



Minutes of a meeting of the Investment Subcommittee held at County Hall, Glenfield on Wednesday, 16 October 2019.

PRESENT:

Leicestershire County Council

Mr. P. C. Osborne CC (Chairman)
Mr. T. Barkley CC

Dr. S. Hill CC

District Council Representative

Cllr. Malise Graham

Staff Representative

Mr. R. Bone

31. Minutes.

The minutes of the meeting held on 3 April 2019 were taken as read, confirmed and signed.

32. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

33. Questions asked by members.

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

34. Urgent Items.

There were no urgent items for consideration.

35. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

36. Potential Investment with Adam Street Partners.

The Subcommittee considered a report by the Director of Corporate Resources

which provided members with information in respect of a proposed investment with Adam Street Partners Private Equity product, 2019 Global Fund. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

The Director explained that the investment would ensure the Fund's investment benchmark of 4% for 'Private Equity' was maintained, replacing some of the Fund's existing investments which had matured. It was noted the Fund would consider investing in a pooled product in the asset class once LGPS Central was in a position to re-launch a product.

The Subcommittee noted that Adams Street was committed to responsible investment, with environmental, social and corporate governance (ESG) considerations being considered as part of its investment diligence process. The manager was also signatory to the United Nations supported Principles for Responsible Investment (the PRI), a voluntary initiative promoting the integration of ESG considerations into investment processes and encouraging ongoing engagement with broader ESG issues.

RESOLVED:

That the report be noted.

37. Potential Investment with Partners Group.

The Subcommittee considered a report by the Director of Corporate Resources which provided members with information in respect of a recommended investment in the Partners Group Multi Asset Credit (MAC) V Fund. A copy of the report marked 'Agenda Item 7' is filed with these minutes.

The Subcommittee noted that the proposed investment would ensure that the Fund's 7% asset allocation target for 'Private Debt' was maintained, the current shortfall equated to circa £75 million. Due to the time taken for deployment of funds, the Director recommended that £100 million was invested, in order to address expected future repayments to the Fund.

It was noted that there was not currently a LGPS Central pooled fund available in this asset class. Once a product was established the Fund would consider a future investment.

Members were pleased to note that Partners Group were also signatories to the UN Principals of Investment and had a Responsible Investment Policy which incorporated the Environmental, Social and Corporate Governance factors into its investment process.

RESOLVED:

That the report be noted.

38. Exclusion of the Press and Public.

RESOLVED:

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the meeting for the remaining items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12(A) of the Act.

39. Change in Order of Business.

The Chairman requested and obtained the Subcommittee's consent to change the order of business from that set out on the Agenda.

40. Briefing Notes of the Funds Investment Consultant Concerning Proposed Adams Street Investment.

The Subcommittee considered a briefing paper produced by the Fund's investment advisors, Hymans Robertson, which was followed by questions from members. A copy of the briefing note is filed with these minutes marked 'Agenda Item 9. The note was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the briefing paper be noted.

41. Briefing Notes of the Funds Investment Consultant Concerning Proposed Partners Group Investment.

The Subcommittee considered a briefing paper produced by the Fund's investment advisors, Hymans Robertson, which was followed by questions by members. A copy of the briefing note is filed with these minutes marked 'Agenda Item 11'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the briefing paper be noted.

42. Presentation of the Investment Manager - Partners Group.

The Subcommittee received a presentation from representatives of Partners Group on the proposed investment to the Partners Group MAC V fund which was followed by questions from members. A copy of the presentation is filed with these minutes marked 'Agenda Item 12'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That a £100m commitment to invest in the Partners Group MAC V fund be approved.

43. Presentation of the Investment Manager - Adams Street Group.

The Subcommittee received a presentation by representatives from Adams Street Partners Group which was followed by questions from members. A copy of the presentation is filed with these minutes marked 'Agenda Item 10'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That a £30m commitment to invest in the Adams Street Partners 2019 Global Fund be approved.

44. Update on Property Investment

The Subcommittee received an update from the Director of Corporate Resources on the Fund's Property Investment. A copy of the report is filed with these minutes marked 'Agenda Item 13'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the report be noted.

45. Dates of Future Meetings.

RESOLVED:

It was noted that the next meeting would be held on 18 December 2019 at 10.00am.

[This meeting was subsequently cancelled]

Members also noted that future meetings of the Subcommittee would be held on the following dates at 10.00am in 2020:

1 April 2020

15 July 2020

14 October 2020

16 December 2020

Wednesday, 16 October 2019
Time Not Specified - Time Not Specified

CHAIRMAN