



ACCESS JOINT COMMITTEE

MINUTES of a meeting of the ACCESS Joint Committee held at Bevin Hall, LGA Building, 18 Smith Square, London, SW1P 3HZ on Monday, 6th June, 2022.

PRESENT: Chair: Cllr Susan Barker (Essex CC), Cllr Tom Thacker (Hampshire CC), Cllr Charlie Simkins (Kent CC), Cllr Jeremy Hunt (West Sussex CC), Cllr Judy Oliver (Norfolk CC), Cllr Andrew Williams (Hertfordshire CC), Cllr Gerard Fox (East Sussex CC), Cllr Vanessa Churchman (Isle of Wight Council), Cllr David Goldsmith (Suffolk CC)

ALSO PRESENT: Kevin McDonald (ASU), Mark Paget (ASU), Paul Tysoe (ASU), Dawn Butler (ASU), Sallie Woodward (ASU), Clifford Sims (Squire Patton Boggs), David Crum (Minerva)

PRESENT VIRTUALLY: John Wright (Hymans Robertson)

OFFICERS: Nick Buckland (Kent), Andrew Boutflower (Hampshire), Alexander Younger (Norfolk), Glenn Cossey (Norfolk), Jo Thistlewood (IoW), Jody Evans (Essex), Mark Whitby (Northamptonshire), Patrick Towey (Hertfordshire), Sian Kunert (East Sussex), Sharon Tan (Suffolk), Rachel Wood (West Sussex), Katherine Eberhart (S151 Officer - West Sussex), Kay Goldsmith (Kent) and Joel Cook (Clerk)

UNRESTRICTED ITEMS

51. Apologies and Substitutes.

(Item. 1)

1. Apologies were received from Cllr Kemp-Gee (Cllr Thacker substituting), Cllr Andre (Cllr Churchman substituting), Cllr Soons (joined virtually as a guest, Cllr Goldsmith substituting), Cllr Whelan and Cllr Longley.

RESOLVED that the apologies be noted.

52. Declaration of interests in items on the agenda.

(Item. 2)

None.

53. Chair's remarks.

(Item. 3)

1. Cllr Barker (Vice-Chair and Chair of the meeting) welcomed the efforts made by all to attend the meeting in person despite the travel disruption. She highlighted the sad situation of Cllr Kemp-Gee's recent bereavement which had prevented him from attending the meeting.

RESOLVED that the Chair's remarks be noted.

54. Minutes of the meeting held on 7 March 2022.
(Item. 4)

RESOLVED that the minutes from the meeting held on 7 March 2022 be signed as a true and accurate record.

55. Internal Audit of the ACCESS Support Unit.
(Item. 5)

Sarah Harris (Internal Audit, Essex CC) was in attendance virtually for this item.

1. Ms Harris provided feedback from the 2021 audit of the ACCESS Support Unit. The opinion given by the auditor was one of “Good Assurance”.
2. Members queried the process for updating the Risk Register in relation to the risks listed in the Audit approach. This would be reviewed by the ASU.

RESOLVED that the report be noted.

56. Business Plan, Budget & Risk Management.
(Item. 6)

1. Mr McDonald provided an update on the activities undertaken since the last Joint Committee, associated spend and the risk summary. He drew attention to three activities in particular:
 - The impact of the decision from the last Joint Committee meeting in relation to representation of local pension boards and subsequent need to update the IAA.
 - Progress with the draft Governance Manual.
 - The Department for Levelling Up, Housing and Communities (DLUHC) consultation on investment related LGPS matters.
2. It was requested that the ASU respond to an enquiry from the chair of East Sussex’s Local Pension Board on Joint Committee observation arrangements,
3. West Sussex County Council highlighted concerns relating to the future implications of granting additional powers to the Joint Committee with respect to recommending policies and guidance. As a consequence, they would be proposing an alternative form of words for the IAA amendments around the Joint Committee formally recommending guidelines to ACCESS Councils as part of the ongoing IAA amendment process.
4. The timescales around a DLUHC consultation on investment related LGPS matters were unclear, but should the consultation period fall between Joint Committee meeting dates, it was felt prudent to have a plan in place, as reflected in the recommendations.

