

GREATER MANCHESTER PENSION FUND MANAGEMENT PANEL

1 December 2023

Commenced: 10.10am **Terminated:**12.40pm

Present: Councillor Cooney (Chair)
Councillors: Axford (Trafford), Boyle, Drennan, Fitzpatrick, Grimshaw (Bury), Lane, Mistry (Bolton), North, O'Neill (Rochdale), Quinn, Ricci, Sheikh (Manchester), Smart (Stockport), Taylor, Walters (Salford) and Ward.

Ms Herbert (MoJ) joined the meeting virtually

Fund Observers:
Councillor Taylor (Stockport)

Apologies for Absence: Councillors Billington, Jabbar (Oldham), Jones, Martin and Rehman (Wigan)

43. CHAIR'S OPENING REMARKS

The Chair, Councillor Cooney, advised with great sadness, of the death of John Pantall. John had been on the Fund firstly, as the representative for Stockport MBC and latterly, when he retired after 44 years as a Stockport Councillor, became an independent observer on the Fund.

John was a remarkable man and a tremendous public servant for over forty years. His commitment to the Pension Fund was second to none and he was well-respected across the Pension world. John was a stalwart supporter of the Fund and indefatigable in his efforts to do his best and represent the interests of members, Employers and taxpayers who he represented so assiduously over the years. He would be sadly missed by all who knew him.

The Chair extended sincere condolences to John's wife Marlis, and his family at this very sad time.

The meeting then stood in silence in memory of John.

The Chair stressed the importance of safeguarding the deferred pay, which were the pensions of public sector workers, whilst balancing the need to ensure that they were affordable and sustainable to the employers and taxpayers alike. He reminded everyone that attendance was important and in particular, training opportunities, to ensure that Members had the appropriate skills and knowledge to be a trustee to manage nearly £30 billion pounds in order to meet the pension promises of the Fund's members.

The Chair further announced that Councillor Billington had decided to resign from his position on the Fund due to work commitments and he thanked him for his contribution to date.

The Chair also thanked UBS, who were present in the meeting to provide an update on GMPF's approach to climate risk on the excellent training they delivered 4 weeks ago.

The Chair was delighted to announce that the Fund was successful at the IPE awards the previous day and was:

- the Winner for Impact Investing – as informed at the last meeting (meeting of 15 September 2023 refers), the Fund was the first LGPS fund to have their impact investing assessed independently by the Good Economy and published on the GMPF website;
- Highly Commended UK Fund; and
- Highly commended Public Sector Fund.

He added that the IPE Awards over the last 20 years had recognised pension providers that had set the highest professional standards across Europe. He congratulated everyone at the Fund as this was a significant achievement and reflection on the enormous amount of work which had taken place by all over recent years.

On the 13 November, a new minister responsible for the LGPS, Simon Hoare was appointed local government minister at the Department for Levelling Up, Housing & Communities as part of the Prime Minister's recent reshuffle, replacing Lee Rowley who Rishi Sunak made housing minister. A week later, alongside the Chancellor's Autumn Statement, the response to the "next steps on investments" consultation was signed off and published by the new Minister on 22 November 2023.

The consultation largely adopted the measures the government originally consulted on, with the main points from the consultation set out as follows:

"After having considered the responses, the government will now implement the proposals that we set out in the consultation to accelerate and expand pooling, and increase investment in levelling up and in private equity. We will:

- set out in revised investment strategy statement guidance that funds should transfer all assets to their pool by 31 March 2025, and set out in their Investment Strategy Statement assets which are pooled, under pool management and not pooled and the rationale, value for money and date for review if not pooled
- revise pooling guidance to set out a preferred model of pooling including delegation of manager selection and strategy implementation
- implement a requirement in guidance for administering authorities to set a training policy for pensions committee members and to report against the policy
- revise guidance on annual reports to include a standard asset allocation, proportion of assets pooled, a comparison between actual and strategic asset allocation, net savings from pooling and net returns for each asset class against their chosen benchmark
- make changes to LGPS official statistics to include a standard asset allocation and the proportion of assets pooled and the net savings of pooling
- amend regulations to require funds to set a plan to invest up to 5% of assets in levelling up the UK, and to report annually on progress against the plan
- revise Investment Strategy Statement guidance to require funds to consider investments to meet the government's ambition of a 10% allocation to private equity."

