



AGENDA

ACCESS JOINT COMMITTEE

Monday, 6th December, 2021, at 11.00 am

Ask for: **Joel Cook**

**Bevin Hall - 18 Smith Square, LGA Offices,
London**

Telephone **03000 416892**

Tea/Coffee will be available 15 minutes before the start of the meeting in the meeting room

Membership

Chair: Cllr Mark Kemp-Gee (Hampshire CC), **Vice-Chair: Cllr Susan Barker** (Essex CC), **Cllr Gerard Fox** (East Sussex CC), **Cllr Jeremy Hunt** (West Sussex CC), **Cllr Chris Jarman** (Isle of Wight), **Cllr Malcolm Longley** (West Northamptonshire), **Cllr Judy Oliver** (Norfolk CC), **Cllr Charlie Simkins** (Kent CC), **Cllr Karen Soons** (Suffolk CC), **Cllr Alison Whelan** (Cambridgeshire CC) and **Cllr Andrew Williams** (Hertfordshire CC)

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Apologies/Substitutes
2. Declaration of interests in items on the agenda
3. Minutes of the meeting held on 6 September 2021 (Pages 1 - 6)
4. Chair's remarks
5. Business plan, budget and risk summary (Pages 7 - 26)
6. Communications update (Pages 27 - 32)
7. Motion to Exclude the Press and Public

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 & 5 of part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During these items the meeting is likely to not be open to the public)

- | | | |
|-----|---|-------------------|
| 8. | Draft RI Guidelines and governance next steps | (Pages 33 - 80) |
| 9. | Implementation Adviser procurement | (Pages 81 - 88) |
| 10. | Performance Report | (Pages 89 - 116) |
| 11. | Response to EM review: Protocol for new sub-funds | (Pages 117 - 132) |
| 12. | Sub-fund implementation | (Pages 133 - 144) |
| 13. | Contract Management | (Pages 145 - 164) |
| 14. | Risk Management | (Pages 165 - 168) |
| 15. | BAU evaluation next steps | (Pages 169 - 196) |
| 16. | Date of next meeting - Monday 7 March 2022 | |

Joel Cook
Clerk to the Joint Committee
03000 416892

Friday, 26 November 2021



ACCESS JOINT COMMITTEE

MINUTES of a meeting of the ACCESS Joint Committee held at 18 Smith Square, LGA, Westminster, London on Monday, 6th September, 2021.

PRESENT: Cllr Mark Kemp-Gee (Hampshire), Cllr Susan Barker (Essex), Cllr Nick Chard (Kent), Cllr Vanessa Churchman (Isle of Wight), Cllr Jeremy Hunt (West Sussex), Cllr Gerard Fox (East Sussex), Cllr Judy Oliver (Norfolk), Cllr Karen Soons (Suffolk), Cllr Andrew Williams (Hertfordshire)

ALSO PRESENT: Kevin McDonald (ASU), Mark Paget (ASU), Paul Tysoe (ASU), Clifford Sims (Squire Patton Boggs) and John Wright (Hymans Robertson)

OFFICERS: Alison Mings (Kent), Andrew Bouflower (Hampshire), Glenn Cossey (Norfolk), Jo Thistlewood (IoW), Jody Evans (Essex), Mark Whitby (West Northants), Patrick Towey (Hertfordshire), Paul Finbow (Suffolk), Rachel Wood (West Sussex), Sharon Tan (Suffolk), Sian Kunert (East Sussex), Andrew Lowe (Hampshire), Alexander Younger (Norfolk)

UNRESTRICTED ITEMS

1. Election of Chairman.
(Item. 1)

1. It was proposed and seconded by Cllr Chard and Cllr Oliver respectively, that Cllr Mark Kemp-Gee (Hampshire) be elected as Chair of the Joint Committee for a period of two years.

RESOLVED through unanimous vote that Cllr Kemp-Gee be elected as Chair.

2. Election of Vice Chairman.
(Item. 2)

1. It was proposed and seconded by Cllr Kemp-Gee and Cllr Fox respectively, that Cllr Susan Barker (Essex) be elected as Vice-Chair of the Joint Committee for a period of two years.

RESOLVED through unanimous vote that Cllr Barker be elected as Vice-Chair.

3. Apologies and substitutes.
(Item. 3)

1. Apologies were received from Cllrs Simkins (Cllr Chard Substituting), Cllr Jarman (Cllr Churchman substituting), Cllr Whelan and Cllr Longley.

RESOLVED apologies be noted.

4. Declaration of interests in items on the agenda.

(Item. 4)

None.

5. Chairman's remarks.

(Item. 5)

1. The Chair welcomed those new Members in attendance and the returning substitutes. He noted the positive aspects of returning to a physical meeting for the first time since March 2020.
2. The Chair highlighted an upcoming conference which he would be attending along with the Director of the ASU and asked any Members interested in joining them to contact the ASU to make arrangements.

