



To: Members of the Pension Fund Committee

## ***Notice of a Meeting of the Pension Fund Committee***

**Friday, 6 December 2019 at 10.00 am**

**Rooms 1&2 - County Hall, New Road, Oxford OX1 1ND**

Yvonne Rees  
Chief Executive

November 2019

Committee Officer: **Deborah Miller**  
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### **Membership**

Chairman – Councillor Kevin Bulmer  
Deputy Chairman - Councillor Nicholas Field-Johnson

#### *County Councillors*

Ian Corkin  
Mark Lygo  
Charles Mathew

John Sanders  
Roz Smith  
Lawrie Stratford

Alan Thompson

#### *District Councillors (Co-optees - Voting)*

Alaa Al-Yousuf

Jo Robb

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#### **Notes:**

- ***A lunch will be provided for members of the Pension Committee and Pension Fund Managers***
- ***Date of next meeting: 6 March 2020***
- ***Hymans Robertson, the Fund Actuary will give a training session on prior to the meeting on the 2019 Valuation process, starting at 9.30 am in the meeting room***

## 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 Glenn Watson on **07776 997946** or [glenn.watson@oxfordshire.gov.uk](mailto:glenn.watson@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 6 September 2019 (**PF3**) and to receive information arising from them.

## 4. Petitions and Public Address

## 5. Minutes of Local Pension Board

**10:20**

A copy of the unconfirmed Minutes of the Local Pension Board of 25 October 2019 will be circulated separately for information.

## 6. Report of the Local Pension Board (Pages 11 - 12)

**10:25**

This report is the report of the Local Pension Board to the Pension Fund Committee in response to the request from the new Chairman of the Committee to have a dedicated item on each Committee agenda where the Committee can properly discuss the work of the Board and any issues identified.

***The Committee is RECOMMENDED to note the comments of the Board as set out below.***

## 7. 2019 Valuation and Draft Funding Strategy Statement (Pages 13 - 74)

**10:35**

This report updates the Committee on the work to date on the 2019 Valuation including the initial whole Fund results and proposes a draft Funding Strategy Statement for formal consultation.

***The Committee is RECOMMENDED to note the latest position with regard to the 2019 Valuation and approve the draft Funding Strategy Statement and the basis for formal consultation.***

**8. Review of the Annual Business Plan 2019/20 (Pages 75 - 80)**

**11:00**

This report reviews the progress against the key objectives set in the business plan for the Pension Fund for the current financial year.

***The Committee is RECOMMENDED to note the progress against the key service priorities included within the 2019/20 Business Plan.***

**9. Risk Register (Pages 81 - 86)**

**11:10**

This report updates the Committee on the Fund's Risk Register, updating the position on risks reported to the last meeting and adding in new risks identified in the intervening period.

**10. Administration Report (Pages 87 - 100)**

**11:20**

This report updates the Committee on the latest position on administration issues.

***The Committee is RECOMMENDED to:***

- (a) note the report and changes to reporting for Fire Service Pensions;***
- (b) agree the changes to the administration strategy;***
- (c) note change of date for the Pension Fund Forum.***

**11. Climate Change Policy (Pages 101 - 106)**

**11:40**

This report updates the Committee on the development of a Climate Change Policy in light of the recently held Workshop.

***The Committee is RECOMMENDED to note the position on the development of the Climate Change Policy and the establishment of a Working Group to undertake the next stages of the work.***

**12. Setting Objectives for the Independent Financial Advisor (Pages 107 - 110)**

**11:50**

The Committee is invited to set objectives for the Independent Financial Advisor in line with the requirements of the Order from the Competition and Markets Authority.

*The Committee is RECOMMENDED to agree the strategic objectives for the IFA as set out in paragraph 11 of the report, for inclusion in the IFA contract.*

**13. Overview of Past and Current Investment Position (Pages 111 - 116)**

**12:00**

The Independent Financial Adviser will review the investment activity during the past quarter, present a summary of the Fund's position as at 30 September 2019, and highlight any key performance issues, with reference to Tables and Graphs.

**14. EXEMPT ITEMS**

*The Committee is RECOMMENDED that the public be excluded for the duration of items 15, 16, 17, 18, and 19 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.*

**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.**

**NOTE:** In the case of items 16 and 19, there are no reports circulated with the Agenda. Any exempt information will be reported orally.

**15. Overview and Outlook for Investment Markets (Pages 117 - 124)**

**12:10**

The attached report of the Independent Financial Adviser (**PF15**) 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.

*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:*

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.*

***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.***

## **16. Adams Street**

**12:20**

The representatives (Ana Maria Harrison & Sergey Sheshuryak) of the Fund Manager will report and review the investments within their part of the Fund. Members will be invited to question and comment.

At the end of the presentation, members are invited to question and comment and the Fund Managers to respond.

*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:*

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.*

***The Committee is RECOMMENDED to note the main issues arising from the presentation and to take any necessary action, if required.***

## **17. Annual Review of Private Equity (Pages 125 - 134)**

**12:50**

This report will review the performance of the private equity portfolio over the last 12 months.

***The Committee is RECOMMENDED to note the report and to take any necessary action, if required.***

**18. Report of Main Issues arising from Reports of the Fund Managers not represented at this meeting (Exempt) (Pages 135 - 140)**

**13:00**

The Independent Financial Adviser will report on the officer meeting with Wellington, Insite and UBS, and the latest position on investments with Brunel.

*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:*

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.*

***The Committee is RECOMMENDED to note the main issues arising from the reports and to take any necessary action, if required.***

**19. Summary by the Independent Financial Adviser**

**13:10**

The Independent Financial Adviser will, if necessary, summarise the foregoing reports of the Fund Managers and answer any questions from members.

*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:*

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.*

**20. Corporate Governance and Socially Responsible Investment (Pages 141 - 150)**

**13:15**

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

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**Pre-Meeting Briefing**

There will be a pre-meeting briefing at County Hall on **Wednesday 4 December 2019** at **11:00am** for the Chairman, Deputy Chairman and Opposition Group Spokesman.