

GMPF - EXECUTIVE DECISION NOTICE

SUBJECT MATTER:	INVESTMENT IN UK REAL ESTATE ALTERNATIVES FUND
DECISION:	<p>To APPROVE an investment of £30 million in a UK alternative property fund.</p> <p>Further to explore further appropriate representation of interests and to follow up with PIRC how we can best address long-standing ESG risks in the care home sector which are have been heightened by the coronavirus.</p>
DECISION TAKER(S):	Sandra Stewart
DESIGNATION OF DECISION TAKER (S):	Director of Pensions
DATE OF DECISION:	15 February 2021
REASON FOR DECISION:	<p>The proposal is to invest into a core UK open ended fund, specialising in an alternative UK property sector. This investment would come from the 'UK Other' property allocation, which has been in place for several years and is used to invest in alternative sectors and co-investments, with a benchmark of MSCI. This proposal is consistent with this strategy.</p> <p>The manager of the fund is a proven manager and specialist in alternative asset classes. It has a deep knowledge and understanding of the particular sector and demonstrated consistent performance. It has a 15-year track record and approximately £2.3 billion of Assets Under Management, with around 90 employees.</p> <p>The Fund is looking to raise additional capital through subscriptions to fund a pipeline of deals currently in exclusivity. Full drawdown is expected within 9 – 12 months.</p> <p>The due diligence undertaken to date has shown that the basic terms are in line with market standards.</p> <p>GMPF Officers view the alignment of the interests of the Manager with the to be in line with industry standards. The pipeline of deals are consistent with their strategy and demonstrates the manager's ability to secure opportunities.</p> <p>GMPF Officers (Property Team) have evaluated this as a suitable investment opportunity.</p>
ALTERNATIVE OPTIONS REJECTED (if any):	<p>GMPF's in-house property team appraises investment opportunities against a deep opportunity set, and screens opportunities on a regular basis, through market research, approaches from managers as well as peer recommendations. The property team has researched UK real estate markets and has met various managers, who have differing strategies and geographic focus.</p>
CONSULTEES:	<p>GMPF's in-house property team has a good and long-standing relationship with the existing manager.</p>
FINANCIAL IMPLICATIONS:	<p>The basic terms are in line with market standards, compared to recent GMPF's opportunistic real estate fund investments.</p>

	There are no issues arising from portfolio concentration or overall property exposure from this investment.
LEGAL IMPLICATIONS:	A comprehensive examination of the Legal Partnership Agreement has been undertaken by the Compliance Officer and reviewed by the Investment Manager, with no significant items of concern raised.
CONFLICT OF INTEREST:	None.
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	N/A
ACCESS TO INFORMATION:	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.
REFERENCE DOCUMENTS:	<p>Appendix 1- 'UK Other' Fund Allocation Exposure Analysis</p> <p>Appendix 2 – Investment Committee Report</p> <p>Appendix 3 – Healthcare Research Report</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: kevin.etchells@tameside.gov.uk</p>



Signed Dated: 15 February 2021
Sandra Stewart, Director of Pensions