

## **STRATHCLYDE PENSION FUND**

### **BOARD'S MINUTES.**

**Item 2**

**8<sup>th</sup> September 2021**

By video conference, 1<sup>st</sup> September 2021.

#### **Strathclyde Pension Fund Board.**

Present: Stephen Kelly, UNISON (Chair); James Corry; UNISON; Mark Dickson, Scottish Water; Councillor Tom Fisher, North Lanarkshire Council; Thomas Glavin, UNITE; Councillor Graeme Horne, South Lanarkshire Council; and Andy Thompson, GMB.

Also present: Councillor Richard Bell, Glasgow City Council.

Attending: A Wyber (Clerk); R McIndoe, Director of Strathclyde Pension Fund; J Gillies, I Jamison and L Welsh (Strathclyde Pension Fund Office); L Pendrich and S Tough (for the Executive Director of Finance); and C MacKenzie (for the Head of Communication and Strategic Partnerships).

#### **Welcome.**

1 The Board welcomed Councillor Graeme Horne, South Lanarkshire Council to his first meeting of this Board.

#### **Declarations of interest.**

2 There were no new declarations of interest.

#### **Appointment of Chair for 2021/22 approved.**

3 The Director of Strathclyde Pension Fund, advised the Board that under the Local Government Pension Scheme (Governance) (Scotland) Regulations 2015, the Employers side and the Trade Union side were both required to nominate one of their representatives for appointment as Chair of the Pension Board and the persons nominated would be appointed as Chair of the Pension Board for alternate years.

After consideration, the Board

- (1) approved the appointment of Stephen Kelly, Trade Unions side as Chair for 2021/22; and
- (2) noted that the Employer's side had arranged to meet to discuss their nomination for Vice-Chair for 2021/22.

#### **Training events noted etc.**

**4** The Director of Strathclyde Pension Fund advised the Board of a number of forthcoming training events.

After discussion, the Board noted the forthcoming training events and that the Director of Strathclyde Pension Fund would forward further details of the training events once they were available.

**Legal and General – Proposed presentation noted.**

**5** The Board noted that Legal and General would make a short presentation on Investing in the UK Build to Rent Market to Strathclyde Pension Fund Committee on 8th September 2021.

**Minutes of Strathclyde Pension Fund Board noted.**

**6** The minutes of Strathclyde Pension Fund Board of 26th May 2021 were submitted and noted.

**Direct Investment Portfolio – Foresight Regional Investment Fund, Scotland - Investment proposal noted.**

**7** There was submitted a report by the Director of Strathclyde Pension Fund regarding a proposal to invest in Foresight Regional Investment Fund, Scotland, advising

- (1) of the investment proposal; and
- (2) of the expected return from the fund, the main risks and the exit strategy

After consideration, the Board noted the proposal to invest £30m in Foresight Regional Investment Fund, Scotland by the Direct Investment Portfolio.

**Investment Strategy – Proposed rebalancing of strategy noted.**

**8** There was submitted and noted a report by the Director of Strathclyde Pension Fund regarding a proposed revised rebalancing strategy including a relative value framework, as detailed in the report.

**Climate Change Strategy report – Update noted.**

**9** With reference to the minutes of the Council's Strathclyde Pension Fund Committee of 2nd June 2021 approving an update and proposed amendments to Strathclyde Pension Fund's Climate Change Strategy and agreeing that the Director of Strathclyde Pension Fund would submit a report to the next meeting of Strathclyde

Pension Fund in relation to meeting its targets, the Board, having heard the Director of Strathclyde Pension Fund regarding the report, noted that a report on the initial findings of an assessment of energy sector companies in Strathclyde Pension Fund portfolios would be available for consideration at Strathclyde Pension Fund Committee on 8th September 2021.

#### **Strathclyde Pension Fund - Administration Performance – Position noted.**

**10** There was submitted and noted a report by the Director of Strathclyde Pension Fund advising of performance and current issues within the benefits administration area of Strathclyde Pension Fund Office as at 30th June 2021.

#### **Strathclyde Pension Fund – Investment performance noted.**

**11** There was submitted and noted a report by the Director of Strathclyde Pension Fund regarding

- (1) the investment performance to 30th June 2021;
- (2) a summary of the portfolio investment as at 31st July 2021;
- (3) the outcome of the Investment Advisory Panel meeting of 12th August 2021; and
- (4) responsible investment and climate change activity during Quarter 2.

#### **Financial statements – Current position noted.**

**12** There was submitted and noted a report by the Director of Strathclyde Pension Fund regarding financial statements for the administration of Strathclyde Pension Fund, detailing the monitoring and cash flow statements for period 5 from 1st April to 30th July 2021.

#### **Business plan 2021/22 – Progress noted.**

**13** There was submitted and noted a report by the Director of Strathclyde Pension Fund regarding a review of progress in respect of the development priorities listed in the Fund's 2021/22 Business Plan.

#### **Risk Register – Position noted.**

**14** There was submitted and noted a report by the Director of Strathclyde Pension Fund detailing the risk register for Strathclyde Pension Fund Office.

## **Audit Scotland - Annual Audit report 2020/21 – Position noted.**

**15** With reference to the minutes of the Council's Strathclyde Pension Fund Committee of 22nd June 2021 accepting Audit Scotland's unaudited annual report and financial statements for Strathclyde Pension Fund for 2020/21 and noting that upon completion of the audit, Audit Scotland would report its findings to Strathclyde Pension Fund Committee by the end of September 2021, the Board having heard the Director of Strathclyde Pension, noted that the finalised accounts would not be available for consideration by Strathclyde Pension Fund Committee on 8th September 2021 however, Mr John Cornett, Audit Scotland would give a verbal update to the committee on the accounts.