

## **Pensions Advisory Panel**

MINUTES of the OPEN section of the Pensions Advisory Panel held on Tuesday 14 May 2019 at 11.30 am at Meeting Room 225 - 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Victoria Mills (Chair)  
Councillor Peter Babudu  
Duncan Whitfield  
Chris Cooper  
Karim Jalali  
Alex Moylan  
Susan Greenwood  
David Cullinan

**OTHERS  
PRESENT:** Caroline Watson  
Marie-Andree Scott  
Tom Bacon  
Mike Ellsmore  
Andrew Weir

### **1. WELCOME AND APOLOGIES**

The chair welcomed everyone to the meeting.

Apologies were received from Councillor Eliza Mann.

### **1. CONFIRMATION OF VOTING MEMBERS**

The members present were confirmed as the voting members.

### **3. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

There were none.

### **4. MINUTES**

**RESOLVED:**

1. That the agreement of the amended open minutes of the pensions advisory panel meeting held on 13 November 2018 and the open minutes of 26 March 2019 be deferred to the next meeting in September.

## **5. MATTERS ARISING**

It was noted that this would be Chris Cooper's last meeting. Duncan Whitfield thanked Chris for his contributions over the years.

It was noted that Chris Cooper would sit on the pensions advisory panel as a retired member. Julie Timbrell would be attending as the union representative going forward.

The chair also asked for the responsible investment and engagement update to be moved to the top of the agenda going forward.

## **6. QUARTERLY INVESTMENT UPDATE**

There was a quarterly investment update from Mercer.

There was a discussion in relation to the fund's performance and the allocation of funds to different asset classes.

Officers undertook to bring a report on illiquid fund investment performance to the September meeting of the panel.

Officers also undertook to invite Newton to attend a future meeting of the panel.

### **RESOLVED:**

1. That the quarterly investment update be noted.

## **7. INVESTMENT STRATEGY IMPLEMENTATION - SUSTAINABLE INFRASTRUCTURE**

Alex Moylan presented the report.

There was a discussion about the allocation of money to sustainable infrastructure funds.

There was also a discussion in relation to applying pressure to fund managers in relation to their diversity policies and to request that they update the Southwark pension fund on their action plans to increase their diversity to reflect UK demographics.

There was agreement that Southwark should let other authorities know what it was doing in relation to its sustainable infrastructure investments and that Southwark should also use its influence on the CIV so that it meets more of the Southwark pension funds needs.

### **RESOLVED:**

1. That it be noted that at the manager assessment session held on 29 April 2019, Temporis Operational Renewable Energy Strategy and Blackrock Global Renewable Power Fund III were considered the most suitable investment opportunities.

2. That the ongoing fee negotiations with both Blackrock and Temporis be noted.
3. That the fund make the following commitments commitments to each of the following funds, subject to legal due diligence and satisfactory conclusion of ongoing fee discussions:
  - a) Temporis Capital - Temporis Operational Renewable Energy Strategy - £30 million
  - b) Blackrock – Global Renewable Power Fund III – up to £35 million (subject to fees).

## **8. PENSION FUND COST CAP AND MCCLOUD IMPLICATIONS**

Alex Moylan updated the panel and advised that as a result of the McCloud Court of Appeal Case it was likely that the Southwark pension fund would incur costs of between £7.2 million and £14.3million.

### **RESOLVED:**

1. That the update be noted.

## **9. LOCAL PENSION BOARD UPDATE**

Mike Ellsmore gave a short update on the local pension board which was noted.

## **10. ANY OTHER BUSINESS**

There was discussion regarding the staff survey and its circulation to all staff in order to get a meaningful response.

It was agreed that the survey should come to the next meeting of the pensions advisory panel.

The meeting ended at 12.50pm.

**CHAIR:**

**DATED:**