

## KENT COUNTY COUNCIL

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### SUPERANNUATION FUND COMMITTEE

MINUTES of a meeting of the Superannuation Fund Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 3 February 2022.

PRESENT: Mr C Simkins (Chairman), Mr N J D Chard (Vice-Chairman), Mr P Bartlett, Cllr J Burden, Cllr P Clokie, OBE, Mrs P T Cole, Mr P Cole, Mr P C Cooper, Ms M Dawkins, Mr J P McInroy, Mr J Parsons, Mr P Stepto and Mr J Wright.

ALSO PRESENT: Mr P J Oakford and Mr T English

IN ATTENDANCE: Ms Z Cooke (Corporate Director of Finance), Mrs A Mings (Treasury and Investments Manager, and Acting Business Partner for the Kent Pension Fund), Mr N Buckland (Head of Pensions and Treasury), Miss T A Grayell (Democratic Services Officer) and Ms E Kennedy (Democratic Services Officer).

#### UNRESTRICTED ITEMS

##### **19. Apologies and Substitutes**

*(Item 1)*

Apologies for absence had been received from Mr D S Daley, Cllr N Eden-Green and Cllr R Thorne.

There were no substitutes.

##### **20. Chairman's welcome**

The Chairman welcomed Nick Buckland, who had joined the County Council on 1 February 2022, in the new role of Head of Pensions and Treasury. Mr Buckland was in attendance to observe the meeting.

##### **21. Declarations of interest by Members in items on the agenda for this meeting.**

*(Item 2)*

1. Mr P Bartlett declared that he was employed by the Bank of New York Mellon, the parent company of Insight, which was managing the equity downside protection programme (agenda item 6). He was advised that he did not need to leave the meeting during discussion of that item.

2. Mrs P T Cole declared that she was an employee of M&S, an employer which was mentioned as part of the background information for agenda item 4.

##### **22. Minutes of the meeting held on 23 November 2021**

*(Item 3)*

It was RESOLVED that the minutes of the meeting held on 23 November 2021 are correctly recorded and that they be signed by the Chairman when this can be done safely. There were no matters arising.

## **23. Responsible Investment working group update**

*(Item 4)*

1. Mrs Mings introduced the report, which set out a recommendation, arising from the work of the Responsible Investment (RI) working group and the outcomes of the Environmental, Social and Governance (ESG) beliefs survey, that the Kent Fund join the Local Authority Pension Fund Forum (LAPFF).
2. The Forum Officer, Keith Bray, then presented a series of slides (included in the agenda pack), which set out the role and structure of the LAPFF and highlighted ESG issues of concern for responsible owners, examples of successful engagement between the Forum and companies, and the benefits of membership.
3. The Vice-Chairman, Mr N J D Chard, as Chairman of the working group, commented that the annual subscription was modest and recommended that the committee agree that the Kent fund should join.
4. Mr Bray responded to comments and questions from the committee, including the following:-
  - a) some Local Government Pension Scheme funds had been members of the Forum in the past and had left, but most of these had later re-joined;
  - b) the Forum had no statutory power or authority but was able to use its extensive membership as a tool to lobby and was adept at using the media to engage and influence; and
  - c) the Forum's agenda was driven by its members, and it used its many years of experience of engagement and research with investee companies to be able to comment on developments and changes for the benefit of its members.
5. It was RESOLVED that the Kent County Council Superannuation Fund join the Local Authority Pension Fund Forum and the Corporate Director for Finance be authorised to apply for membership of the Forum.

## **24. Date of next meeting**

*(Item 5)*

It was noted that the next meeting of the committee would be held on Wednesday 30 March 2022, commencing at 10.00 am at Sessions House, Maidstone.

## **25. Motion to exclude the press and public for exempt business**

The committee RESOLVED that, under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

### **EXEMPT ITEMS**

(open access to minute 26,  
summary of exempt minute 27, where access remains restricted)

## **26. Equity protection programme - verbal update**

*(Item 6)*

1. Mr Sinnott provided an update and summarised the discussions around the trigger point for the protection of the Fund's UK equity exposure. Mr Simkins, as the Chairman of the Equity Protection working group, advised the committee that the group had met on 1 February 2022 and had had a long and thorough debate. The group would meet again on 1 March and a full report would be made to the committee at its 30 March 2022 meeting.
2. It was RESOLVED that the verbal update be noted, with thanks.

## **27. Report of the Responsible Investment working group - ACCESS Environmental, Social and Governance (ESG) Guidelines and follow up to the beliefs survey**

*(Item 7)*

1. Mrs Mings introduced the report and advised that the eleven ACCESS authorities were being asked to consider and provide feedback on a set of ESG guidelines for investments in the ACCESS pool. These represented a set of principals with the aim of helping each fund to meet its ambitions through the pool. She advised that comments were being requested ahead of the next meeting of the ACCESS Joint Committee on 7 March 2022.
2. The committee also received a report on the work of the Responsible Investment working group.
3. The committee considered and commented on each of the three recommendations set out in the report separately and ultimately agreed them.