

GREATER MANCHESTER PENSION FUND MANAGEMENT PANEL

23 March 2018

Commenced: 10.00am

Terminated: 12.30pm

Present: Councillor Warrington (Chair)

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

Apologies for Councillors J Fitzpatrick and J Lane

Absence:

63. CHAIR'S OPENING REMARKS

The Chair welcomed everyone to the meeting and explained that it was an honour to Chair her first meeting of the GMPF Management/Advisory Panel. This was, however, tinged with sadness at the very sad and untimely death of the former Chair of the Greater Manchester Pension Fund, Councillor Kieran Quinn. The Chair added that Kieran would be sadly missed by the Fund and the wider pensions' world.

The Chair further explained that Councillor Gerald Cooney had agreed to take up the position of Vice Deputy Chair on the Fund and also as a representative on LAPFF along with Councillor Pantall.

Following the recent circulation of a letter to Trustees highlighting the denial of basic rights to women in Saudi Arabia and also of the request to list shares of Saudi Aramco on the London Stock Exchange, the Chair explained that a motion had been put to the last meeting of Tameside Council, as follows:

'We call upon the Financial Conduct Authority not to adopt a proposed change in the rules that would enable Aramco shares to be listed on the London Stock Exchange in the first place for as long as this denial of basic rights to women in Saudi Arabia persists'.

Members were informed that the Fund's value was currently £23 billion, an increase of £1 billion over the quarter since the last meeting of the Panel. It was noted that in the last 30 years, the Fund had achieved £3.4 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 including our infrastructure investments through GLIL;
- Two updated policy statements for adoption by the Panel – the Core Belief Statement and the Investment Strategy Statement;
- An update on the fund's Carbon Footprint, with a presentation from the Independent expert that undertook such an exercise for us;
- An update on investment management costs; and
- A presentation from UBS, Multi-Asset manager for the Fund.

64. DECLARATIONS OF INTEREST

There were no declarations of interest submitted by Members.

65. MINUTES

The Minutes of the proceedings of the meeting of the Pension Fund Advisory Panel held on 17 November 2017 were signed as a correct record.

The Minutes of the proceedings of the meeting of the Pension Fund Management Panel held on 17 November 2017 were signed as a correct record.

66. 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, 10, 12, 13, 14, 15	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.

67. LOCAL PENSIONS BOARD

RESOLVED

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

68. INVESTMENT MONITORING AND ESG WORKING GROUP

The Minutes of the proceedings of the meeting of the Investment Monitoring and ESG Working Group held on 19 January 2018 were considered.

RESOLVED

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

69. PENSIONS ADMINISTRATION WORKING GROUP

The Minutes of the proceedings of the meeting of the Pensions Administration Working Group held on 19 January 2018 were considered.

RESOLVED

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

70. ALTERNATIVE INVESTMENTS WORKING GROUP

The Minutes of the proceedings of the meeting of the Alternative Investments Working Group held on 2 February 2018 were considered.

RESOLVED

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

71. EMPLOYER FUNDING VIABILITY WORKING GROUP

The Minutes of the proceedings of the meeting of the Employer Funding Viability Working Group held on 2 February 2018 were considered.

RESOLVED

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

72. PROPERTY WORKING GROUP

The Minutes of the proceedings of the Property Working Group held on 2 February 2018 were considered.

RESOLVED

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

73. POLICY AND DEVELOPMENT WORKING GROUP

The Minutes of the proceedings of the Policy and Development Working Group held on 22 March 2018, as circulated at the meeting, were considered.

RESOLVED

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

74. PENSIONS ADMINISTRATION UPDATE

A report of the Pensions Policy Manager and the Pensions Operations Manager was submitted and a presentation delivered.

RESOLVED

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

75. NORTHERN POOL 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.

76. CORE BELIEF STATEMENT

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.

77. UPDATE ON GMPF'S CARBON FOOTPRINTING ASSESSMENT

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

RESOLVED

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

78. INVESTMENT STRATEGY STATEMENT

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.

79. UPDATE ON INVESTMENT MANAGEMENT COST 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.

80. 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.

81. REPORT OF THE MANAGER

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

RESOLVED

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

82. GMPF BUDGET 2018/2019 AND FUTURE MEDIUM TERM FINANCIAL PLANNING

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

RESOLVED

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

83. 2017/18 EXTERNAL AUDIT PLAN

A report of the External Auditor, Grant Thornton, was submitted.

RESOLVED

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

84. FUTURE TRAINING DATES

Trustee Training Opportunities were noted as follows:

PIRC Spring Seminar London	29 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

85. 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:

Local Pensions Board	29 March 2018
Pensions Administration Working Group	6 April 2018
Investment Monitoring & ESG Working Group	6 April 2018
Alternative Investments Working Group	13 April 2018
Property Working Group	20 April 2018
Employer Funding Viability Working Group	20 April 2018

86. CHAIR'S CLOSING REMARKS

The Chair informed Members that this would be the last meeting of Councillor Brett, who was stepping down from his role as Trustee on the Fund, which had spanned a 30 year period. She thanked Councillor Brett for his hard work for the Fund over the years, and wished him well for the future.

Councillor Brett thanked the Chair and Members and responded in kind.

CHAIR