

Brunel Oversight Board – Public Minutes

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| Meeting date | 05/09/2024 |
| Time | 10:30 – 12:00 |
| Location | Virtual / Ship, 101 Victoria Street |

Attendees

| Pension Fund Representatives | |
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| Paul Crossley | Avon Pension Committee Representative |
| Nick Dixon | Avon Pension Officer |
| Timothy Butcher | Buckinghamshire Pension Committee Representative |
| Julie Edwards | Buckinghamshire Pension Officer |
| Mike Thomas | Cornwall Pension Committee Representative |
| James Morrish | Devon Pension Committee Representative |
| Mark Gayler | Devon Pension Officer |
| John Beesley | Dorset Pension Committee Representative |
| David Wilkes | Dorset Pension Officer |
| Robert Gould (Chair) | EAPF Committee Representative |
| Craig Martin | EAPF Officer |
| Colin Hay | Gloucestershire Pension Committee Representative |
| Matthew Trebilcock | Gloucestershire Pension Officer |
| Michael O'Connor | Oxfordshire Pension Committee Representative |
| Mark Smith | Oxfordshire Pension Officer |
| Anton Sweet | Somerset Pension Officer |
| Richard Britton | Wiltshire Pension Committee Representative |



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| Andy Bowman | Scheme Member Representative |
| Alistair Bastin | Scheme Member Representative |
| Laura Chappell | Brunel, CEO |
| Denise Le Gal | Brunel, Chair |
| Sally Bridgeland | Brunel, Deputy Chair |
| Liz Mckenzie | Brunel, SNED |
| David Vickers | Brunel, CIO |
| Tim Dickson | Brunel, HoCRT |
| Secretariat | |
| William Cresswell | Cornwall Pension Fund Officer |
| James Rich | Cornwall Pension Fund Officer |



Minutes

1. Welcome & Apologies: Introductions and AOBs

RG welcomed CH, MS, MTh to their first BOB meeting.

2. Review 7th March 2024 BOB minutes

The minutes were approved.

3. BOB Vice-Chair Update

WC noted BOB members were asked via email for nominations to become Vice Chair of BOB. WC noted no eligible nominations were received, and as a result, LC and RG have agreed to postpone the election until later in the year.

WC noted ABo did kindly nominate themselves, however the BOB terms of reference were reviewed, and the current interpretation is the Scheme Member Reps cannot be elected to Vice Chair as they are not full, voting, BOB members.

ABo pointed out Cornwall, Oxford, and Wiltshire as examples of committees with non-voting Chairpersons. ABo accepted the decision, although expressed their opinion the BOB terms of reference are vague on the matter.

JM asked what the process is if RG is unable to Chair a meeting.

- RG confirmed the process would be to elect a Chair from the present members at the meeting.

4. Client Assurance

4.1 Pensions Review Call for Evidence

MG introduced the item and highlighted the Government's call for evidence for the pensions investments review was issued yesterday. MG expressed the importance that all Clients and Brunel respond to the call for evidence. MG provided an overview of the questions raised.

LC noted they will be discussing the item at the Cross-Pool meeting next week, but there is no meeting currently scheduled with Emma Reynolds.

LC suggested Clients respond to the call with a unified voice.

DLG noted they are unsurprised by the call and encouraged Clients to respond proactively.

SB noted the call has raised some important questions; however, Brunel's response needs to emphasise that it's pooling has worked, and there are better opportunities for savings elsewhere.



JB as a Scheme Advisory Board member encouraged clients to contact him if they would like anything to be fed into the SAB meetings.

LC noted the Client Group will be discussing a response next week, Brunel will be working closely with the Scheme Advisory Board, and Brunel will be attending the Local Government Conference next week.

4.2 Client Assurance Report

AS presented highlights from the report.

AS noted Brunel changed the data provider for their portfolio peer groups last quarter, and therefore the portfolios' peer group performance has jumped.

AS noted a number of the colour ratings are still reflecting the poor performance in early 2022, and where the scorings have changed for this quarter, they have typically been downgraded, partly due to the changing peer group.

AS noted fixed income's performance is excellent and the client groups have no concerns.

AB asked for clarification on the sub-investment grade debt included in the Multi-Asset Credit fund.

- AS noted sub-investment grade relates to anything the rating agencies have rated BB and below and would previously been known as Junk grade.
- DV noted the MAC fund's mandate is to invest in sub investment grade.

5. CIO update

DV provided a macro-overview and noted over Q2 4 funds outperformed, 4 funds underperformed and 1 was flat. DV noted the magnificent 7 become the magnificent 5, as Nvidia, Apple, Microsoft, Alphabet, and TSMC drove all the gains of the Global Equity Index. However, in Q3 the stocks have started to underperform.

DV provided an update on the new peer group data provider which is being used in manager searches and constructing peer groupings. DV noted the new data sets a higher bar for performance which has resulted in the decrease in peer group performance over Q2.

6. CEO Update

LC presented highlights from the CEO management report, and noted PwC presented their report to the Client Group officers. LC noted Brunel agreed to look into more Private Market opportunities including Natural Capital and more local investing.

LC noted the proposed changes to the Shareholder agreement have been accepted and are being signed by the relevant legal teams.

LC noted DV has been working with Rachel Reeves on the National Wealth Fund, at which Brunel were the only pool represented, which highlights how high Brunel's voice is in terms of impact investing.





LC bid DLG a farewell and thanked her for her work since the inception of Brunel.

7. SNED Chair Update

LM noted they have visited Cornwall and Buckinghamshire since the last BOB meeting. LM noted Tracie Langley will be chairing the Shareholder meeting on 18th October.

8. Farewell to DLG

RG bid farewell to DLG, thanked her for aiding discussions and helping to shape the national landscape, and wished her well for her future endeavours.

9. AOB

RG noted the future meeting dates, empathised the importance of communication between clients, and thanked everyone for attending.

