

<b>Item No.</b> 6.	<b>Classification:</b> Open	<b>Date:</b> 5 December 2022	<b>Meeting Name:</b> Pensions Advisory Panel
<b>Report title:</b>		Asset Allocation September 2022	
<b>From:</b>		Divisional Accountant, Pensions and Investments	

## Recommendation

1. The pensions advisory panel is asked to:

- Note the Fund's asset allocation at 30 September 2022

Asset Class	Manager	30 Sept 2022 £000	% of Total Fund	Strategic Benchmark %	Difference %
Global Equity	BlackRock	343,308	17.2	15.0	2.2
	Legal & General	309,711	15.5	15.0	0.5
	Newton	235,506	11.8	10.0	1.8
	Comgest	89,442	4.5	5.0	-0.5
<b>Total Global Equity</b>		<b>977,967</b>	<b>49.0</b>	<b>45.0</b>	<b>4.0</b>
Diversified Growth	BlackRock	174,911	8.8	10.0	-1.2
<b>Total Diversified Growth</b>		<b>174,911</b>	<b>8.8</b>	<b>10.0</b>	<b>- 1.2</b>
Absolute Return Bonds	BlackRock	130,755	6.6	5.0	1.6
<b>Total Absolute Return Bonds</b>		<b>130,755</b>	<b>6.6</b>	<b>5.0</b>	<b>1.6</b>
Core Property	Nuveen	234,464	11.8	14.0	-2.2
<b>Total Core Property</b>		<b>234,464</b>	<b>11.8</b>	<b>14.0</b>	<b>- 2.2</b>
ESG Priority Allocation	Invesco	33,241	1.7	1.5	0.2
	M&G	44,265	2.2	1.5	0.7
	Froghmore	7,990	0.4	1.5	-1.1
	Brockton	7,191	0.4	1.5	-1.1
	Glennmont	20,566	1.0	1.8	-0.7
	Temporis	57,526	2.9	2.3	0.6
	BlackRock	9,451	0.5	1.5	-1.0
	Darwin	21,082	1.1	1.0	0.1
	Blackstone	50,044	2.5	2.3	0.3
	BTG Pactual	36,522	1.8	1.3	0.6
<b>Total ESG Priority Allocation</b>		<b>287,878</b>	<b>14.4</b>	<b>16.0</b>	<b>- 1.6</b>
Index Linked Gilts	BlackRock	71,810	3.6	5.0	-1.4
	Legal & General	65,873	3.3	5.0	-1.7

<b>Total Index Linked Gilts</b>		<b>137,683</b>	<b>6.9</b>	<b>10.0</b>	<b>- 3.1</b>
Cash & Cash Equivalents	BlackRock	33,767	1.7	0.0	1.7
	Newton	10,183	0.5	0.0	0.5
	Nuveen	6,320	0.3	0.0	0.3
<b>Total Cash &amp; Cash Equivalents</b>		<b>50,270</b>	<b>2.5</b>	<b>-</b>	<b>2.5</b>
<b>Total</b>		<b>1,993,928</b>	<b>100.0</b>	<b>100.0</b>	<b>-</b>

<b>Asset Class</b>	<b>Sub Category</b>	<b>30 Sept 2022 £000</b>	<b>Strategic Benchmark %</b>	<b>Actual Allocation %</b>
Global Equities	Low Carbon Passive Equities	653,020	30.0	32.8
	Active Pooled Emerging Market Equities	89,442	5.0	4.5
	Segregated Active Global Equities	235,506	10.0	11.8
<b>Total Global Equities</b>		<b>977,968</b>	<b>45.0</b>	<b>49.0</b>
<b>Total Diversified Growth</b>		<b>174,911</b>	<b>10.0</b>	<b>8.8</b>
<b>Total Absolute Return Bonds</b>		<b>130,755</b>	<b>5.0</b>	<b>6.6</b>
Core Property	UK Direct Property	230,875	14.0	11.8
	UK Commercial Property Pooled Funds	3,589		
<b>Total Core Property</b>		<b>234,464</b>	<b>14.0</b>	<b>11.8</b>
ESG Priority Allocation	Pooled Funds - UK Private Residential	77,506	3.0	3.9
	Pooled Funds - UK Opportunistic Property	15,181	3.0	0.8
	Sustainable Infrastructure	87,543	5.5	4.4
	Timberland	36,522	1.3	1.8
	Bereavement Services	21,082	1.0	1.1
	Private Equity	50,044	2.3	2.5
<b>Total ESG Priority Allocation</b>		<b>287,878</b>	<b>16.0</b>	<b>14.4</b>
<b>Total Index Linked Gilts</b>		<b>137,683</b>	<b>10.0</b>	<b>6.9</b>
Cash & Cash Equivalents	Sterling Liquidity Fund	33,767	0.0	1.7
	Fund Manager Held Derivatives	10,183	0.0	0.5
	Fund Manager Operational Cash	6,320	0.0	0.3
<b>Total Cash &amp; Cash Equivalents</b>		<b>50,270</b>	<b>0.0</b>	<b>2.5</b>
<b>Total</b>		<b>1,993,929</b>	<b>100.0</b>	<b>100.0</b>

## **Community, Equalities (including socio-economic) and Health Impacts**

### **Community Impact Statement**

2. There are no immediate implications arising.

### **Equalities (including socio-economic) Impact Statement**

3. There are no immediate implications arising.

### **Health Impact Statement**

4. There are no immediate implications arising.

### **Climate Change Implications**

5. There are no immediate implications arising.

### **Resource Implications**

6. There are no immediate implications arising.

### **Legal Implications**

7. There are no immediate implications arising

### **Consultation**

8. There are no immediate implications arising.

### **Financial Implications**

9. There are no immediate implications arising.

## AUDIT TRAIL

<b>Lead Officer</b>	Duncan Whitfield, Strategic Director of Finance and Governance		
<b>Report Author</b>	Jack Emery, Divisional Accountant – Pensions and Investments		
<b>Version</b>	Final		
<b>Dated</b>	10 November 2022		
<b>Key Decision?</b>	N/A		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>	
Director of Law and Governance	N/A	N/A	
Strategic Director of Finance and Governance	N/A	N/A	
<b>Cabinet Member</b>	N/A	N/A	
<b>Date final report sent to Constitutional Team</b>		28 November 2022	