The Chair advised that the consultation response was out too late for a report to be produced for the meeting on implications for the Fund, however a report would be brought to a future meeting of the Panel, when the response had been fully scrutinised.

The Chair concluded that John Simmonds from CEM Benchmarking (who measured the performance of over 400 pension funds globally), was in attendance and would be presenting before Members later in the agenda. He would be providing feedback favourably on the Fund's position globally particularly during the post covid, fiscally and geopolitically difficult and unstable times.

44. DECLARATIONS OF INTEREST

There were no new declarations of interest submitted by Members.

45. MINUTES

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 15 September 2023 were noted.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 15 September 2023 were signed as a correct record.

46. 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:**

Items	Paragraphs	Justification
9, 10, 11, 12, 13, 14, 21, 23, 24, 25	3&10, 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.

47. LOCAL PENSIONS BOARD

The Minutes of the proceedings of the meeting of the Local Pensions Board held on 28 September 2023 were considered.

RESOLVED

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

48. INVESTMENT MONITORING AND ESG WORKING GROUP

The Minutes of the proceedings of the meeting of the Investment Monitoring and ESG Working Group held on 22 September 2023 were considered

RESOLVED

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

49. ADMINISTRATION AND EMPLOYER FUNDING VIABILITY WORKING GROUP

The Minutes of the proceedings of the meeting of the Administration and Employer Funding Viability Working Group held on 22 September 2023 were considered

RESOLVED

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

50. POLICY AND DEVELOPMENT WORKING GROUP

The Minutes of the proceedings of the meeting of the Policy and Development Working Group held

on 23 November 2023 were considered.

RESOLVED

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

51. NORTHERN LGPS JOINT OVERSIGHT COMMITTEE

The Minutes of the proceedings of the meeting of the Northern LGPS Joint Oversight Committee held on 6 July 2023 were received.

RESOLVED

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

52. GMPF STATEMENT OF ACCOUNTS AND ANNUAL REPORT 2022-2023

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

RESOLVED

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

53. RESPONSIBLE INVESTMENT UPDATE

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

RESOLVED

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

54. UPDATE ON GMPF'S APPROACH TO CLIMATE RISK

A report was submitted by the Assistant Director of Investments and a presentation delivered by representatives of UBS.

RESOLVED

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

55. CEM COST BENCHMARKING

The Assistant Director of Pensions Investments and the Assistant Director of Pensions Administration submitted a report and a presentation delivered by representatives of CEM Benchmarking.

RESOLVED

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

56. 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.

57. BUSINESS PLANNING, BUDGET AND RISK MANAGEMENT

A report of the Director of Pensions was submitted.

RESOLVED

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

58. GMPF EMPLOYER EXIT CREDIT DETERMINATIONS

A report of the Director of Pensions was submitted.

RESOLVED

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

59. ADMINISTRATION UPDATE

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

RESOLVED

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

60. LGPS UPDATE

A report of the Assistant Director of Pensions Administration was submitted.

RESOLVED

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

61. FUTURE DEVELOPMENT OPPORTUNITIES

Trustee development opportunities were noted as follows:

LGA Fundamentals – Day 3, Manchester Piccadilly Hotel	13 December 2023
LGA Fundamentals – Day 3 virtual (two half days)	11 December 2023
	19 December 2023

62. DATES OF FUTURE MEETINGS

It be noted that the date of future meetings be held as follows:

Management/Advisory Panel	8 March 2024
Local Pensions Board	25 Jan 2024 11 April 2024
Policy & Development Wrk Grp	22 Feb 2024
Investment Monitoring & ESG Wrk Grp	26 Jan 2024 12 April 2024
Administration & Employer Funding Viability Wrk Grp	26 Jan 2024 12 April 2024

CHAIR