RESOLVED that the Chair's remarks be noted.

6. Minutes of the meeting held on 8 March.

(Item. 6)

1. Mr McDonald highlighted a factual correction required to the minute of item 256 (Sub-Fund Implementation) from the last formal meeting. This related to an incorrect reference to 'Fund Managers' which needed to be removed.

RESOLVED that, subject to the required amendment, the minutes were a correct record and that they be signed by the Chair.

7. Business plan, forecast outturn and risk summary.

(Item. 7)

1. Mr McDonald provided an update to the Committee. He commented that the business plan highlighted various workstreams which were subject to specific items later on the agenda, where they would be discussed in more detail.
2. Mr McDonald confirmed that the projected outturn was a £150k underspend on the budget approved in January 2021 and it was noted that part of the underspend related to delayed recruitment process for the ASU. Congratulations were extended to Paul Tysoe who had joined the ASU as the ACCESS Client Manager. Mr McDonald also highlighted that external advice spend was subject to change depending on project progression through the remainder of the financial year.
3. Mr McDonald updated the Committee on progress made in ACCESS working with other authorities on commissioned research into pooling arrangements outside of the UK. He explained that report would be released in the near future and he highlighted that the reports outcomes would focus on providing information about the international arrangements rather than delivering recommendations for change – consideration about how the information should be used would be a matter for each Pool to progress separately.

4. It was highlighted that a briefing on Responsible Investment (RI) was being organised for later in September.
5. It was confirmed that the formal Outturn would be brought to the December 2021 meeting for consideration and approval.

RESOLVED that the update be noted.

8. Communications and Spokespeople.

(Item. 8)

1. Mr McDonald updated the Committee on progress of training for ACCESS Member spokespeople. It was highlighted that the ASU Director would remain the spokesperson in the first instance (as agreed via previous decision by the Committee) and a number of Members would serve as the spokespeople for particular areas of ACCESS Business:
 - Cllr Fox (East Sussex) – Responsible Investment
 - Cllr Oliver (Norfolk) – Governance
 - Cllr Soons (Suffolk) – Media Strategy
 - Cllr Kemp-Gee (Hampshire) and Cllr Barker (Essex) – Political and Government Relations, Parliamentary, inter-pool and overall strategy.
2. Members highlighted the need for a co-ordinated approach to communications and press enquiries. The Chair noted that it was important that all Joint Committee members needed to be appropriately well-briefed to handle relevant issues as and when they arose.
3. Mr McDonald, responding to questions, advised that previous press queries and relevant responses would be reviewed to confirm any required updates or changes to manage future issues.

RESOLVED that;

1. The update be noted.
2. The spokespeople proposals be agreed.
3. The training arrangements be noted.

9. Motion to Exclude the Press and Public.

(Item. 9)

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 & 5 of part 1 of Schedule 12A of the Act.

10. Implementation Adviser procurement.

(Item. 10)

1. Mr McDonald updated the Committee on the procurement exercise undertaken to secure an Implementation Advisor. Members discussed the procurement process, including scoring metrics and weighting. They

highlighted areas for reflection on how they may be managed and communicated in future.

RESOLVED that;

- (a) The update on the procurement process be noted;
- (b) The outcome of the procurement exercise be endorsed; and
- (c) That Essex County Council, as Procurement Lead Authority, would enter in the required contracts with the successful bidder on behalf ACCESS, be noted.

11. Scheduled BAU Evaluation.

(Item. 11)

(Considered after Item 15 which was taken early to help inform later discussions)

1. John Wright (Hymans Robertson) gave a presentation which outlined the findings and resulting recommendations of the Business As Usual Evaluation.
2. Members discussed the recommendations and asked a range of questions for clarification. John Wright, Mr McDonald, Mr Paget and Mr Tysoe all provided answers and information to support the consideration of the recommendations regarding future operating arrangements for the ACCESS Pool as part of Business As Usual.

RESOLVED that;

- (a) The presentation be noted.
- (b) The report's recommendations be agreed by unanimous vote; and
- (c) Hymans Robertson and the ASU provide a detailed timetable for progressing the approved recommendations.

12. Performance, Annual Report and MHCLG return - to follow.

(Item. 12)

1. Sharon Tan (Suffolk) provided an overview of current ACCESS performance, including reference to the Investment Performance Report, which detailed that pooled assets of all ACCESS Authorities amounted to £32.602bn at the end of June 2021 (up from £31.510bn in March 2021).
2. The update highlighted the collaborative work with other pools in relation to updating the annual MHCLG return report template and that as a result of this work, the return would be submitted later in September.
3. Responding to questions, Ms Tan and Mr McDonald clarified how savings were calculated via engagement with all administering authorities and noted that the overall fund manager savings had exceeded expectations as they had been set at cautious levels as part of the ACCESS set up because it was not appropriate to assume significant savings early on in the organised pooling environment.

