

Brunel Pension Partnership



Brunel Oversight Board Meeting Minutes

Purpose: To review Brunel/Client progress agree next steps
Date and time: Thursday 15th December 2022, 10:30am – 12:00pm
Location: Microsoft teams

Pension Committee Representatives		
Paul Crossley	Avon	
Timothy Butcher	Buckinghamshire	
Jayne Kirkham	Cornwall	
James Morrish	Devon	
John Beesley	Dorset	
Robert Gould	EAPF	Chair
Lynden Stowe	Gloucestershire	
Kevin Bulmer	Oxfordshire	Vice-Chair
Sarah Payne	Somerset	
Richard Britton	Wiltshire	

Member representative observers		
Andy C Bowman (ACB)	Scheme member rep.	
Alistair Bastin	Scheme member rep.	

Fund Officers and Representatives		
Nick Dixon	Avon	
Julie Edwards	Buckinghamshire	
Sean Johns	Cornwall	
William Cresswell	Cornwall	
Mark Gayler	Devon	
Graham Cook	EAPF	
Craig Martin	EAPF	
Matthew Trebilcock	Gloucestershire	
Sean Collins	Oxfordshire	
Bijal Patel	Mercer	Secretariat
Toke Joseph	Mercer	Secretariat

Brunel Pension Partnership Ltd		
Laura Chappell	Brunel, CEO	
Joe Webster	Brunel, COO	
David Vickers	Brunel, CIO	
Liz McKenzie	Brunel, SNED	
Tim Dickson	Brunel, HoCR	

Alice Spikings (ASp)	Brunel, SO	
Oliver Campbell	Brunel	

Item	Agenda	Paper provided	Action
1	Election of Chair and Vice Chair of BOB	Verbal	
	<p>RG welcomed everyone to the meeting and handed over to BP to discuss the Election of Chair and Vice Chair of BOB section of the meeting.</p> <p>BP stated that she had sent around an email asking if anyone wanted to nominate themselves for Chair and Vice Chair of BOB. BP stated that both RB and KB said they were happy to continue in their roles as Chair and Vice Chair respectively and noted that no additional nominations were put forward. BP confirmed that RB and KB would resume their positions as Chair and Vice Chair of BOB. The group offered their congratulations to RG and KB.</p>		
2	Confirm agenda Requests for Urgent or items for Information Any new declarations of conflicts of interest	Agenda Verbal C of Interest policy	
	The agenda was confirmed and it was noted that there were no new declarations of conflicts of interest or urgent actions.		
3	Review 8 September BOB minutes	Minutes	
	The minutes of the previous meeting were agreed.		
4	Client assurance framework (including Investment Update)	Paper	
	<p>SJ presented the Client assurance framework report. SJ confirmed that Brunel had now successfully switched to their new style performance reporting and noted that the Operations Sub-Group would continue to review performance reporting enhancements for future reports and feed any further suggestions to Brunel.</p> <p>SJ presented the Client Assurance Survey paper.</p> <p>SJ presented the BOB dashboard over the quarter to 30 September 2022.</p> <p>Lastly, SJ highlighted that the BOB performance report was in the new format.</p>		
5	Brunel CEO Report	Paper	
	LC discussed the Brunel CEO Report. LC stated that over the quarter more legacy portfolios have been brought into the Brunel pool, confirming that c.85% of legacy holdings were now		

	<p>part of the Brunel pool. LC highlighted that a steady flow of these holdings was still being transferred into the Brunel pool.</p> <p>LC gave an update on the activities that had occurred over Q3 2022. LC discussed Brunel's awards in 2022, highlighting that Brunel won the Impact Investing category at the IPE Europe Awards and thanked Cornwall for their collaboration.</p> <p>LC continued through the report and discussed the risk management and financials section of the report.</p>	
6	Brunel Strategic Objectives	Paper
	<p>LC presented the draft strategic objectives, which were drafted following feedback from the various stakeholders. There was a discussion around performance, returns and fiduciary duty. It was confirmed that these points would be clarified in the next version of the proposed objectives. There was general agreement on the proposed objectives by everyone.</p> <p>DV stated that he would draft a short and succinct paper explaining the terms responsible investment and sustainability and their meaning in terms of Brunel's strategic objectives. The group agreed that such a paper would be very useful.</p>	DV
7	Brunel CIO Update	Verbal
	<p>DV gave the CIO update for the meeting.</p> <p>DV explained that over the quarter, Brunel had started to see prices correcting, caused by market volatility throughout the year, now being incorporated into markets. DV stated that overall Brunel's equity franchise had performed ahead of target. DV stated that DRF and MAC funds were both down over the quarter in absolute terms, Both these asset classes had remained defensive in relative terms and didn't perform as poorly as some over asset classes did over the quarter.</p> <p>DV stated that the private markets values were good however flagged to the group that these were lagged valuation prices. DV stated that the Brunel's private equity fund was doing well and highlighted that a lot of the issues that had been seen in the markets with private equity funds, Brunel had managed to mitigate within their own private equity fund. DV highlighted that therefore Brunel were continuing to deploy money into their private equity funds.</p>	
8	Green Revenues	Paper
	<p>OC presented the Green Revenues section of the meeting and shared the sustainable investment analysis paper on the screen with the group.</p>	

	<p>OC stated that the purpose of the sustainable investment analysis was to support clients with financially quantifying their sustainable exposure and to bridge the gap between the private and listed markets sustainability reporting standards. OC explained that to do this Brunel would build a FTSE Russell Methodology to establish a metric that can be used across asset classes, allowing clients to report against climate solution targets.</p> <p>OC noted to the group that results from this analysis would not allow Brunel to quantify the impact that they have on their investments but instead it would support clients in understanding their sustainable exposure for targets set around their strategic asset allocation.</p> <p>OC continued through the report and discussed how results from this analysis would be reported on using the cycle 2 infrastructure fund as an example. OC highlighted that the results would show at individual portfolio level the breakdown and attribution each fund would have to different sectors that constitute green revenue.</p> <p>DV remarked to the group that this was a new methodology that Brunel were creating to carry out this analysis, highlighting that such a tool to analysis sustainable investment had not been seen in the industry before. JB asked if these slides could be shared with the group as they would be useful for individual client committees. OC agreed to share these slides after the meeting.</p>	OC
9	Brunel SNED Update	Verbal
	<p>LM briefly discussed the Brunel SNED update to the group. LM noted during the first half of the year one to one discussions were had with Clients and she would be offering to carry these out again in 2023.</p> <p>LM explained that the second half of the year had been focused on Brunel's strategic objective review and people strategy review. LM confirmed that the final papers on these two items would be available in January.</p>	
10	Any other Urgent or items for Information	
	<p><u>Solar opportunity</u> All noted a recent opportunity in Solar. But it would mean pension committees committing quickly in Q1 which may not be feasible. Meeting finished at 12:00pm</p>	