



AGENDA

PENSIONS INVESTMENT COMMITTEE

Date: WEDNESDAY, 22 SEPTEMBER 2021 at 7.00 pm

Location: Remote Meeting

Enquiries to: Claudette Minott
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COUNCILLORS

Councillor Mark Ingleby (Chair)
Councillor Chris Best
Councillor Patrick Codd
Councillor Caroline Kalu
Councillor Louise Krupski
Councillor John Muldoon
Councillor Stephen Penfold
Councillor James Royston

Observers

Independent

Officers

David Austin, Director of Corporate Services

Members are summoned to attend this meeting

Kim Wright
Chief Executive
Lewisham Town Hall
Catford
London SE6 4RU
Date: Tuesday, 14 September 2021



INVESTOR IN PEOPLE

The public are welcome to attend our committee meetings, however occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

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Agenda Item 2

PENSIONS INVESTMENT COMMITTEE		
Report Title	DECLARATIONS OF INTERESTS	
Key Decision	No	Item No. 1
Ward		
Contributors	CHIEF EXECUTIVE	
Class	Part 1	Date: 22 September 2021

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

Personal interests

There are two types of personal interest :-

- (a) an interest which you must enter in the Register of Members' Interests*
- (b) an interest where the wellbeing or financial position of you, (or a "relevant person") is likely to be affected by a matter more than it would affect the majority of inhabitants of the ward or electoral division affected by the decision.

*Full details of registerable interests appear on the Council's website.

("Relevant" person includes you, a member of your family, a close associate, and their employer, a firm in which they are a partner, a company where they are a director, any body in which they have securities with a nominal value of £25,000 and (i) any body of which they are a member, or in a position of general control or management to which they were appointed or nominated by the Council, and (ii) any body exercising functions of a public nature, or directed to charitable purposes or one of whose principal purpose includes the influence of public opinion or policy, including any trade union or political party) where they hold a position of general management or control,

If you have a personal interest you must declare the nature and extent of it before the matter is discussed or as soon as it becomes apparent, except in limited circumstances. Even if the interest is in the Register of Interests, you must declare it in meetings where matters relating to it are under discussion, unless an exemption applies.

Exemptions to the need to declare personal interest to the meeting

You do not need to declare a personal interest where it arises solely from membership of, or position of control or management on:

- (a) any other body to which you were appointed or nominated by the Council
- (b) any other body exercising functions of a public nature.

In these exceptional cases, unless your interest is also prejudicial, you only need to declare your interest if and when you speak on the matter .

Sensitive information

If the entry of a personal interest in the Register of Interests would lead to the disclosure of information whose availability for inspection creates or is likely to create a serious risk of violence to you or a person living with you, the interest need not be entered in the Register of Interests, provided the Monitoring Officer accepts that the information is sensitive. Where this is the case, if such an interest arises at a meeting, it must be declared but you need not disclose the sensitive information.

Prejudicial interests

Your personal interest will also be prejudicial if all of the following conditions are met:

- (a) it does not fall into an exempt category (see below)
- (b) the matter affects either your financial interests or relates to regulatory matters - the determining of any consent, approval, licence, permission or registration
- (c) a member of the public who knows the relevant facts would reasonably think your personal interest so significant that it is likely to prejudice your judgement of the public interest.

Categories exempt from being prejudicial interest

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

Effect of having a prejudicial interest

If your personal interest is also prejudicial, you must not speak on the matter. Subject to the exception below, you must leave the room when it is being discussed and not seek to influence the decision improperly in any way.

Exception

The exception to this general rule applies to allow a member to act as a community advocate notwithstanding the existence of a prejudicial interest. It only applies where members of the public also have a right to attend to make representation, give evidence or answer questions about the matter. Where this is the case, the member with a prejudicial interest may also attend the meeting for that purpose. However the member must still declare the prejudicial interest, and must leave the room once they

have finished making representations, or when the meeting decides they have finished, if that is earlier. The member cannot vote on the matter, nor remain in the public gallery to observe the vote.

Prejudicial interests and overview and scrutiny

In addition, members also have a prejudicial interest in any matter before an Overview and Scrutiny body where the business relates to a decision by the Executive or by a committee or sub committee of the Council if at the time the decision was made the member was on the Executive/Council committee or sub-committee and was present when the decision was taken. In short, members are not allowed to scrutinise decisions to which they were party.

Agenda Item 3

PENSIONS INVESTMENT COMMITTEE		
Report Title	MINUTES	
Key Decision	No	Item No. 2
Ward	All	
Contributors	CHIEF EXECUTIVE	
Class	Part 1	Date: 22 September 2021

Recommendation

That the Minutes of the meeting of the Committee, held on 24 June 2021 be confirmed and signed.

