



AGENDA

PENSIONS INVESTMENT COMMITTEE

Date: THURSDAY, 23 JULY 2020 at 7.00 pm

Location: Virtual Meeting

Enquiries to: Claudette Minott
Telephone: 0208 314 3417 (direct line)
Email: claudette.minott@lewisham.gov.uk

COUNCILLORS

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

Observers

Independent

Officers

David Austin, Acting Chief Finance Officer
Robert Browning, Principal Accountant –
Treasury & Pensions

Members are summoned to attend this meeting

Janet Senior
Acting Chief Executive
Lewisham Town Hall
Catford
London SE6 4RU
Date: Tuesday, 14 July 2020



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.

ORDER OF BUSINESS – PART 2 AGENDA

Item No		Page No.s
1.	Declarations of Interest	1 - 3
2.	Minutes	4 - 12
3.	Exclusion of the Press and Public Sheet	13
4.	Quarterly Investment Performance Report	14 - 36
5.	Q2 Market Update	37 - 43
6.	Investment Strategy Review: Implementation Considerations	44 - 62
7.	Draft 2019/20 Statement of Accounts	63 - 91
8.	General Update	92 - 144



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.

Agenda Item 1

PENSIONS INVESTMENT COMMITTEE		
Report Title	DECLARATIONS OF INTERESTS	
Key Decision	No	Item No. 1
Ward		
Contributors	CHIEF EXECUTIVE	
Class	Part 1	Date: 23 July 2020

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 2

PENSIONS INVESTMENT COMMITTEE		
Report Title	MINUTES	
Key Decision	No	Item No. 2
Ward	All	
Contributors	CHIEF EXECUTIVE	
Class	Part 1	Date: 23 July 2020

Recommendation

That the Minutes of the meeting of the Committee, held on 13 February 2020 be confirmed and signed.

MINUTES OF THE PENSIONS INVESTMENT COMMITTEE

Thursday 13 February 2020 at 7.05 pm

Present: Councillor Ingleby (Chair), Councillor Krupski (Vice-Chair), Councillor Muldoon
Councillor Penfold and Councillor Maslin.

Also present: Steven Law (Actuary, Hymans Robertson), Nick Jellema (Hymans Robertson),
David Austin (Acting Chief Finance Officer), Claudette Minott (Clerk)

Apologies: Councillor Codd, Councillor Sheikh, Councillor Best, Robert Browning (Principal
Accountant).

1. Declarations of Interest

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

2. Minutes

RESOLVED that the minutes of the meeting of the Pensions Investment Committee held on
13 February 2020 be confirmed and signed as a true record.

3. Exclusion of the Press and Public

RESOLVED 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:-

4. Investment monitoring report
5. Fund valuation and next steps
6. General update

4. Investment Monitoring Report – December 19

The Committee received a confidential report outlining the quarterly performance of the
Pension Fund investment portfolio. The report was presented by the Council's advisors,
Hymans Robertson.

The Committee,

RESOLVED that the report be noted.

5. Fund valuation and next steps

The Committee received a confidential report providing an update on several general fund related matters in the last quarterly period.

The Committee,

RESOLVED that the report update be noted.

6. General update

The Committee received a confidential report providing an update on several general pension related matters in the last quarterly period.

The Committee,

RESOLVED that the report be noted.

The meeting ended at 9.06 pm

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

Document is Restricted

Agenda Item 3

PENSION INVESTMENT COMMITTEE		
Report Title	Exclusion of the Press and Public	
Key Decision		Item No. 3
Ward		
Contributors	Chief Executive	
Class	Part 2	Date: 23 July 2020

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:-

4. Quarterly Investment Performance Report
5. Q2 Market Update
6. Investment Strategy Review: Implementation Considerations
7. Draft 2019/20 Statement of Accounts
8. General Update

Agenda Item 4

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

Document is Restricted

Document is Restricted

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

Document is Restricted

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

Document is Restricted

Agenda Item 6

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

Document is Restricted

Document is Restricted

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

Document is Restricted

Document is Restricted

Agenda Item 8

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

Document is Restricted

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted