

EXEMPT - GMPF - EXECUTIVE DECISION NOTICE

SUBJECT MATTER:	CREDIT OPPORTUNITIES FUND INVESTMENT (Approval 1 – 13/09/2021)
DECISION:	To APPROVE an investment of \$105 million (approximately £75 million) in an Investment Fund focussed on high returning credit related investments.
DECISION TAKER:	Sandra Stewart
DESIGNATION OF DECISION TAKER:	Director of Pensions
DATE OF DECISION:	13 September 2021
REASON FOR DECISION:	<p>The Panel has allocated up to 5% of total assets to the Special Opportunities Portfolio. Special Opportunities Portfolio strategy and governance operates using a system of “Type Approvals”, each of which details a type of investment that officers believe is appropriate to the objectives of the Special Opportunities Portfolio. Specific Type Approvals have received the support of the Fund’s Management Panel. The Investments team is responsible for selecting managers and funds consistent with granted Type Approvals.</p> <p>The Director has delegated authority to sign off investments of this nature.</p>
ALTERNATIVE OPTIONS REJECTED (if any):	<p>This investment has been selected by the GMPF team for the Special Opportunities Portfolio under the relevant Type Approval.</p> <p>The team continually reviews the investible universe for the best investment opportunities. Recent competitor funds have been assessed but have not been progressed.</p>
CONSULTEES:	<p>The team has taken appropriate reference calls with relevant parties and consulted with GMPF’s Investment Committee. There is a consensus on the manager being credible and this being an appropriate investment for GMPF’s Special Opportunities Portfolio.</p>
FINANCIAL IMPLICATIONS:	<p>The commitment to this fund will increase the total commitments within the Special Opportunities Portfolio consistent with the implementation plans described the strategy paper approved by the Fund’s Management Panel.</p> <p>There are no issues arising from portfolio concentration or overall exposure to specific Type Approvals from this investment.</p>
LEGAL IMPLICATIONS:	<p>A Subscription Agreement and, as necessary, a side letter will be entered into to formalise the commitment to the Fund, subject to approval of the Head of Pension Fund Legal. The Limited Partnership Agreement is the main controlling document and is subject to review by GMPF officers, and review and approval by</p>

	Pension Fund Legal.
RISK MANAGEMENT:	<p>Whilst the manager is a highly regarded and long-standing investment manager, there is always a risk that any individual fund will not deliver on its promised returns due to either specific issues with investments or due to broader asset market factors.</p> <p>The approach to mitigating these risks is through diversification along manager, market segment, geographic and fund vintage dimensions.</p>
CONFLICT OF INTEREST:	None
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	N/A
ACCESS TO INFORMATION:	<p>Not for Publication: This report contains exempt information relating to paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). On balance, under paragraph 10 of Part 2 of Schedule 12A, it would not be in the public interest to disclose this information to the public because disclosure would, or would likely to, prejudice the commercial interests of the Fund and/or its agents which, in turn, could impact upon the interests of the local taxpayer and/or the beneficiaries of the Fund.</p>
REFERENCE DOCUMENTS:	<p>Any further information can be obtained by contacting: Neil Cooper, Head of Pension Investment by phone on 0161 301 7142 or by email: neil.cooper@gmpf.org.uk</p>



Signed
Sandra Stewart, Director of Pensions

Dated: 13 September 2021