

GREATER MANCHESTER PENSION FUND MANAGEMENT PANEL

17 November 2017

Commenced: 9.30am

Terminated:12.30pm

Present: Councillor K Quinn (Chair)

Councillors: Barnes (Salford), Brett (Rochdale), Cooney, J Fitzpatrick, Grimshaw (Bury), Halliwell (Wigan), J Lane, Mitchell (Trafford), Pantall, (Stockport) S Quinn, Ricci, M Smith, Taylor, Ward and Ms Herbert (MoJ)

Apologies for Absence: Councillors Patrick and Jabbar (Oldham). Mr Flatley (GMB)

40. CHAIR'S OPENING REMARKS

The Chair welcomed everyone to the meeting and announced that Mr Moizer and Mr Bowie had each served as Advisors to the Panel for 30 years. He thanked Mr Moizer and Mr Bowie for their long service and explained that this would be formally recognised with a presentation at the end of the meeting.

Members were informed that the Fund's value was currently £22 billion, an increase of over £400 million or 0.4 billion over the quarter since the last meeting of the Panel, and had more than doubled since 2010, when he had become Chair. It was noted that in the last 30 years, the Fund had achieved £3 billion above what would have been achieved if it had operated at the level of performance of the average Local Government Fund.

The Chair outlined key issues on the agenda, as follows:

- An update on pooling;
- The third and final stage of the 'root and branch' review of Investment Management arrangements;
- Training items on investment performance within the LGPS, followed by an update on Fund performance;
- An update on investment management costs;
- A presentation from Investec, Global Equities Manager for the Fund; and
- An update on the Fund's approach to Responsible Investment and feedback from the successful stakeholder day.

The Chair made reference to emails received by many Local Authorities across Greater Manchester regarding climate change and fossil fuel holdings. He described the ground-breaking investments being made in clean energy, which were vital to an orderly transition from fossil fuels to renewable energy, and, in terms of fossil fuel holdings, reaffirmed the Fund's commitment to using influence and engaging with companies to assess their business plans for alignment with a two degree warming scenario. He added that a draft response would be prepared.

41. DECLARATIONS OF INTEREST

There were no declarations of interest submitted by Members.

42. MINUTES

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 22 September 2017 were signed as a correct record.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 22 September 2017 were signed as a correct record.

The Minutes of the proceedings of the Annual General Meeting held on 22 September 2017 were signed as a correct record.

43. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

(a) Urgent Items

The Chair announced that there were no urgent items for consideration at this meeting.

(b) Exempt Items

RESOLVED

That under Section 100 (A) of the Local Government Act 1972 the public be excluded for the following items of business on the grounds that:

- (i) they involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the act specified below; and**
- (ii) in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information for reasons specified below:**

<u>Items</u>	<u>Paragraphs</u>	<u>Justification</u>
8, 9, 10, 11, 12, 13, 14, 15, 16	3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10, 3&10	Disclosure would or would be likely to prejudice the commercial interests of the Fund and/or its agents, which could in turn affect the interests of the beneficiaries and/or tax payers.

44. POLICY AND DEVELOPMENT WORKING GROUP

That the Minutes of the proceedings of the meeting of the Policy and Development Working Group held on 5 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted

45. INVESTMENT MONITORING AND ESG WORKING GROUP

The Minutes of the proceedings of the meeting of the Investment Monitoring and ESG Working Group held on 13 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted

46. PENSIONS ADMINISTRATION WORKING GROUP

The Minutes of the proceedings of the meeting of the Pensions Administration Working Group held on 13 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted

47. ALTERNATIVE INVESTMENTS WORKING GROUP

The Minutes of the proceedings of the meeting of the Alternative Investments Working Group held on 20 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

48. EMPLOYER FUNDING VIABILITY WORKING GROUP

The Minutes of the proceedings of the meeting of the Employer Funding Viability Working Group held on 27 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

49. PROPERTY WORKING GROUP

The Minutes of the proceedings of the Property Working Group held on 27 October 2017 were considered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

50. MANAGEMENT SUMMARY

A report of the Director of Pensions was submitted and a presentation delivered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

51. LGPS POOLING UPDATE

A report of the Assistant Director of Pensions, Funding and Business Development was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

52. FINANCING ARRANGEMENTS FOR GUARDSMAN TONY DOWNES HOUSE

A report of the Assistant Director of Pension, Local Investments and Property, was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

53. REVIEW OF INVESTMENT MANAGEMENT ARRANGEMENTS

A report of the Assistant Director of Pensions, Investments, was submitted and a presentation delivered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

54. LGPS PERFORMANCE UPDATE

David Cullinan of PIRC attended before Members and gave a presentation for training purposes, in respect of LGPS Investment Performance.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

55. PERFORMANCE DASHBOARD

A report of the Assistant Director of Pensions, Investments, was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

56. UPDATE ON INVESTMENT MANAGEMENT COSTS BENCHMARKING

A report of the Assistant Director of Pensions, Investments, was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

57. REPORTS OF THE MANAGERS

A report of the Assistant Director of Pensions, Investments, was submitted and a presentation of Investec Asset Management was delivered.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

58. UPDATE ON GMPF'S APPROACH TO RESPONSIBLE INVESTMENT

A report of the Assistant Director of Pensions, Investments, was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

59. PENSIONS ADMINISTRATION UPDATE

A report of the Pensions Policy Manager was submitted.

RESOLVED

That the recommendations of the Pension Fund Advisory Panel on this matter be adopted.

60. FUTURE TRAINING DATES

Trustee Training opportunities were noted as follows:

Investec Trustee Training Day Location to be confirmed.	4 December 2017
Fundamentals Training Day 3 Park Plaza Hotel, Leeds	5 December 2017
LAPFF Annual Conference Highcliffe Marriott, Bournemouth	6-8 December 2017
CIPFA Barnett Waddingham Seminars for Local Board Members	26 February 2018 – London 28 February 2018 – Wolverhampton 2 March 2018 - Leeds
PLSA Investment Conference EICC Edinburgh	7-9 March 2018
PLSA Local Authority Conference Cotswold Water Park Hotel, Gloucestershire	21-23 May 2018
CIPFA Barnett Waddingham Annual Event for Local Board Members London	27 June 2018
PLSA Annual Conference Liverpool	17-19 October 2018

61. DATES OF FUTURE MEETINGS

The dates of future meetings of the Greater Manchester Pension Fund Management/Advisory Panel, Local Board and Working Groups were noted as follows:

Management/Advisory Panel	23 March 2018
Local Pensions Board	14 December 2017
	29 March 2018
Pensions Administration Working Group	19 January 2018
	6 April 2018
Investment Monitoring & ESG Working Group	19 January 2018
	6 April 2018
Alternative Investments Working Group	26 January 2018
	13 April 2018
Property Working Group	2 February 2018
	20 April 2018
Policy and Development Working Group	1 February 2018
	22 March 2018
Employer Funding Viability Working Group	2 February 2018
	20 April 2018

62. PRESENTATION TO RONNIE BOWIE AND PETER MOIZER

The Chair informed Members that Mr Bowie and Mr Moizer had each served 30 years as Advisors to the Fund. He thanked them both for their hard work, support and excellent advice over the years, which had undoubtedly contributed significantly to the success of the Fund.

The Chair then presented Mr Bowie and Mr Moizer with a gift.

Mr Bowie and Mr Moizer thanked the Chair and Members and responded in kind.

CHAIR