Resolved that;

- (a) The performance report be noted;
- (b) The progress with the annual MHCLG return be noted; and

(c) The Annual Report be recommended for publication by each ACCESS Authority.

13. Review of Emerging Markets process.

(Item. 13)

1. Mr McDonald updated the Committee on the outcome of the review of Emerging Markets and the associated recommendations, building on discussions from the previous informal briefing. The recommendations outlined potential developments regarding updating sub-fund establishment arrangements and amending relevant governance processes.

Resolved that;

- (a) The seven recommendations outlined in the report be agreed for implementation.

14. Response to Emerging Markets Review.

(Item. 14)

1. Mr McDonald provided an update on the initial response to the recommendations in the Emerging Markets Review.

RESOLVED that;

- (a) The update be noted.

15. Sub-fund implementation.

(Item. 15)

(This item was discussed after Item 10 and before item 11 to assist with consideration of other relevant agenda items)

1. Update on progress with Sub-funds provided by Andrew Bouflower (Hampshire). Members discussed various points in relation to the ongoing Sub-Fund implementation, including mention of specific experiences of individual authorities. Mr Bouflower, Mr McDonald, Mr Paget and Mr Tysoe responded to Member questions and technical points in relation to timescales and engagement with the Operator.

RESOLVED that;

- (a) the report be noted.

16. Contract and Supplier Relationship Management.

(Item. 16)

1. Mark Paget (ASU) and provided the regular update on Contract and Supplier Relationship Management activity, with key work and future areas of focus highlighted to the Committee.

RESOLVED that;

- (a) the update be noted.

17. Risk Management.

(Item. 17)

1. Mr McDonald (ASU) updated the Committee on the current risk profile of the Pool with a detailed overview of the risk register. It was also highlighted that the recording and presentation of the risk register had been updated to a 4x4 matrix and improved dashboard.

RESOLVED that the risk register update be noted.

Business Plan, Budget & Risk Summary



ACCESS Joint Committee

Date: 6 December 2021

Report by: Officer Working Group

Subject:	Business Plan, Budget & Risk Summary
Purpose of the Report:	To provide an update on the activities undertaken since the last Joint Committee, associated spend and risk summary.
Recommendations:	<p>The Committee is asked to note:</p> <ul style="list-style-type: none"> • the 2020/21 outturn; • the Business Plan update; • the 2021/22 budget update; and • summary risk register. <p>The Committee is also asked to consider the proposed business plan and budget for 2022/23 and</p> <ul style="list-style-type: none"> • recommend the 2022/23 business plan to the ACCESS Authorities; and • accept the recommendation of the s151 Officers from ACCESS Authorities to determine the 2022/23 budget totalling £1.366m to support the proposed business plan.
Enquiries to:	<p>Kevin McDonald</p> <p>Email: kevin.mcdonald@accesspool.co.uk</p>

1. 2020/21 financial outturn

1.1. The financial outturn for 2020/21 (last year) was previously circulated to Members of the Joint Committee in papers noted at the virtual briefing held on 25 June 2021. As that event was not a formal meeting of the Joint Committee, the financial outturn is re-presented for noting below. The detail set out in this section repeats that used at the June virtual briefing.

	Revised Budget 2020/2021 £	January JC Forecast 2020/2021 £	Outturn 2020/2021 £	Overspend / (Underspend) 2020/2021 £
ASU				
ASU Salaries (incl. on cost)	300,261	296,740	299,838	(423)
ASU Operational	20,580	15,625	16,590	(3,990)
ASU Host Authority Recharge	42,725	42,725	31,398	(11,327)
Technical Lead Recharge Costs	89,747	45,146	34,398	(55,349)
ASU Total	453,313	400,237	382,225	(71,089)
Professional Costs				
<i>Internal Professional Costs</i>				
JC Secretariat	19,000	16,502	14,030	(4,970)
Procurement	60,000	45,000	28,800	(31,200)
<i>Internal Professional Costs</i>	<u>79,000</u>	<u>61,502</u>	<u>42,830</u>	<u>(36,170)</u>
<i>External Professional Costs</i>				
Strategic & Technical	344,000	353,450	289,811	(54,189)
Legal & Governance	203,450	154,600	147,822	(55,628)
<i>External Professional Costs</i>	<u>547,450</u>	<u>508,050</u>	<u>437,634</u>	<u>(109,816)</u>
Professional Costs Total	626,450	569,552	480,464	(145,986)
Total Costs per 2020/2021	1,079,763	969,788	862,689	(217,075)
Cost Per Authority	98,160	88,163	78,426	(19,734)

1.2. The final expenditure for financial year 2020/21 was £862,689 against a budget of £1,079,763 giving rise to an underspend of £217,075. The final position was largely driven by underspends in the following areas:

- a £55,349 underspend on *Technical Lead Recharge* costs. For a large part of the year, the number of Technical Leads able to devote time reduced from four to three. A lower budget has been set for 2021/22;
- a £31,200 underspend on *Procurement* costs. The budget was based on four procurements, when during the year there was two

(Communications partner and Environmental Social and Governance Adviser);

- a £54,189 underspend on *Strategic and Technical advice*. This includes the delayed commencement in pooling alternatives and the costs of advice; and
- a £55,628 underspend on *Legal & Governance* advice. The original budget assumptions included the commencement of pooled alternatives during the year.

