

## ...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](http://www.oxfordshire.gov.uk).)

If you have a query please contact Julie Dean (Tel: 07393 001089; E-Mail: [julie.dean@oxfordshire.gov.uk](mailto:julie.dean@oxfordshire.gov.uk))

### PENSION FUND COMMITTEE - FRIDAY, 7 JUNE 2019

RECOMMENDATIONS FROM THE AGENDA	DECISIONS	ACTION
1. <b>Election of Chairman for the 2019-20 Municipal Year</b>	Councillor Kevin Bulmer was elected Chairman for the 2019/20 municipal year.	Andrea Newman
2. <b>Election of Deputy Chairman for the 2019-20 Municipal Year</b>	Councillor Nicholas Field-Johnson was elected Deputy Chairman for the 2019/20 municipal year.	Andrea Newman
3. <b>Apologies for Absence and Temporary Appointments</b>	Councillor Mike Fox-Davies attended for Councillor Charles Mathew and Councillor Dr Suzanne Bartington for Councillor Ian Corkin.	Andrea Newman
4. <b>Declarations of Interest - see guidance note</b>	Councillor Ros Smith declared an interest on account of her being in receipt of an Oxford Brookes University pension.	Andrea Newman
5. <b>Minutes</b>  To approve the minutes of the meeting held on 8 March 2019 (PF3) and to receive information arising from them.	The Minutes of the meeting held on 8 March 2019 were approved subject to the following amendment:  - Minute 12/19 – page 6, sentence 2 to read ‘Over the Quarter, assets had depreciated by £190m, <b>a drop of over 7%</b> to £2.3m’ (amendment in bold italics).	Julie Dean
6. <b>Petitions and Public Address</b>	<ul style="list-style-type: none"> <li>• Julia Spragg - on behalf of Fossil Free Oxfordshire – Agenda Item 13, Annex 2, The Investment Strategy Statement</li> <li>• Jess Mallaghan and Xanthe Wells – pupils of Gosford Hill School – Agenda Item 13,</li> </ul>	Andrea Newman



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<p>that all engagement with companies is through third parties rather than directly by the Committee itself.</p>		<p>) ) ) ) )</p>
<p><b>9. Improvement Plan</b></p> <p>The report (PF9) updates the Committee on progress against the objectives and milestones set out in the Improvement Plan (PF9).</p> <p><b><i>The Committee is RECOMMENDED to note the latest position with regard to the implementation of the Improvement Plan.</i></b></p>	<p>Noted.</p> <p>The Committee thanked Becky Herman for the update.</p> <p>Members of the Committee to be informed in the event that fines are issued to employers.</p>	<p>) ) ) ) DF(SC &amp; SF) ) ) )</p>
<p><b>10. Review of the Annual Business Plan 2019-20</b></p> <p>This report sets out progress against the key objectives within the business plan for the pension fund for 2019/20 (PF10). At this stage of the new financial year, a detailed budget monitoring report is not included, but any key issues identified since the budget was agreed, are noted in the report and full detail will be included in future quarterly reports.</p> <p><b><i>The Committee is RECOMMENDED to:</i></b></p> <p><b><i>(a) note the progress against the key service priorities included within the 2019/20 Business Plan; and</i></b></p> <p><b><i>(b) approve the amendment to the measures of success in respect of service Priority 5 – Improve Scheme Member Communications as set out in</i></b></p>	<p>(a) noted; and</p> <p>(b) approved.</p>	<p>) ) ) DF(SC) ) ) )</p>

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**PENSION FUND COMMITTEE - FRIDAY, 7 JUNE 2019**

<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<i>paragraph 19.</i>		
<p><b>11. Risk Register</b></p> <p>The report presents the latest position on the Fund's Risk Register, including any new risks identified since the report to the last meeting (PF11).</p> <p><b><i>The Committee is RECOMMENDED to note the changes to the Risk Register and to offer any further comments.</i></b></p>	<p>(a) noted; and (b) Sean Collins be asked to introduce an overview for each year, to re-introduce the directions of travel and rag rating.</p>	<p>) ) ) DF(SC) ) ) )</p>
<p><b>12. Administration Report</b></p> <p>A report is attached (PF12) which updates the Committee on those administration issues which are not covered under the Improvement Plan.</p> <p><b><i>The Committee is RECOMMENDED to:</i></b></p> <p>(a) <b><i>note the report;</i></b> (b) <b><i>agree the proposed temporary changes to the SLA targets; and</i></b> (c) <b><i>agree the proposed response to the Government Consultation on Changes to the Local Valuation Cycle and the Management of Employer Risk.</i></b></p>	<p>(a) noted; (b) agreed; and (c) agreed, subject to additional wording on the equality implications given the majority of those scheme members impacted by the proposed changes to the HE/FE employers are female.</p>	<p>) ) ) ) DF(SC &amp; SF) ) ) ) ) ) ) )</p>
<p><b>13. Annual Review of Pension Fund Policies</b></p> <p>This report provides an opportunity for the Committee to undertake a formal annual review of all its major policy documents, in</p>		

