

Pension Investment Sub-Committee

Tuesday, 3 March 2020, County Hall, Worcester - 1.30 pm

Present:

Minutes

Mr A I Hardman (Chairman), Ms D Duggan, Mr M E Jenkins (for items 1 - 6), Ms P Marsh (for items 1 - 8), and Mr P Middlebrough

Available papers

The Members had before them:

- A. The Agenda papers (previously circulated); and
- B. The Minutes of the meeting held on 14 November 2019 (previously circulated).

**39 Named
 Substitutes
 (Agenda item 1)**

Ms P Marsh for Ms T Fagan.

**40 Apologies/
 Declaration of
 Interests
 (Agenda item 2)**

Apologies were received from Mr R W Banks, Ms T Fagan and Mr L C R Mallett.

**41 Public
 Participation
 (Agenda item 3)**

None.

**42 Confirmation of
 Minutes
 (Agenda item 4)**

RESOLVED that the Minutes of the meeting held on 14 November 2020 be confirmed as a correct record and signed by the Chairman.

**43 Exclusion of
 Public and
 Press**

RESOLVED that pursuant to Section 100A of the Local Government Act 1972, the press and public shall be excluded from the meeting during items 5 - 8 on the grounds that there would be disclosure to them of information relating to the financial or business affairs of any particular person (including the authority holding the information) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Summary of the proceedings of the meeting during which the press and public were excluded. (This is a fair summary of the proceedings.)

44 Pensions Independent Investment Advisor Update (Agenda item 5)

The Sub-Committee considered the Pensions Independent Investment Advisor update together with the associated investment performance information.

The Sub-Committee received a presentation from Philip Hebson, Independent Advisor to the Fund.

RESOLVED: that

- a) the Pensions Independent Investment Advisor's update attached as Appendix 1 to the report together with the associated investment performance information attached as Appendix 2 to the report be noted; and
- b) the changes to the Venn Commercial Real Estate Fund II investment detailed in Appendix 3 to the report be noted.

45 British Strategic Investment Fund (Agenda item 6)

The Sub-Committee considered a report on the British Strategic Investment Fund.

The Sub-Committee received a presentation from Heather Fleming and Ed Simpson, representatives of Gresham House, specialists in asset management.

RESOLVED: that

- a) the presentation provided by Gresham House (specialist asset management) on the British Strategic Investment Fund (BSIF) detailed in the Appendix 2 to the report be noted;
- b) the due diligence that has been undertaken and detailed in Appendix 1 to the report be noted; and
- c) after due consideration of (a) and (b) above, Worcestershire Pension Fund invest between £30m and £50m in BSIF.

46 Stonepeak Infrastructure Fund III Manager Worcestershire Pension Fund Performance Review (Agenda

The Sub-Committee considered the Stonepeak Infrastructure Fund III Manager Quarterly review as at February 2020.

The Sub-Committee received a presentation from Brendan Woods, a representative of Stonepeak.

RESOLVED: that the Stonepeak Infrastructure Fund III Manager Quarterly review as at February

item 7)
47 River and Mercantile Equity Protection update and restructuring considerations for Worcestershire Pension Fund (Agenda item 8)

2020.

The Sub-Committee considered the River and Mercantile Equity Protection update and restructuring considerations for Worcestershire Pension Fund.

The Sub-Committee received a presentation from Masroor Ahmad, Mark Davies, and Jason Wood representatives of River and Mercantile.

In the ensuing debate, Michael Hudson indicated that the future of the Equity Protection Strategy was a decision for the Pensions Committee to take rather than this Sub-Committee. However, the potential restructuring of the existing strategy in place was still delegated to the Chief Financial Officer in consultation with the Chairman of the Pensions Committee.

RESOLVED: that

- a) the presentation provided by River and Mercantile on the Equity Protection Strategy detailed in the Appendix to the report be noted; and**
- b) the determination of the appropriate form of restructuring of the existing Equity Protection Strategy was a matter for determination by the Pensions Committee.**

48 Corporate Bonds Transition update and Strategic Asset Allocation update (Agenda item 9)

The Sub-Committee noted the Corporate Bonds transition and the Strategic Asset Allocation Review update.

49 Work Programme (Agenda item 10)

The Sub-Committee noted its work programme.

The meeting ended at 5.10pm.

Chairman