



**EXEMPT - GMPF - EXECUTIVE DECISION NOTICE**

<b>SUBJECT MATTER:</b>	<b>FORWARD FUNDING OF AN INDUSTRIAL SCHEME</b>
<b>DECISION:</b>	DETERMINED that as part of the 3% Greater Manchester Property Venture Fund (GMPVF) allocation approved by Panel in June 2021, to approve a commitment of £49.3m to acquire a prime logistics development scheme by way of forward funding, subject to the usual property due diligence before purchase.
<b>DECISION TAKER(S):</b>	Sandra Stewart
<b>DESIGNATION OF DECISION TAKER (S):</b>	Director of Pensions
<b>DATE OF DECISION:</b>	17 January 2022
<b>REASON FOR DECISION:</b>	<p>An allocation of 3% of Fund assets to GMPVF, was ratified by Management Panel in June 2021.</p> <p>Following initial due diligence, Avison Young in their role as non-discretionary Manager to GMPVF have recommended proceeding with the forward funding of a new logistics scheme located in Yorkshire. Construction is due to commence in March 2022 with practical completion scheduled for April 2023.</p> <p>The buildings are being developed speculatively but with a dynamic of continued strong occupational demand and record low supply availability.</p> <p>Six buildings totalling 300,000 sq ft are being developed. All buildings are of a high specification with high eaves height, adequate dock loading and level access doors and appropriate yard depths. The specification is seeking to obtain a BREEAM 'Very Good' rating.</p> <p>Due diligence has been undertaken by both Avison Young and officers of the fund including a full site inspection. Avison Young agreed with the purchase through their Internal Investment Committee on the 4<sup>th</sup> January.</p> <p>Please refer to the Avison Young report attached, which supports the purchase price of £49.3m.</p> <p>The acquisition is considered to be well suited to GMVF's current investment requirements by being a well-located asset in a favourable sector which has been difficult to obtain exposure. All portfolio construction investment guidelines continue to be met following the investment.</p> <p>The development will sit within Development Allocation of GMPVF. Once complete and lease, there is the option to transfer it to the Income Generating Allocation or National Core Portfolio. This will be considered on merit once a lease has been achieved.</p>

<b>ALTERNATIVE OPTIONS REJECTED (if any):</b>	Avison Young continually monitors the market for suitable opportunities which are in line with the agreed investment guidelines for income generating assets.
<b>CONSULTEES:</b>	The Local Investment team has discussed the opportunity internally and also with Avison Young who are advisors to GMPVF.
<b>FINANCIAL IMPLICATIONS:</b>	The purchase will be made from GMPF's allocation to the GM Property Venture Fund ratified by Panel in June 2021.
<b>LEGAL IMPLICATIONS:</b>	The purchase of the property is being dealt with by Addleshaw Goddard. A legal review is currently on-going, therefore approval is being sought subject to satisfactory legal due diligence.
<b>CONFLICT OF INTEREST:</b>	None
<b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b>	N/A
<b>ACCESS TO INFORMATION:</b>	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 interest of the local taxpayer and/or the beneficiaries of the Fund.
<b>REFERENCE DOCUMENTS:</b>	<p><b>Appendix 1</b> - Score Rating</p> <p><b>Appendix 2</b> – Portfolio Construction Analysis</p> <p><b>Appendix 3</b> - Avison Young Recommendation</p> <p>Further background papers relating to this report can be inspected by contacting: Kevin Etchells, Senior Investment Manager</p> <p> Telephone: 0161 301 7164</p> <p> E-mail: <a href="mailto:kevin.etchells@tameside.gov.uk">kevin.etchells@tameside.gov.uk</a></p>

Signed .....  . Dated: 17 January 2022  
Sandra Stewart, Director of Pensions