1.3. The expenditure against budget of £862,689 for financial year 2020/21 features in the table below (shown as £863k) highlighting the overall costs and savings as shown in the ACCESS Annual Report. This table also includes Operator and Depositary fees charged to the ACS sub-funds, and pool fee savings for both the 2020/21 and since inception.

	2020 – 2021		2016 – 2021	
	Actual In Year £'000	Budget In Year £'000	Actual Cumulative to date £'000	Budget Cumulative to date £'000
Set Up Costs	-	-	1,824	1,400
Transition Costs	-	-	674	2,499
Ongoing Operational Costs	863	1,079	3,071	3,548
Operator & Depositary Costs	3,672	4,077	7,304	6,577
Total Costs	4,535	5,156	12,873	14,024
Pool Fee Savings	21,747	13,600	42,262	32,050
Net Savings Realised	17,212	8,444	29,389	18,026

2. Business Plan update

2.1 The Business Plan for **2021/22** (current year) was agreed by the Joint Committee (JC) in January 2021 prior to being recommended to the Councils. At the same meeting the JC also determined the budget necessary to implement this year's plan and to be charged to the relevant Authorities.

2.2 Activities within this year's **2021/22** Business Plan (Annex A) that are also the subject of separate items on the Committee's agenda include:

- Communications
- Responsible Investment
- Implementation Adviser appointment
- Sub-fund performance and implementation
- Contract Management
- BAU evaluation next steps

3. Cross Pool research on overseas pooling

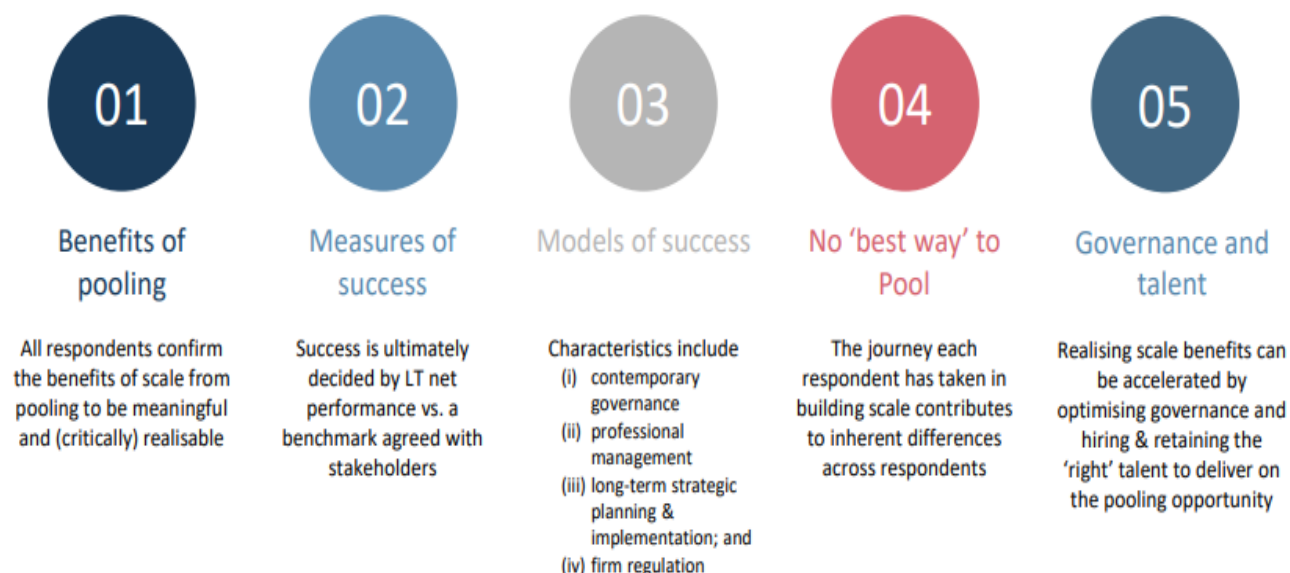
- 3.1 In addition to the activities highlighted above, and within Annex A, ACCESS was one of seven LGPS Pools to commission research into the experience of overseas pooling. This research was undertaken by NMG and published in September, shortly after the Committee's last meeting. The full report entitled LGPS In the UK: Learning from International Peers was emailed to Joint Committee members on the evening of 6 September 2021, prior to general publication on 13 September 2021.
- 3.2 Based on the experience of eleven public pension pools across the world, the aim was to learn from more established pools who had already banked 10, 20 or even 30 years' experience – in particular the project did not set out to make recommendations.
- 3.3 Mark Fox from NMG presented to the Officer Working Group on 26 September 2021 and an excerpt from one of his slides, capturing the key findings of the research is set out below.

