

AVON PENSION FUND COMMITTEE INVESTMENT PANEL

Minutes of the Meeting held

Wednesday, 27th February, 2019, 2.00 pm

Members: Councillor Patrick Anketell-Jones (Chair), Councillor David Veale, Pauline Gordon and Shirley Marsh

Advisors: Steve Turner (Mercer), Nick Page (Mercer)

Also in attendance: Liz Woodyard (Investments Manager), Nathan Rollinson (Assistant Investments Manager) and Ileana Constantinescu (Investments Officer)

36 EMERGENCY EVACUATION PROCEDURE

The Democratic Services Officer advised the meeting of the procedure.

37 DECLARATIONS OF INTEREST

Councillor Anketell-Jones declared that he was a member of Greenpeace.

38 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies were received from Cllr Rob Appleyard and Cllr Mary Blatchford.

39 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was none.

40 ITEMS FROM THE PUBLIC - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS

There were none.

41 ITEMS FROM COUNCILLORS AND CO-OPTED AND ADDED MEMBERS

There were none.

42 MINUTES: 12TH NOVEMBER 2018

The public minutes of the 12th November 2018 were approved as a correct record and signed by the Chair.

Due to an oversight the exempt minutes had not been circulated with the agenda; Members agreed to raise any concerns pertaining to the exempt minutes directly with the Investments Manager after the meeting and by email and to defer approval of them to the next meeting of the Panel.

43 BRUNEL PENSION PARTNERSHIP - UPDATE ON POOLING

The Investments Manager tabled a covering report for this item, which summarised developments since the previous meeting of the Panel in November 2018.

She said that the transition to Brunel was still progressing according to plan.

The transition of UK Equities had been completed; the final outcome report would be shared with the Client Group shortly, and would come to the Panel and the Committee.

The tender to select managers for the Emerging Markets Equities portfolio was under way; the scoping paper for this was attached as exempt appendix 1.

The Global High Alpha Equities portfolio had been launched; the launch paper was attached as exempt appendix 2.

Exempt appendix 3 detailed the Liability Driven Investment Offering agreed between Brunel and the Client Group.

The drawdown of commitments to the Secured Income and Renewable Infrastructure portfolios has begun. Since the commitments made in 2018 met the Fund's strategic allocation, no new commitments will be made to these portfolios in 2019.

Before discussing the exempt appendices to this item, the Panel, having been satisfied that the public interest would be better served by not disclosing relevant information, **RESOLVED** that the public should be excluded for the discussion of exempt appendices 1-4b of this item and that the reporting of this part of the meeting should be prevented, in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, because of the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act as amended.

RESOLVED:

1. to note the progress made on the pooling of assets;
2. to note the project plan for the future transition of assets.

44 DRAFT PLAN 2019 STRATEGIC REVIEW

The Investments Manager presented the report. The Panel discussed the draft plan for the Strategic Review. The final plan will be presented to Committee at its March meeting.

Having been satisfied that the public interest would be better served by not disclosing relevant information, the Panel **RESOLVED** that the public should be excluded during the discussion of exempt appendix 1 and that the reporting of this part of the meeting should be prevented, in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, because of the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act as amended.

RESOLVED to note the draft plan.

45 PRIVATE DEBT - ASSET CLASS UPDATE

The Assistant Investments Manager presented the report, to refresh Panel members about the characteristics of Private Debt.

Mr Turner presented the Mercer *Private Asset Class Update* paper (Appendix 1).

[Councillor David Veale left the meeting.]

Having been satisfied that the public interest would be better served by not disclosing relevant information, the Panel **RESOLVED** that the public should be excluded for the discussion of exempt appendix 2 and that the reporting of this part of the meeting should be prevented, in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, because of the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act as amended.

The Investments Manager presented the Brunel Private Debt Portfolio Specification.

RESOLVED to note the information contained in the report and appendices.

46 REVIEW OF INVESTMENT PERFORMANCE FOR PERIODS ENDING 31 DECEMBER 2018

The Assistant Investments Manager presented the report.

Mr Turner presented the Mercer Performance Monitoring Report (appendix 2).

Having been satisfied that the public interest would be better served by not disclosing relevant information, the Panel **RESOLVED** that the public should be excluded for the discussion of exempt appendix 4 and that the reporting of this part of the meeting should be prevented, in accordance with the provisions of section 100(A)(4) of the Local Government Act 1972, because of the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act as amended.

Mr Page presented the Mercer Risk Management Framework Quarterly Monitoring Report (exempt appendix 4).

The Panel returned to open session and the Assistant Investments Manager drew attention to the sample Brunel Quarterly Performance Report (appendix 6).

RESOLVED:

1. to note the information as set out in the reports.
2. that there were no issues to report to the Committee.

47 WORKPLAN

RESOLVED to note the workplan.

The meeting ended at 4.15 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services