



## Pension Fund Committee private minutes

Private minutes of the meeting of the Pension Fund Committee held on **Thursday 19 November 2020** in Virtual meeting via MS Teams.

### Agenda Item

#### **8 Exclusion of the Press and Public**

#### **9 Confidential minutes of the last meeting**

##### **RESOLVED**

**Members of the committee AGREED the confidential minutes of the Pension Fund Committee, 24 September 2020.**

#### **10 Confidential minutes of Pension Fund Board**

##### **ACTION**

**The confidential minutes of the Pension Fund Board held 14 October 2020 would be circulated outside of the meeting.**

#### **11 Pension Fund Performance**

Ms J Edwards, Head of Pensions, Buckinghamshire Council, referred to the report.

The value of the Fund at the end of September was £3.3 billion, an increase of £89m compared to the value at the end of June.

The fund excluding private equity had another good quarter achieving a positive return of 2.9%, outperforming the benchmark by 1%. The Brunel Global High Alpha Developed Equities portfolio delivered a outperformance of 4% for the quarter and the Brunel Emerging Markets Equities portfolio also outperformed it's benchmark by 1%. The Low Volatility Equities portfolio underperformed its benchmark by 2.8%.

The Fund reports annual performance of 6.5% outperforming the benchmark by 2.5%. In the three 3 year timescale the Fund achieved a return of 6.5% compared to the benchmark of 6.2%, an outperformance of 0.3%.

The manager trigger table on page 89 continues to highlight Blackrock and Royal

London as amber and Blackstone as red. The mandates will be terminated as part of investment strategy implementation.

The following points were addressed as questions:

- It was encouraging to note the outperformance of some Brunel portfolios.
- Blackrock's Diversified Growth Fund had made some progress in the quarter; however, Blackstone's Hedge Fund of Fund had not.
- A report to the next Committee regarding the implementation of the remaining assets to Brunel portfolios was requested.
- Members commented that the Brunel quarterly performance report is a marketing document and doesn't provide enough detail for Committee to undertake its fiduciary duty. The report includes Brunel's total investment in a portfolio, not the Buckinghamshire proportion. The report did not provide adequate information on the reasons for out / under performance of the individual portfolios.
- It was noted that the report includes top 20 holdings, not all pools do.
- Personnel are not included in the report, and there is no update on the CIO appointment.
- It was commented that the global high alpha equity portfolio has an ESG score the same as the index, the carbon footprint is underweight to the index which implies low governance and social scores.

**ACTION**

**Mercer would draft a report on the implementation of the remaining assets transitioning to Brunel portfolios.**

**12 Any Other Business**

None.