Findings from the research



To understand and learn from some of the experiences of global peers, seven UK LGPS pools commissioned research with 11 comparable international investors.

The research revealed:



- 3.4 Reflections from this research will feature in officer discussions on business planning and risk management.

4. 2021/22 budget update

4.1 At its January 2021 meeting the Committee determined a budget of £1,247,019 to support the 2021/22's (current year's) business plan. Details are included within the table below.

	Agreed Budget 2021/2022 £	Actual Costs 01/11/2021 plus forecast 2021/2022 £	Overspend / (Underspend) 2021/2022 £	Budget 2022/23
ASU				
ASU Salaries (incl. on cost)	460,261	419,484	(40,777)	465,000
ASU Operational	20,580	14,865	(5,715)	23,000
ASU Host Authority Recharge	64,087	30,000	(34,087)	35,000
Technical Lead Recharge Costs	40,000	38,752	(1,248)	45,000
ASU Total	584,928	503,101	(81,827)	568,000
Professional Costs				
<i>Internal Professional Costs</i>				
JC Secretariat	21,761	16,322	(5,439)	22,000
Procurement	45,000	27,000	(18,000)	60,000
<i>Internal Professional Costs</i>	66,761	43,322	(23,439)	82,000
<i>External Professional Costs</i>				
Strategic & Technical	433,000	355,500	(77,500)	546,000
Legal & Governance	162,330	160,320	(2,010)	170,000
<i>External Professional Costs</i>	595,330	515,820	(79,510)	716,000
Professional Costs Total	662,091	559,142	(102,949)	798,000
Total Costs per 2020/2021	1,247,019	1,062,243	(184,776)	1,366,000
Cost Per Authority	113,365	96,568	(16,798)	124,182

4.2 Current forecast variances against the planned budget are currently expected in the following areas:

- ACCESS Support Unit (ASU) salaries (incl. on cost): the new Client Manager joined the ASU part way through the current year. The budget reflects a full year's cost.
- ASU Operational: this reflects reduced instances of travel costs, particularly during the first half of the year.
- ASU Host Authority recharge: the overhead charged by Essex County Council has been reviewed and reduced.
- JC Secretariat: the budget includes contingency for an additional 5th JC meeting in the year.
- Strategic & Technical: the budget assumptions were set on a prudent basis prior to the finalisation of external advice appointments. The variance includes favourable procurement outcomes.

5. 2022/23 proposed Business Plan and budget

5.1 It is anticipated that 2022/23 (next year) will see key activities within the following themes:

Actively managed listed assets: further pooling active listed assets within the Authorised Contractual Scheme (ACS).

Alternative / non-listed assets: the first full year's activity on the implementation of pooled alternative assets.

Passive assets: ongoing monitoring and engagement with UBS.

Governance: the continued application of appropriate forms of governance throughout ACCESS.

ACCESS Support Unit (ASU): an external review of the ASU.

5.2 The proposed business plan was presented and discussed at the meeting of ACCESS s151 Officers held on 19 November and is set out in Annex 2. This includes milestones for each theme along with details of the key activities.

5.3 A proposed budget totalling £1.366m for 2022/23 is also included within Annex B.

5.4 The proposed budget, to support the 2022/23 proposed Business Plan, was discussed at the s151 Officer meeting on 19 November 2021 who agreed that it should be recommended to the Joint Committee.

6. Risk Summary

6.1 A summary of the risk profile is shown below, and a more detailed report, including the revised approach to risk scoring, appears elsewhere on this agenda.

	Sept 2021	Dec 2021
Low	4	4
Medium	14	14
High	1	1
Elevated	2	2
Risk Index	111	123

7. Recommendations

7.1 The Committee is asked to note:

- the Business Plan update;
- the 2020/21 outturn;
- the 2021/22 budget update; and
- summary risk register.

7.2 The Committee is also asked to consider the proposed business plan and budget for 2022/23 and

- recommend the 2022/23 business plan to the Councils;
and
- accepts the recommendation of the s151 Officers from ACCESS Authorities to determine the 2022/23 budget totalling £1.366m to support the proposed business plan

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Legacy milestones noted where applicable

Theme	Milestone	2021/22 activity	December 2021 comment
Actively managed listed assets	Launch remaining Tranche 4 sub-fund (legacy milestone)	One UK equity sub-fund	Launched July 2021 – an update on this matter appears elsewhere on this agenda.
	Launch of Tranche 5b	Three fixed income sub-funds	An update on this matter appears elsewhere on this agenda.
	Launch of Tranche 5c	One credit sub-fund, one global equity sub-fund, one fixed income sub-fund, one global emerging market sub-fund.	The credit sub-fund was launched on 26 October - an update on this matter appears elsewhere on this agenda.
	Determine, approval & launch of Tranche 6		An update on this matter appears elsewhere on this agenda.
	<i>Ensure sub-funds meet Link's due diligence requirements and ACCESS Authorities' Value for Money criteria (including transition activity). Manager search and selection activity where required. Work with Link to submit application to the FCA for approval of the sub-fund set up. Launch.</i>		

