

PENSION FUND COMMITTEE

MINUTES OF MEETING HELD ON TUESDAY 5 MARCH 2024

Present: Cllr Andy Canning (Chairman), Cllr David Brown (BCP Council), Cllr Simon Christopher, Adrian Felgate (Scheme Member Representative), Cllr Howard Legg, Cllr Felicity Rice (BCP Council) and Cllr Mark Roberts

Apologies: Cllrs John Beesley (BCP Council) and Gary Suttle

Also Present: Ian Howse (Deloitte) and Steve Tyson (Independent Investors Advisor, Apex Group)

Officers present (for all or part of the meeting):

Aidan Dunn (Executive Director - Corporate Development S151), Sean Cremer (Corporate Director for Finance and Commercial) and David Wilkes (Service Manager for Treasury and Investments)

250. Minutes

The minutes of the meeting held on 29 November were confirmed and signed.

251. Declarations of Interest

No declarations of disclosable pecuniary interests were made at the meeting.

252. Public Participation

No questions or statements from members of the public were made at the meeting.

253. Questions From Councillors

No questions or statements from Councillors were made at the meeting.

254. Urgent items

No urgent items were raised at the meeting.

255. Pension Fund External Auditor's Report 2020/21

The Committee considered the final report of the independent auditor on the pension fund accounts for 2020/21 presented by Ian Howse, Audit Partner, Deloitte.

The auditor's opinion was that the pension fund financial statements for 2020/21 gave a true and fair view of the transactions, assets and liabilities of the pension fund for the period and year end date, and had been properly prepared in accordance with the relevant accounting code of practice. The auditor also concluded that pension fund's financial statements for 2020/21 were consistent with the pension fund's annual report for 2020/21.

256. **Dates of Future Meetings**

10.00 am Tuesday 26 March 2024 - County Hall, Dorchester.
1.30 pm Tuesday 25 June 2024 - County Hall, Dorchester.
1.30 pm Tuesday 17 September 2024 - County Hall, Dorchester.
1.30 pm Tuesday 26 November 2024 - County Hall, Dorchester.
1.30 pm Tuesday 18 March 2025 - County Hall, Dorchester.

All meetings from June 2024 will be preceded by training for committee members 10am to 12.45pm.

257. **Exempt Business**

Decision

That the press and the public be excluded for the following item(s) in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

258. **Listed Equities Review**

The Committee considered the results of review of the pension fund's allocations to equity portfolios.

Decision

That the Committee:

- maintains the pension fund's existing allocation to UK equities until further detail about the Brunel UK active equity fund review is available (expected by September 2024);
- transfers the pension fund's holdings in Climate Transition Benchmark (CTB) passive equities to Paris Aligned Benchmark (PAB) passive equities;
- investigates whether the smart beta portfolio can be made less carbon intensive; and
- reviews current allocations to all active portfolios managed by Brunel Pension Partnership (Brunel), the pension fund's Local Government Pension Scheme (LGPS) investment pooling manager in 12 months' time.

259. **Investment Management Arrangements**

The Committee considered a proposal from Brunel to apply the following limited activity-based exclusions to Brunel's actively managed equity and corporate bond portfolios:

- Thermal Coal Extraction revenues equal or greater than 50%.
- Oil Sands Extraction revenues equal or greater than 25%.
- Controversial Weapons and Non-Compliant with Principle 2 of United Nations Global Compact on Human Rights (UNGC).
- Tobacco Production revenues equal or greater than 25%.

Any subsequent amendments to Brunel's policies would be subject to the views of all its clients.

Decision

That the proposal was supported.

Duration of meeting: 1.30 - 2.10 pm

Chairman

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