



To: Members of the Pension Fund Committee

Notice of a Meeting of the Pension Fund Committee

Friday, 4 March 2022 at 10.00 am

Council Chamber - County Hall, New Road, Oxford OX1 1ND

Please note that Council meetings are currently taking place in-person (not virtually) with social distancing at the venue. Meetings will continue to be live-streamed and those who wish to view them are strongly encouraged to do so online to minimise the risk of covid-19 infection.

If you wish to view proceedings, please click on [LIVE LINK](#) to meeting. However, that will not allow you to participate in the meeting.

Places at the meetings are very limited due to the requirements of social distancing. If you still wish to attend this meeting in person, you must contact khalid.ahmed@oxfordshire.gov.uk by 9am four working days before the meeting and he will advise if you can be accommodated at this meeting and of the detailed Covid-19 safety requirements for all attendees.

Stephen Chandler
Interim Chief Executive

February 2022

Committee Officer: **Khalid Ahmed**
Tel: 07990368048; E-Mail: khalid.ahmed@oxfordshire.gov.uk

Membership

Chair – Councillor Bob Johnston
Deputy Chair - Councillor Kevin Bulmer

County Councillors (Voting Members)

Imade Edosomwan

Sally Povolotsky

Eddie Reeves

Non-voting Members of the Academy sector – Ms Shelley Cook and Mr Alan Staniforth

Non-voting Scheme Member Representative - Mr Steve Moran
Non-voting Member of Oxford Brookes University – Mr Alistair Fitt
Non-voting Member of District Councils – Councillor Jo Robb

Notes:

- ***Date of next meeting: 10 June 2022***

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines. <http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Sukdave Ghuman or sukdave.ghuman@oxfordshire.gov.uk for a hard copy of the document.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. Apologies for Absence and Temporary Appointments

2. Declarations of Interest - see guidance note

3. Minutes (Pages 1 - 10)

To approve the minutes of the meeting held on 3 December 2021 and to receive information arising from them.

4. Petitions and Public Address

5. Minutes of the Local Pension Board (Pages 11 - 16)

10:05

A copy of the unconfirmed Minutes of the Local Pension Board, which met on 21 January 2022 are attached for information only.

6. Report of the Independent Financial Advisor (Pages 17 - 136)

10.10

This report provides an overview of the financial markets, the overall performance of the Funds' investments against the Investment Strategy Statement and commentary on any issues related to the specific investment portfolios.

The report includes a recommendation to make minor changes to the Strategic Asset Allocation and to instruct Officers to make allocations to the Cycle 3 Private Market portfolios as appropriate.

The Committee is also recommended to approve that the allocation to Private Equity is increased from 9% to 10%, Infrastructure is increased from 3.0% to 5.0%, Private Debt is increased from 3.0% to 5.0% and the allocation to Multi Asset (DGF) is removed (5.0% to 0%), and that Officers are instructed to make allocations to the cycle 3 private markets accordingly. The total allocation to Alternatives would remain at 33% of Fund investments.

7. Presentation from David Vickers, Chief Investment Officer at Brunel

10.25

David Vickers will cover the key issues within the financial markets, the

performance of the Brunel portfolios and his view of the key developments going forward. Members will be invited to ask questions on all elements of David's presentation.

8. Report of the Local Pension Board (Pages 137 - 138)

11.25

The report sets out the items the Local Pension Board wishes to draw to the attention of this Committee following their last meeting in January 2022.

9. Review of the Annual Business Plan 2021/22, and the Adoption of the Annual Business Plan and Budget for 2022/23 (Pages 139 - 210)

11.30

This report will provide an update on progress against the key priorities set out in the Annual Business Plan for 2021/22. The report will then ask the Committee to adopt the Annual Business Plan and Budget for 2022/23 following the Workshop attended by members of both the Committee and Local Pension Board on 4 February 2022.

The Committee is RECOMMENDED to:

- a. Note the progress against the service priorities for 2021/22;**
- b. approve the Business Plan and Budget for 2022/23 as set out at Annex 1;**
- c. approve the Pension Fund Cash Management Strategy for 2022/23.**
- d. delegate authority to the Director of Finance to make changes necessary to the Pension Fund Cash Management Strategy during the year, in line with changes to the County Council's Treasury Management Strategy;**
- e. delegate authority to the Director of Finance to open separate pension fund bank, deposit and investment accounts as appropriate;**
- f. delegate authority to the Director of Finance to borrow money for the pension fund in accordance with the regulations.**

10. Climate Change Engagement Policy (Pages 211 - 220)

11.50

This report will recommend the Committee to agree an Engagement Policy and ask Officers to use this as the basis for negotiations with the Brunel company and the other 9 Funds within the Brunel Pension Partnership in developing an Engagement Policy for the Partnership as a whole.

The Committee is RECOMMENDED to approve the draft Climate Change Engagement Policy as included as the Annex to this report and instruct Officers to work with the Climate Change Working Group and Brunel to assess the practical implications of the Policy using the latest available data

and report back to the June Committee.

11. Risk Register (Pages 221 - 228)

12.05

This report will present the latest position on the Fund's risk register, including any new risks identified since the report to the last meeting.

The Committee is RECOMMENDED to note the changes to the risk register and accept that the risk register covers all key risks to the achievement of their statutory responsibilities, and that the mitigation plans, where required, are appropriate.

12. Administration Report (Pages 229 - 250)

12.15

This report updates the Committee on the key administration issues including service performance measurement, the debt recovery process and any write offs agreed in the last quarter.

The Committee is RECOMMENDED to

- a) determine what, if any, further information they require to ensure they are in a position to monitor that service standards are consistent with their responsibilities under the Regulations.**
- b) agree that current standards are at an acceptable level, or the further actions being taken are reasonable to address the shortfall in performance.**
- c) agree the write off of £37.48.**

13. Immediate Detriment and the Fire Fighters Pension Schemes (Pages 251 - 260)

12.25

This report will inform the Committee of the decision taken by the Chief Fire Officer and Director of Finance regarding the implementation of the Immediate Detriment Framework in line with the delegation from the December meeting of this Committee.

The Committee is RECOMMENDED to note the decision of the Chief Fire Officer and Director of Finance under powers delegated by the Committee at their December Meeting.

14. Corporate Governance and Socially Responsible Investment (Pages 261 - 272)

12.35

This item will provide the opportunity to raise any issues concerning Corporate Governance and Socially Responsible Investment which need to be brought to the attention of the Committee.

15. EXEMPT ITEMS

The Committee is RECOMMENDED that the public be excluded for the duration of items 16 and 17 in the Agenda since it is likely that if they were present during these 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.

THE REPORTS RELATING TO THE EXEMPT ITEMS HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS STRICTLY PRIVATE TO MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.

16. Cessation of a Scheme Employer (Pages 273 - 278)

12.40

The Committee is RECOMMENDED to determine their approach to the Cessation Debt in respect of the cessation employer.

17. Administration Report (Pages 279 - 288)

The Committee is RECOMMENDED to

- a) determine whether a trust fund should be set up for payment of death grant, or whether the monies can be paid to the parent to use in the interests of the child, and
- b) if a trust fund is to be set up what conditions, if any, should be applied.