Theme	Milestone	2021/22 activity	December 2021 comment
Actively managed listed assets continued	Establish a process for transitioning between sub-funds. (legacy milestone) Scheduled BAU evaluation	Implementation of outcomes	Dialogue including Link and the FCA has concluded that establishing sub-funds within the ACS for the specific purpose managing transitions is not possible. Arrangements on alternatives will be detailed for Authorities. An update on this matter appears elsewhere on this agenda.
Alternative / non-listed assets	Commence implementation of approach to pool illiquid assets	The initial implementation of pooled alternative assets will commence in 2020/21.	An update on this matter appears elsewhere on this agenda.
Passively managed assets	Ongoing monitoring of assets managed on a passive basis.	Engagement with UBS will continue throughout the year.	Dialogue with those Authorities adopting passive management investment took place at an Investor User Group in July and monitoring continues.
Governance	Meetings and oversight	Arrangements will be made to support meetings of the Joint Committee (usually each quarter). Meetings of s151 Officers will also be held.	The remaining scheduled JC meetings within 2021/22 is 7 March 2022. Virtual meeting of s151 Officers were held on 2 November and 19 November. Further meetings will be held in advance of the JC meetings in future.

Theme	Milestone	2021/22 activity	December 2021 comment
Governance continued	Operational protocols	Further development of protocols around key processes associated with the pool's day-to-day operation will take place during 2021/22.	Following s151 agreement in June, a project is in progress focussing on areas of highest risk to the delivery of the ACCESS objectives and the governance, policies and procedures needed to achieve them. Governance protocols / decision pathways have been identified.
	Engagement with HM Government	Participate in pooling related consultations. ACCESS will liaise with the Scheme Advisory Board as appropriate. Periodic reports will be provided to DLUHC (formerly MHCLG) as required.	DLUCH consultations on Climate Related Disclosures and LGPS Pooling are in either late 2021 or early 2022. The annual return was provided to DLUHC in September. Officers from the ASU met with DLUHC Civil Servants on 27 October.
	Agreement to Joint Policies & guidelines	The Joint Committee will review its Communications Policy. Work will be undertaken to finalise joint guidelines on ESG / RI.	An update on this matter appears elsewhere on this agenda. An update on this matter appears elsewhere on this agenda.

Theme	Milestone	2021/22 activity	December 2021 comment
ACCESS Support Unit (ASU)	Review of ACCESS Support Unit	The outcomes of the size and scope review of the ASU will be reviewed.	Implementing the outcomes of the ASU review concluded with Paul Tysoe (formerly of Northants) commencing his role as Client Manager on 1 July.



2022/23

Business Plan & Budget

Introduction

ACCESS has its origins in 2016 when eleven Local Government Pension Scheme (LGPS) Authorities agreed to begin working collectively to address the requirements of the Government’s agenda for pooling LGPS investments.

The following strategic objectives are in place:

- enable the Councils to execute their fiduciary responsibilities to LGPS stakeholders, including scheme members and employers, as economically as possible;
- provide a range of asset types necessary to enable those participating Authorities to execute their locally-determined investment strategies as far as possible;
- enable the Councils to achieve the benefits of pooling investments, preserve the best aspects of what is currently done locally, and create the desired level of local decision making and control.

In order to achieve these objectives, the Councils have established a set of governing principles.

The governing principles are summarised below.

Collaborative	Risk management	Objective evidence based decisions
Equitable voice in governance	Professionalism	Equitable cost sharing
No unnecessary complexity	Evolution and innovation	Value for money

Implicit within the above principles is the democratic accountability and fiduciary duty of the Councils as Administering Authorities.

The Joint Committee recommends an annual strategic business plan to the Councils, following recommendations from Section 151 Officers and following input from the ACCESS Support Unit (ASU).

Context

During 2021/22 further progress continued in pooling active listed assets, and the foundation of the pool's approach to illiquid assets was put in place. In partnership with Minerva, the pool's Responsible Investment Adviser, work was undertaken on updating Environmental, Social and Governance / Responsible Investment guidelines.

Alongside appointed partner Engine MHP, work was undertaken to develop ACCESS's approach to communications.

It is anticipated that 2022/23 will see key activities within the following themes:

Actively managed listed assets: further pooling active listed assets within the Authorised Contractual Scheme (ACS).

Alternative / non-listed assets: the first full year's activity on the implementation of pooled alternative assets.

Passive assets: ongoing monitoring and engagement with UBS.

Governance: the continued application of appropriate forms of governance throughout ACCESS.