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<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
<p>line with the requirements under the Regulations (<b>PF13</b>). The Committee has previously agreed to review all such documents, on an annual basis (at a minimum), at its scheduled June meeting.</p> <p>Please find attached at <b>PF13</b> the following policy documents:</p> <p>Annex 1 – The Funding Strategy Statement  Annex 2 – The Investment Strategy Statement  Annex 2(b) – Addressing Climate Change Position Statement  Annex 3 – Governance Policy and Governance Compliance Statements  Annex 4 – Communications Policy  Annex 5 – Early Release of Benefits Policy  Annex 6 – Pension Fund Scheme of Delegation  Annex 7 – Administration Strategy  Annex 8 – Procedure for Reporting Breaches of Law to the Pension Regulator  Annex 9 – Administering Authority Discretions</p> <p>In relation to Annex 2 'The Investment Strategy Statement', Councillor John Sanders has put forward the following motion for this Committee to consider:</p> <p>'In the light of the recent Motion in Full Council on 2 April 2019 to acknowledge a climate emergency, the Pension Fund Committee is called upon to instruct officers to investigate the best possible way it can divest itself of all fossil fuel investments (ie. the equity or bond of any company which derives more than 50% of its total turnover from the extraction and production of fossil fuels) as soon as is reasonably practicable whilst mitigating any impact on the value of the fund'.</p>		





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<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
	<p>(iii) note the view of Brunel that in light of the above approach, they do not consider a top down approach to divestment to be an appropriate strategy for its clients.</p> <p>(c) to refer these changes to the next meeting of Committee in September following further work;</p> <p>(d) agreed; and</p> <p>(e) noted.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>
<p><b>14. Overview of Past and Current Investment Position</b></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 2019 using the following tables:</p> <p><b><i>The Committee is RECOMMENDED to receive the tables and graphs, and that the information contained in them be borne in mind, insofar as they relate to items 16, 17, 18 and 19 on the agenda.</i></b></p>	<p>Received</p>	
<p><b>15. EXEMPT ITEMS</b></p> <p><b><i>The Committee is RECOMMENDED that the public be excluded for the duration of items 16, 17, 18, 19, 20 and 21 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,</i></b></p>	<p>Agreed.</p>	



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<p><i>the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</i></p>		
<p><b>16. Exempt Minute - Local Pension Board - 26 April 2019</b></p> <p>To <b>note</b> the exempt Minute of the Local Pension Board meeting held on 26 April 2019 (PF16).</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 distort the proper process of free negotiations with another party.</i></p>	Noted.	DF(SC & SF)
<p><b>17. Overview and Outlook for Investment Markets</b></p> <p>Report of the Independent Financial Adviser (PF17).</p> <p>The report 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</p>		

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<p>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><b>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.</b></p>	Received.	DF(SC &SF)
<p><b>18. Insight</b></p> <p>(1) The Independent Financial Adviser will report orally on the performance and strategy of Insight drawing on the tables at Agenda Items 14 and 17.</p> <p>(2) The representatives (Sherilee Mace and Matt Merritt) of the Fund Manager will:</p> <p>(a) report and review the present investments of their part of the Fund and their strategy</p>		

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<p>against the background of the current investment scene for the period which ended on 31 March 2019;</p> <p>(b) give their views on the future investment scene.</p> <p>In support of the above is their report for the period to 31 March 2019.</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>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><b>The Committee is RECOMMENDED to note the main issues arising from the presentation and to take any necessary action, if required.</b></p>	<p>Noted.</p>	<p>DF(SC)&amp;GL</p>

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<p><b>19. Report of Main Issues arising from Reports of the Fund Managers not represented at this meeting</b></p> <p>The Independent Financial Adviser will report verbally on the officer meeting with Legal &amp; General in conjunction with information contained in the tables (Agenda Item 14) and the latest position on investments with Brunel.</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><b>The Committee is RECOMMENDED to note the main issues arising from the reports and to take any necessary action, if required.</b></p>	<p>Noted.</p>	<p>DF(SC) &amp;(GL)</p>
<p><b>20. Summary by the Independent Financial Adviser</b></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 item because its discussion in public would</i></p>	<p>No further summary required.</p>	

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<p><i>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><b>21. Applications for Payment of Pension Benefits</b></p> <p>This report details requests for payment of pensions received (PF21).</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.</i></p> <p><b>The Committee is RECOMMENDED to decide the recommendations contained in the report PF21.</b></p>	<p>(a) noted and to authorise the Service Manager for Pensions to make a decision should reports be received between meetings, following consultation with the Chairman,</p>	<p>) ) ) ) ) ) )</p>

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<i>RECOMMENDATIONS FROM THE AGENDA</i>	<i>DECISIONS</i>	<i>ACTION</i>
	<p>Deputy Chairman and the Opposition Spokesperson;</p> <p>(b) authorise payment of the pension to the person specified in the report, for the period 2018 - 2021; and</p> <p>(c) noted.</p>	<p>)</p> <p>)</p> <p>DF(SC &amp; SF)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>
<p><b>22. Corporate Governance and Socially Responsible Investment</b></p> <p>This item provides the opportunity to raise any issues concerning Corporate Governance and Socially Responsible Investment which need to be brought to the attention of the Committee.</p> <p>The Local Authority Pension Fund Forum (LAPFF) report to the quarter January to March 2019 is attached at <b>PF22</b> for information.</p>	<p>No further items.</p>	
<p><b>23. Annual Pension Forum</b></p> <p>The officers will report on any issues relating to the next Annual Pension Forum.</p>	<p>To note that the next Annual Forum would be held in November 2019 on a date to be decided. The focus would be on the triennial valuation.</p> <p>Members of the Committee were asked to let Sally Fox know of any items which they considered would interest school employers for the Forum. Agenda.</p>	<p>(DF(SC) (GL) &amp; (SF)</p>