exempt information.</p> <p><i>The public should be excluded during this item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:</i></p> <p>3. <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the trading activities of the fund managers involved and would prejudice the position of the authority's investments in funding the Pension Fund.</i></p> <p>The Committee is RECOMMENDED to receive the report, tables and graphs, to receive the oral report, to consider any further action arising on them and to bear the Independent Financial Adviser's conclusions in mind when considering the Fund Managers' reports.</p>	<p>Received.</p>	<p>All to note</p>

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>18. Insight Investment</p> <p>The representatives of Insight Investment (Sherilee Mace and Steve Waddington) will:</p> <ul style="list-style-type: none"> (a) present their approach to investments in relation to their part of the Fund and their strategy against the background of the current investment scene; (b) give their views on the future investment scene. <p>In support of the above is their report for the period to 31 March 2015.</p> <p>At the end of the presentation, members are invited to question and comment and the Fund Managers to respond.</p> <p><i>The public should be excluded during this item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:</i></p> <p><i>3. Information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the trading activities of the fund managers involved and would prejudice the position of the authority's investments in funding the Pension Fund.</i></p> <p>The Committee is RECOMMENDED to note the main issues arising from the presentation and to take any necessary</p>	<p>Noted.</p>	<p>All to note</p>

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<i>action, if required.</i>		
<p>19. Report of Main Issues arising from Reports of the Fund Managers not represented at this meeting</p> <p>The Independent Financial Adviser will report orally on the officer meetings with Baillie Gifford, Legal & General, Wellington and UBS in conjunction with information contained in the tables (Agenda Item 14).</p> <p><i>The public should be excluded during this item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:</i></p> <p>3. <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the trading activities of the fund managers involved and would prejudice the position of the authority's investments in funding the Pension Fund.</i></p> <p>The Committee is RECOMMENDED to note the main issues arising from the reports and to take any necessary action, if required.</p>	Noted.	All to note
<p>20. Summary by the Independent Financial Adviser</p> <p>The Independent Financial Adviser will, if necessary, summarise the foregoing reports of the Fund Managers and answer any questions from members.</p> <p><i>The public should be excluded during this</i></p>	The Independent Financial Adviser had no further comments.	

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

RECOMMENDATIONS FROM THE AGENDA	DECISIONS	ACTION
<p><i>item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:</i></p> <p>3. <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the trading activities of the fund managers involved and would prejudice the position of the authority's investments in funding the Pension Fund.</i></p>		
<p>21. Additional Voluntary Contribution (AVC) Scheme - Annual Review</p> <p>The report (PF20) provides the annual review of the Fund's AVC Scheme, reviewing the performance of Prudential as the scheme manager, and the individual funds available to Members.</p> <p><i>The public should be excluded during this item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:</i></p> <p>3. <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the trading activities of the fund managers involved.</i></p>		

...Decisions... Decisions...

PENSION FUND COMMITTEE - FRIDAY, 5 JUNE 2015

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<i>The Committee is RECOMMENDED to note the report and to confirm the continued use of Prudential as the Council's AVC provider.</i>	Noted and confirmed.	CE (D.Ross)