ACCESS Support Unit (ASU): an external review of the ASU.

Business Plan

The Business Plan is proposed each year to the Councils by the Joint Committee on the basis of recommendations from the s151 Officer Group. The Joint Committee, on advice from the s151 Officer Group, determine a budget in order to deliver the annual Business Plan. Workstreams for the ASU are monitored at the Officer Working Group (OWG) and in turn reported to the s151 Officer Group where key ACCESS business plan activity and deliverables for the fiscal year are considered.

Each theme within the business plan includes milestones planned for the year. The strategic nature of ACCESS's objectives means that a number of the 2022/23 milestones build on work previously undertaken and will in turn provide the foundation for further milestones in subsequent years.

The *Joint Committee* will receive updates on the milestones at each meeting.

Budget

A budget totalling **£1.366m** to support the business plan is included at the end of this paper.

Theme	Milestone	2022/23 activity
Actively managed listed assets	Launch of Tranche 5b	Anticipated 2022/23
	Launch of Tranche 5c	Anticipated 2022/23
	Determine, approval & launch of Tranche 6	Anticipated 2022/23
	Scheduled BAU evaluation	Continued implementation outcomes of Scheduled BAU evaluation including the commencement of an IAA review in September 2022
Alternative / non-listed assets	Initial implementation of approach to pool illiquid assets <i>Following the appointment of the pool's Implementation Adviser in 2021/23</i>	The first pooled illiquid vehicles will be launched
Passively managed assets	Ongoing monitoring of assets managed on a passive basis	Further engagement and exploration with UBS will continue throughout the year
Governance	Meetings and oversight	Arrangements will be made to support meetings of the Joint Committee (usually each quarter) Meetings of s151 Officers will also be held

Theme	Milestone	2022/23 activity
	<p data-bbox="424 427 759 461">Operational protocols</p> <p data-bbox="424 562 884 734">Engagement with HM Government Department for Levelling UP, Communities & Housing (DLUCH)</p> <p data-bbox="424 1155 810 1189">Joint Policies & guidelines</p>	<p data-bbox="986 248 1433 371">Where required training will be provided, this may involve third party providers</p> <p data-bbox="986 427 1414 506">The implementation of the revised Governance Manual</p> <p data-bbox="986 562 1385 685">ACCESS will liaise with the Scheme Advisory Board as appropriate</p> <p data-bbox="986 741 1337 864">Periodic reports will be provided to DLUCH as required</p> <p data-bbox="986 920 1417 1088">The Pool will actively participate with any Cabinet Officer / DLUCH pooling-related consultations</p> <p data-bbox="986 1155 1445 1368">Continued activity will take place on implementing the Communications plan. A procurement will take place for Communications support</p> <p data-bbox="986 1424 1437 1693">The implementation of revised ESG / RI guidelines on ESG / RI. A procurement will be completed for RI reporting support</p>
ACCESS Support Unit (ASU)	ACCESS Support Unit	A third-party review of the ASU will be undertaken

A separate risk register measures the risk of the strategic objectives and milestones not being achieved and the resultant impact.

Budget 2022/23

The budget for 2022/23 is detailed below.

	Budget 2021/2022 £	Joint Cttee 6 Dec '21 £	Budget 2022/2023 £
ASU			
ASU Salaries (incl. on cost)	460,261	419,494	465,000
ASU Operational	20,580	14,865	23,000
ASU Host Authority Recharge	64,087	30,000	35,000
Technical Lead Recharge Costs	40,000	38,752	45,000
ASU Total	584,928	503,111	568,000
Professional Costs			
<i>Internal Professional Costs</i>			
JC Secretariat	21,761	16,500	22,000
Procurement	45,000	27,000	60,000
<i>Internal Professional Costs</i>	66,761	43,500	82,000
<i>External Professional Costs</i>			
Strategic & Technical	433,000	348,167	546,000
Technical			
Legal & Governance	162,330	160,000	170,000
Project Management	-		-
<i>External Professional Costs</i>	595,330	508,167	716,000
Professional Costs Total	662,091	551,667	798,000
Total Costs per 2020/2021	1,247,019	1,054,778	1,366,000
Cost Per Authority	113,365	95,889	124,182

The key assumptions contained within the budget are outlined below:

Key budget assumptions

The first full year effect of the ASU comprising of five full time officers.

The continued level of Technical Lead support.

Joint Committee Secretariat services remaining with Kent County Council for the duration of 2021/22.

Expenditure for a Procurement Lead Authority to deliver the following:

- procurement support for the provision of pooled illiquid / non-listed assets;
- the procurement of communications support;
- the completion of procurement for reporting arrangements for Responsible Investment.

External professional costs cover a range of matters including:

- ongoing advice and project management support in relation to the Scheduled BAU evaluation;
- the required reporting associated with Responsible Investment guidance;
- pool communications and communications strategy;
- ongoing advice in support of operational pool activity.

External legal advice.