RESOLVED that

- 1) The Committee note the 2021/22 Business Plan summary; 2022/23 Business Plan update; 2021/22 financial outturn; and matters highlighted on risk management.
- 2) The variations to the IAA set out in paragraphs 3.3-3.6 be noted, acknowledging that comments have been invited from Monitoring Officers by 20 June 2022.
- 3) The Committee agreed that should the deadline for responses not align with the Committee's schedule of meetings, the Director of the ACCESS Support Unit will make necessary arrangements to ensure that the Members of the Committee may consider and comment on the DLUHC Consultation; and that authority be delegated to the ASU Director to finalise and submit a response, in consultation with the ACCESS Joint Committee Chairman.

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.

57. Exempt Minutes of the meeting held on 7 March 2022.

(Item. 7)

RESOLVED that the exempt minutes from the meeting held on 7 March 2022 be signed as a true and accurate record.

58. Responsible Investment Guidelines.

(Item. 8)

1. Mr Whitby and Mr Crum (Minerva) provided an update on the development of the RI guidelines.
2. The Vice-Chair suggested the term "asset classes" be used instead of "asset types".
3. Members felt clarity was needed in the document that individual authority policies should be taken into consideration, not just the RI guidelines. Some Members were concerned there would be external confusion about the status of the RI guidelines as opposed to the individual authority's criteria. It was noted there was an expectation that each pool would have such a document.
4. Members wanted to understand how the guidelines would be updated going forward. The ASU agreed to bring proposals to the Committee's next meeting.
5. Members discussed whether an abridged version of the guidelines should be used on the website, with a link to the more detailed document. This view was generally supported.

6. The ASU and Minerva were exploring the implications of ACCESS becoming a signatory of the Stewardship Code, including whether all 11 authorities would also need to sign up. It was clarified that the decision to be taken related to exploring all implications and did not commit ACCESS Authorities to anything at this stage.
7. The Committee voted on the recommendations which were agreed by majority vote – West Sussex requested that their abstention be noted (specifically in relation to RI Guidelines).

RESOLVED that

- 1) the report be noted.
- 2) the ACCESS RI Guidelines, as set out in Annex A, be approved in principle.
- 3) the exploration of ACCESS becoming a signatory to the UK Stewardship Code and also a Pool member of the LAPFF be agreed.

59. Alternative Investments Implementation Advisor Procurement.
(Item. 9)

1. Mr Boutflower provided an update on alternative investments, focussing on the progress of the asset class Real Estate.
2. He explained that the Real Estate asset class included commercial property such as shops, industrial units, leisure complexes. Alternatives could include residential, rented and affordable housing among others.

RESOLVED that

- 1) The matters highlighted within the report be noted, including the progress on Real Estate based on the agreed strategic specification of UK Core, UK Alternatives and Global Real Estate.
- 2) OJEU procurements are undertaken for UK Core and Global Real Estate and investment manager searches for UK Alternatives.
- 3) The recommendation from Section 151 Officers that Hampshire County Council are appointed as the procurement lead authority for non-listed investment manager procurements be approved.

60. Performance Report.
(Item. 10)

1. Ms Tan provided an overview of current ACCESS performance, including reference to the Investment Performance Report, which showed that pooled assets of all ACCESS Authorities amounted to £35.152bn at the end of March 2022 (up from £34.993bn in December 2021). Pool aligned assets represented 59% of total assets.

RESOLVED that the report be noted.

61. Sub-fund Implementation.
(Item. 11)

1. Mr Tysoe provided an update on the progress with sub-funds.

RESOLVED that the report be noted.

62. Contract and Supplier Relationship Management.
(Item. 12)

1. Mr Paget provided an update on the Operator Services, including the takeover of Link.

RESOLVED that the report be noted, along with the activity that has taken place and forthcoming plans.

63. Business As Usual Evaluation.
(Item. 13)

1. Mr McDonald provided an update from the Business As Usual Evaluation.

RESOLVED that

- 1) the report be noted.
- 2) Hampshire County Council be appointed as Procurement Lead Authority for the re-procurement of Operator Services.