



To: **Members of the Pension Fund Committee**

Notice of a Meeting of the Pension Fund Committee

Friday, 4 December 2020 at 10.30 am

Please note that due to guidelines imposed on social distancing by the Government the meeting will be held virtually. If you wish to view proceedings please click on this [Live Stream Link](#)

However, that will not allow you to participate in the meeting.

Yvonne Rees
Chief Executive

November 2020

Committee Officer: **Deborah Miller**
Tel: 07920 084239; E-Mail: deborah.miller@oxfordshire.gov.uk

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

Notes:

- ***Date of next meeting: 5 March 2021;***
- ***The formal meeting of the Committee will be preceded by a private training session delivered by Hymans Robertson on the Scheme Advisory Board's Good Governance Project and the impact on the Pension Fund Committee.***

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 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

10:30

2. Declarations of Interest - see guidance note

3. Minutes (Pages 1 - 16)

To approve the minutes of the meeting held on 11 September 2020 (**PF3**) and to receive information arising from them.

4. Petitions and Public Address

This meeting of the Pension Fund Committee will be held virtually in order to conform with current guidelines regarding social distancing. Normally requests to speak at this public meeting are required by 9 am on the day preceding the published date of the meeting. However, during the current situation and to facilitate these new arrangements, we are asking that requests to speak are submitted by no later than 9am four working days before the meeting i.e. 9 am on 30 November 2020. Requests to speak should be sent to Deborah.miller@oxfordshire.gov.uk together with a written statement of your presentation to ensure that if the technology fails then your views can still be taken into account. A written copy of your statement can be provided no later than 9 am 2 working days before the meeting.

Where a meeting is held virtually and the addressee is unable to participate virtually their written submission will be accepted

Written submissions should be no longer than 1 A4 sheet.

5. Minutes of the Local Pension Board (Pages 17 - 22)

10:35

A copy of the unconfirmed Minutes of the Local Pension Board, which met on 23 October 2020 (**PF5**) is attached for information only.

6. Report of the Local Pension Board (Pages 23 - 24)

10:40

In a response to a request from the Chairman of Pension Fund Committee to have

a dedicated item on each Committee agenda for the work of the Local Pension Board, attached at **PF6** is the report by the Independent Chairman of the Local Pension Board.

The Committee is RECOMMENDED to note the comments of the Board as set out below and take these into account when discussing the relevant items on the agenda.

7. Annual Business Plan (Pages 25 - 30)

10:50

Report by Director of Finance (**PF7**).

This report sets out progress against the key service priorities and the budget set for the Fund within its approved annual business plan.

The Committee is RECOMMENDED to note the progress against the key service priorities and the budget as set out in their annual business plan for 2020/21.

8. Implementing the Climate Change Policy (Pages 31 - 34)

11:00

Report by the Director of Finance (**PF8**).

This item will include the regular update to the Committee on progress in implementing the Climate Change Policy, as well as a presentation and opportunity to raise questions with Faith Ward, Chief Responsible Investment Officer from Brunel.

The Committee is RECOMMENDED to:

- (a) note the report;***
- (b) agree the purpose of the Climate Change Working Group as set out in Annex 1;***
- (c) agree that no target is set for fossil fuel reserves levels; and***
- (d) provide any comments on the priorities for the work of the Climate Change Working Group.***

9. Risk Register (Pages 35 - 42)

12:00

Report by Director of Finance (**PF9**).

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.

The Committee is RECOMMENDED to:

- (a) note the changes to the risk register and offer any further comments; and***
- (b) confirm the short-term policy not to award an unreduced pension under Regulation 30 (7) where the associated pension strain cost would result in the total exit costs payable by the scheme employer breaching the £95,000 exit cap.***

10. Administration Report (Pages 43 - 124)

12:10

Report by the Director of Finance (PF10).

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

The Committee is RECOMMENDED to:

- a) note this report, and***
- b) agree the draft changes to the Funding Strategy Statement as set out in Annex 4 as the basis for consultation with scheme employers.***

11. Annual Report and Accounts (Pages 125 - 228)

12:20

The Committee is invited to receive the Annual Report and Accounts for the Pension Fund.

The Committee is RECOMMENDED to receive the report.

12. EXEMPT ITEMS

The Committee is RECOMMENDED that the public be excluded for the duration of items 13,14,15,16 & 17 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 item 15 there is no report circulated with the Agenda. Any exempt information will be reported orally.

13. Overview and Outlook for Investment Markets (Pages 229 - 234)

12:25

Report of the Independent Financial Adviser (**PF13**).

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 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.

14. Overview of Past and Current Investment Position (Pages 235 - 324)

12:40

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 Independent Financial Adviser will review the investment activity during the past quarter, present a summary of the Fund's position as at 31 March 2020, and highlight any key performance issues, with reference to Tables and Graphs, the Investment Performance Reports produced by Brunel, and the Annual Report on Private Equity.

The Committee is RECOMMENDED to receive the performance reports, tables and graphs.

15. Summary by the Independent Financial Adviser

12:55

The Independent Financial Adviser will summarise any issues arising from the previous discussions.

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.*

16. Provision of the Independent Financial Advice (Pages 325 - 330)

13:00

Report by Director of Finance (**PF16**).

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 current contract for the Independent Financial Adviser (IFA) to the Committee expires in February 2021. The report sets out the key areas where the Committee

continues to receive advice from the IFA, and invites the Committee to determine what arrangements they wish to see put in place going forward.

The Committee is invited to determine their approach to independent financial advice from 1 February 2021 onwards.

ITEMS FOLLOWING THE RE-ADMISSION OF THE PRESS AND PUBLIC

17. Corporate Governance and Socially Responsible Investment (Pages 331 - 342)

13:10

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.

Pre-Meeting Briefing

There will be a pre-meeting briefing on 2 December 2020 at **11.00 am** for the Chairman, Deputy Chairman and Opposition Group Spokesman.