

SUMMARY UPDATE (Part I)
ACCESS Joint Committee (JC):
6 December 2021



Eight ACCESS Authorities were represented. The key matters considered are described below.

Part I Item	Details
Minutes of meeting 6 September 2021	Minutes of the Joint Committee meeting of 6 September 2021 were agreed.
Chairman's remarks	<p>Cllr Kemp-Gee (Chairman) welcomed all Members to the meeting of the Joint Committee.</p> <p>Cllr Kemp-Gee underlined the need for Councillors to arrange a substitute if they are unable to attend future Committee meetings, to both maximise representation and ensure that meeting attendance remains above the level required for a quorum. Whilst it was noted that two Cllrs who were unable to attend in person but had joined the meeting virtually, could not under present legislation be recorded as officially present.</p> <p>The Chairman also noted that Vice Chairman (Cllr Barker) had made representations on the matter of enabling Council meetings to take place virtually, to the Hon. Kemi Badenoch M.P. who had been appointed as Minister of State for Levelling Up & Communities in September. It is understood that a significant number of similar representations have been made, however the matter would require legislation and, therefore, appropriate scheduled parliamentary time.</p>
Business plan, budget and risk summary	<p>The Committee were asked to note the 2020/21 outturn that had been shared at the virtual JC briefing in June 2021.</p> <p>The Committee received an update on the activities undertaken since the last JC. Further build out of more detail in future would be welcomed. It was noted that many of the key workstreams within the current Business Plan were the subject of specific items elsewhere on the agenda.</p> <p>In relation to the research into the experience of overseas pooling, commissioned by ACCESS alongside six other LGPS Pools, a summary of the key findings was presented to Officer Working Group (OWG) in September</p> <p>Details of the anticipated outturn against the current year's budget were highlighted.</p>

	<p>The Committee noted:</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 proposed 2022/23 Business Plan and budget was considered. The Business Plan continues many current themes including active asset migration from Authorities into the ACS, the anticipated launch of the first illiquid pooled vehicles along with further developments in the areas of governance, communications and Responsible Investment. Furthermore, an independent third-party review of the ASU will be conducted. To support this, a budget of £1.366m was recommended by the s151 Officers. The individual contribution by each Authority in respect of the 2022/23 budget is therefore £124k.</p> <p>The Committee approved the proposed business plan and budget for 2022/23 and</p> <ul style="list-style-type: none"> • recommended the 2022/23 business plan to the ACCESS Authorities; and • accepted the recommendation of the s151 Officers from ACCESS Authorities to determine the 2022/23 budget totalling £1.366m to support the proposed business plan.
Communications update	<p>The Committee received an update that media training had been completed with Engine MHP for the ACCESS Elected member spokespeople. Work continued with updating the ACCESS website, with conversations in progress with Creative Sponge (website suppliers) and Engine MHP - initial findings will be shared with the OWG. Plans are in hand for a Progress Report. A review of the first full year of activity undertaken by Engine MHP will be an agenda item at the next JC in March 2022.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the report.
Part II Item	Details
Draft RI Guidelines and governance next steps	<p>The Committee received an update on progress on the ACCESS Responsible Investment (RI) guidelines and were formally presented with the latest draft of the document. It was highlighted that, whilst all Authorities were expected to have considered the draft Guidelines prior to the next meeting of the Joint Committee, this may not necessarily allow for a final draft to be available for the March JC meeting.</p> <p>It was agreed that inter-authority communication would be delegated to the OWG and a final document would come to the June 2022 meeting. A workshop or webinar may be held between March – June 2022 allowing for further discussion on the draft.</p> <p>It was noted that work on requisite changes to the Inter Authority Agreement was in hand.</p>

	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the update on the ACCESS RI Guidelines project; and • agreed to provide feedback on the latest draft ACCESS RI Guidelines.
<p>Implementation Adviser procurement</p>	<p>The Committee received an update on matters following the outcome of the procurement process of the Implementation Adviser.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the matters highlighted in the report.
<p>Performance Report</p>	<p>The Committee were updated on the progress of pooling assets, the performance of sub-funds against benchmark, the income generated by stock lending and voting by Investment Managers.</p> <p>The Committee noted the Investment Performance report as at 30 September 2021. The pooled aligned assets total was £32.915bn, an increase of £0.312bn from the June 2021 quarter end. Subscriptions in the quarter totalled £0.613bn which included £0.294bn into the new UK Select Fund. Redemptions totalled £0.127bn during the quarter.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the report.
<p>Response to EM Review: Protocol for new-sub-funds</p>	<p>The Committee received a report outlining the status of responses to the recommendations from the Emerging Markets review, following discussions with s151 Officers and OWG.</p> <p>The Committee agreed:</p> <ul style="list-style-type: none"> • that the sub-fund criteria proposed by OWG in August 2021 (paragraphs 3.6-3.9) be adopted, not as criteria, but as guiding principles; • that the revised protocol flowchart be adopted; and • that the impact of the guiding principles and the protocol of ACCESS sub-funds is monitored by the OWG and ASU, kept under review at s151 meetings and be subject to a formal review by s151 Officers at a meeting in November 2022.
<p>Sub-fund implementation</p>	<p>The Committee received a report updating on the progress of launching the ACS, the sub-funds that will be created within it and continuing engagement between ACCESS and Link to improve the process of launching sub-funds. The Committee were advised of the successful launch of the M&G Global Alpha fund, that was launched on 1 December, after the JC agenda pack had been dispatched and the Committee was requested to approve the creation of two emerging market equity-sub funds.</p>

	<p>The Committee:</p> <ul style="list-style-type: none"> • noted the report; and • approved the creation to two emerging market equity sub-funds, reflecting growth and value investment styles.
Contract and Supplier Relationship Management	<p>The Members received the regular report covering a number of aspects of Contract and Supplier Relationship management.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the report.
Risk Management	<p>The Committee were updated on ACCESS risks.</p> <p>Three risks had been raised in severity since the meeting in September. These were in respect of delays to sub-fund launches (two risks) and transitions. One risk had been closed and a new risk raised.</p> <p>It is proposed to include fuller commentary on the mitigation for elevated risks in future JC reports.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the report.
Business as Usual (BAU) next steps	<p>The Committee received an update on this matter.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the report.
Next meeting date	7 March 2022