

Avon Pension Fund Committee

Date: Friday, 22nd March, 2024

Time: 10.00am

Venue: Kaposvar Room - Guildhall, Bath

Bath and North East Somerset Councillors: Paul Crossley (Chair), Shaun Stephenson-McGall (Vice-Chair), Toby Simon, Chris Dando and Joanna Wright

Co-opted Voting Members: Councillor Steve Pearce (Bristol City Council), Councillor Mike Drew (South Gloucestershire Council), Councillor Robert Payne (North Somerset Council), Charles Gerrish (Academies), William Liew (HFE Employers), Wendy Weston (Trade Unions), Pauline Gordon (Independent Member), John Finch (Independent Member) and Jackie Peel (Independent Member)

Co-opted Non-voting Members: Richard Orton (Trade Unions) and Councillor Kate Kelliher (Parish & Town Councils)

Chief Executive and other appropriate officers

Press and Public



Mark Durnford

Democratic Services

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NOTES:

1. Inspection of Papers: Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

2. Details of decisions taken at this meeting can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. Recording at Meetings:-

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control. Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators. We request that those filming/recording meetings avoid filming public seating areas, children, vulnerable people etc; however, the Council cannot guarantee this will happen.

The Council will broadcast the images and sounds live via the internet www.bathnes.gov.uk/webcast. The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

4. Public Speaking at Meetings

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group.

Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. Emergency Evacuation Procedure

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

6. Supplementary information for meetings

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

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A G E N D A

1. EMERGENCY EVACUATION PROCEDURE

The Chair will ask the Committee Administrator to draw attention to the emergency evacuation procedure as set out under Note 5.

2. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

3. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**,
(as defined in Part 4.4 Appendix B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

4. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

5. ITEMS FROM THE PUBLIC - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS

6. ITEMS FROM COUNCILLORS AND CO-OPTED AND ADDED MEMBERS

To deal with any petitions or questions from Councillors and where appropriate co-opted and added members.

7. MINUTES: 15TH DECEMBER 2023 (Pages 7 - 20)

8. PENSION BOARD - DRAFT MINUTES - 20TH FEBRUARY 2024 (Pages 21 - 28)

The Committee is asked to note the draft minutes of the meeting of the Pension Board held on 20th February 2024.

9. AVON PENSION FUND - NEW MEMBER WEBSITE

The Committee will receive a verbal update on this item.

10. 2024-27 SERVICE PLAN & BUDGET (Pages 29 - 72)

The purpose of this report is to present to the Committee the 3-year plan and budget for the period 2024-27.

11. PENSION FUND ADMINISTRATION - OVERVIEW & SUMMARY PERFORMANCE REPORT (Pages 73 - 84)

The purpose of this report is to present the Fund's administration performance for the three months to 31st December 2023 vs key performance indicators (KPI's).

12. TREASURY MANAGEMENT POLICY (Pages 85 - 92)

The Committee is asked to approve the Fund's Treasury Management Policy each year. It was last approved in March 2023. The policy closely mirrors the Council's policy set out in the Councils' Annual Treasury Management Strategy.

13. INVESTMENT STRATEGY STATEMENT 2024 (Pages 93 - 116)

The Investment Strategy Statement (ISS) was last revised in March 2023 following the asset allocation review. The ISS is being updated to include changes arising from the review of the climate targets and the Equity Protection Hedge which was completed in 4Q23.

14. BRUNEL POLICY POSITION: ACTIVITY-BASED EXCLUSIONS (Pages 117 - 132)

The purpose of this paper is to invite discussion from Committee members on whether they deem the limited use of activity-based exclusions to be consistent with the Fund's overarching approach to responsible investment. Committee views will then be fed back to Brunel who will update their policy position based on the consensus views of all underlying client funds.

15. OVER & UNDER PAYMENTS POLICY (Pages 133 - 156)

The Fund has identified the need to put in place a clear policy to establish the principles of rectification for members where there has been either an overpayment or underpayment of pension benefits. The policy is attached to this report for approval.

16. UPDATE ON LEGISLATION (Pages 157 - 164)

The purpose of this report is to update the Pension Committee on the latest position concerning the Local Government Pension Scheme [LGPS] and any proposed regulatory matters that could affect scheme administration.

17. GOVERNANCE UPDATE (Pages 165 - 186)

The amended Terms of Reference for the Committee & Investment Panel for approval is attached as Appendix 1. The risk register which has been reviewed and updated is attached as Appendix 2 and 3. The work plan for the Committee is attached as Appendix 4 and the provisional training programme for 2024 is included as Appendix 5.

The Committee Administrator for this meeting is Mark Durnford who can be contacted on 01225 394458.