MINUTES OF THE PENSIONS INVESTMENT COMMITTEE

Thursday 24 J 2021 at 7.12 pm

Members Present:

In Person: Councillor Ingleby (Chair), Councillor Krupski (Vice-Chair), Councillor Royston

Remotely: Councillor Best, Councillor Penfold, Councillor Muldoon

Also present: Ross MacLeod (Hymans Robertson), David Austin (Director of Corporate Resources), Georgina Nunney (Principal Lawyer), Claudette Minott (Clerk)

Apologies: Councillor Cod, Councillor Kalu

1. Election of Chair and Vice Chair

Nomination of Chair and Vice Chair for next municipal year

2. Declarations of Interest

Councillor Ingleby (Chair), declared a personal interest as a Councillor elected Director of Lewisham Homes not in receipt of pension.

3. Minutes

The minutes of the last meeting were amended, to include the wording below:

'We delegate the authority to complete an Elective Professional Client- Status Assessment form and supporting documentation to David Austin, Senior Pension Officer to enable London CIV to complete their MiFID II opt up processes for private markets and infrastructure'

RESOLVED that the minutes of the meeting of the Pensions Investment Committee held on 28 April 2021 be confirmed and signed as a true record.

4. Exclusion of the Press and Public

RESOLVED that under that under Section 100(A) (4) of the Local Government Act 1972, the public be excluded from the meeting during discussion of this item because it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act as set out below and the public interest in maintaining the exemption outweighs the public interest in disclosing the information:-

5. Fund performance report
6. Low Carbon Equity Mandate
7. General update

The Committee are asked to review and note the contents of the report.

RESOLVED that the report be noted.

5. Fund performance report

The Hymans Robertson presented the quarterly performance report to the Committee. The report:

- Discussed the value of the Fund's assets and movements over the quarter to 31 March 2021
- Provided performance summaries for each manager over the quarter; and
- Gave an assessment of the fund managers and any recommendations for the forthcoming quarter.

It was advised that the Fund assets were valued at £1,601.9m at the end of the period with growth of 0.9% for the quarter.

Members asked questions that were answered by Hymans Robertson.

The Committee were asked to note the contents of the report.

RESOLVED that the report be noted.

6. Low Carbon Equity Mandate

Hymans Robertson presented the report to the Committee. The report summarised the work that was in progress, to deliver the low carbon equity strategy agreed at the April 2021 meeting, for circa £850m of assets currently held in this class across the two passive mandates – Blackrock and UBS.

The fund advisor informed members the strategy planned was to:

- 1) Continue to support the London Collective Investment Vehicle seed investor group option,
- 2) In addition, undertake a direct procurement exercise for a mandate to further support the Committee's climate change objectives.

The report focused on the work to deliver the second of these procurements and included the details for the approach to be taken.

The Committee were asked to:

- review the report and note the progress of the London Collective Investment Vehicle seed investor group selection of an index and manager.
- agree the procurement approach, the managers identified, and timetable to run the request for proposal, selection and appointment steps as set out in the Hymans report.

Members asked questions that were answered by Hymans; some of these were as follows:

- How many holdings does each strategy have?
- Does including such a large number of holdings generate engagement challenges?
- Can you explain some of the differences in costs between the strategies?
- What transition risks and costs should be considering?

The Committee noted the information provided and agreed with the suggested next steps. It was also agreed that Members would discuss and confirm availability for dates in late August/early September for the beauty parade to take place.

RESOLVED that the report be noted.

7. General update

The report was presented by the Director of Corporate Resources. The Committee was given an update on several general pension related matters from the last quarterly period. Hymans also provided Members with an update on a number of general pension related issues, from the previous quarter of relevance to the Fund, including updates on the London CIV (LCIV), implementation progress of the investment strategy, and training opportunities.

Members asked questions that were answered by the Director of Corporate Resources.

RESOLVED that the report be noted.

The meeting ended at 8.48 pm

Agenda Item 4

PENSION INVESTMENT COMMITTEE		
Report Title	Exclusion of the Press and Public	
Key Decision		Item No. 4
Ward		
Contributors	Chief Executive	
Class	Part 2	Date: 22 September 2021

Recommendation

It is recommended that under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3, 4 and 5 of Part 1 of Schedule 12(A) of the Act, as amended by the Local Authorities (Executive Arrangements) (Access to Information) (Amendments) (England) Regulations 2006:-

5. Draft Accounts for 2020/21 and Audit Update
6. Quarterly Fund Performance Report
7. Low Carbon Equity Mandate
8. General Update

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 6

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Agenda Item 8

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