

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Pension Fund Responsible Investment Sub-Committee
Date:	3 September 2019
Title:	Sub-committee work plan
Report From:	<i>Director of Corporate Resources – Corporate Services</i>

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Purpose of this Report

1. This report proposes a work plan in order to focus the activities of the RI sub-committee.

Recommendations

2. That the RI sub-committee approves the proposed workplan making any suggested changes where necessary.

Work plan

3. The following list is the proposed workplan for the sub-committee, which is based on the activities in the sub-committee's terms of reference agreed by the Panel and Board in July 2019:
 - regularly review the Pension Fund's RI Policy and practices relating to it, to ensure that ESG issues are adequately reflected;
 - consider any appropriate standards or initiatives that would enhance the Pension Fund's approach to RI;
 - provide a forum for considering representations to change the RI Policy and/or the Pension Fund's responsible investment practices relating to it;
 - receive any relevant training on ESG issues;
 - engage in responsible stewardship with investment managers and to provide a forum for the review and monitoring of investments in the context of the RI Policy, where necessary making recommendations for change to the Panel and Board;

- review investment managers' company engagement and voting decisions and when necessary engage directly and indirectly with investment managers (and where possible directly with companies the Pension Fund is invested in) to make representations concerning ESG as appropriate;
- to engage directly and indirectly with scheme members and employers to hear representations concerning ESG as appropriate; and
- to report annually on the Pension Fund's RI to demonstrate progress to the Pension Fund's stakeholders.

RI sub-committee meetings

4. The RI sub-committee's first meeting (this agenda) will consider a number standards that could support and enhance the Pension Fund's approach to RI, as well as reviewing how one of the Fund's investment manager's investment approach fits with the updated RI policy. Also on this agenda is the review of investment managers shareholder voting decisions, which is intended to be a reoccurring item for the sub-committee.
5. The RI sub-committee is next due to meet on 6 March 2020. This will be an opportune time for the sub-committee to consider a first draft of the Pension Fund's first annual report on its RI activities. In addition the sub-committee could review how RI applies to its passive investments, as well as any other emerging issues.

REQUIRED CORPORATE AND LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	No
People in Hampshire live safe, healthy and independent lives:	No
People in Hampshire enjoy a rich and diverse environment:	No
People in Hampshire enjoy being part of strong, inclusive communities:	No
OR	
This proposal does not link to the Strategic Plan but, nevertheless, requires a decision because: For the ongoing management of the Hampshire Pension Fund.	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Equality objectives are not considered to be adversely affected by the proposals in this report as the proposals do not directly affect scheme member.