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Communications



ACCESS Joint Committee

Date: 6 December 2021

Report by: Officer Working Group

Subject:	Communications
Purpose of the Report:	To receive an update on Communications activity
Recommendations:	<p>That the Committee:</p> <ul style="list-style-type: none"> • note the report.
Enquiries to:	<p>Kevin McDonald</p> <p>Email: kevin.mcdonald@accesspool.co.uk</p>

1. Background

- 1.1. Following a procurement process in late 2020 Engine MHP were appointed to provide external communication support for a period of two years.

2. Activity since the last Joint Committee

- 2.1. An update on Communications activity since the September Joint Committee prepared by Engine MHP, accompanies this report at Annex A.

3. Review of first year

- 3.1. The agenda for the Committee's next meeting will include a review of the first full year of activity undertaken in Engine MHP's two year appointment.

4. Recommendations

- 4.1 That the Committee:

- note the report.

ACCESS: Communications Programme Update

In the last few months, the communications programme has progressed to cover media training and the continued development of the ACCESS website.

Media training took place for Councillors Kemp-Gee, Soons, Barker, Oliver and Fox via video link, covering:

- The roles and responsibilities of spokespeople
- Best practice for engaging with the media and delivering the key messages
- Understanding the audience
- How to control an interview (i.e. creating effective answers on appropriate themes)
- Bridging techniques to steer an interview away from challenging areas.

Councillors were provided with a follow-up document summarising the training and provided pointers for future reference. MHP gave additional guidance on how spokespeople should conduct interviews balancing their dual role with ACCESS and their individual local authority, to help deliver a unified ACCESS viewpoint.

The ACCESS website has now been improved. Building on a previous 'competitor review' of other Pool websites, upgrades so far have involved:

- Ensuring the new ACCESS narrative is flowed through the website, with a focus on the main page and 'About ACCESS' sections
- Purchasing 36 high quality images representing each of the local authorities
- Updating the main carousel on the website with these images to make it more impactful
- Updating the ACCESS ASU flow chart to improve the visual

Next steps:

The ACCESS website

The competitor review and MHP's initial recommendations on the website pointed to several areas relating to the webpage frame and set-up that would ideally be updated further. For example, the navigation, menu and managing the number of pages/sub-pages. MHP is now due to hold a session with Creative Sponge to discuss these recommendations and collaborate on further ways to improve the ACCESS website.

LinkedIn:

MHP's original proposal pointed to LinkedIn as an important channel in building ACCESS' credibility and presence. This would be focused on:

- The creation of an ACCESS LinkedIn page
- Best practice for the ASU, OWG, JC and Councillors in engaging with and sharing content posted on the ACCESS LinkedIn page.

To help take this forward, there is resource for two stages relating to LinkedIn:

1. LinkedIn workshop: we would host a workshop to demonstrate LinkedIn best practice, the benefits of sharing and engaging on the platform, how to manage individual networks, what to post and when.
2. Strategy and page set-up: we would develop a top-line strategy that outlines how to manage a LinkedIn page and the basics of a tagline, logo and description.

Responsible Investment guidance

To further prepare for proactive press office work, MHP held a call with Minerva Analytics to discuss the draft Responsible Investment/ESG guidance and the communication implications. It will be necessary to have some statements / a short Q&A agreed to help respond to media enquiries on this as, while there is good evidence of progress and an RI framework, there is increasing focus on the climate strategies of pension pools and journalists may make comparisons (for example, to Border to Coast, which has a dedicated climate change policy and has committed to achieving net-zero greenhouse gas emissions in its investment portfolio no later than 2050).

The ACCESS press office

Once the ESG messaging is in place, we can begin with a more proactive press office. This would include journalist meetings, flagging of roundtable/conference attendance and commentary on relevant news hooks or events. We already have regular enquiries from publications like Mandatewire, but the objective would be to broaden out these media relationships. The spokesperson put forward for each meeting or opportunity would be determined based on the areas the journalist may want to explore.

A sample of targets are below:

- James Phillips, Professional Pensions
- Benjamin Mercer, Pensions Expert
- Mona Dohle, Portfolio Institutional
- Gavin Hinks, Room151
- Sarah Calkin, Local Government Chronicle
- Amanda White, Top1000Funds

The Progress Report

While the initial development of, and publication of the first ACCESS Progress Report has been delayed due to the local elections in May, there is still a plan for it to be developed. As before, the recommendation is to keep this simple but impactful, using some of the purchased imagery and focusing on as much of the 'human' element as possible to separate it from the Interim report. The basic structure has been recommended as:

- Overview/introduction from Cllr Kemp-Gee
- About ACCESS (reflecting the new narrative)
- Progress to date (pooling progress, key appointments, announcements including the sub-fund launch)
- Key updates in figures (one page with main figures highlighted)
- Key updates in detail
- ESG commitments (including the appointment of Minerva Analytics)

- Outlook

ENDS

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