

## **Pension Fund Investment Sub Committee**

**14 September 2015**

### **Infrastructure Update**

#### **Recommendation**

That the Pension Fund Investment Sub-Committee notes the report.

#### **1 Introduction**

- 1.1 At the sub-committee meeting of 15 June 2015 it was reported that the fund had experienced delays in allocating cash to the two private infrastructure managers that were appointed to manage assets for the fund.
- 1.2 Following this report the Chairman requested that both fund manager's report on likely implementation.

#### **2. SL Capital (£20m target allocation)**

- 2.1 Shortly after the June sub-committee meeting SL Capital issued two capital calls to the fund totalling £14.8m. Therefore the remaining commitment to the manager outstanding is now £5.2m.
- 2.2 These drawdowns were funded through a combination of residual cash, and the redemption of units in the State Street UK passive equity fund.
- 2.3 SL Capital cannot give any precise indication as to when the remaining commitment will be deployed as it is dependent on opportunities and fund raising. However as a rough guide it is expected that the fund will have the allocation invested by late 2016.

#### **3. Partners Group (£40m target allocation)**

- 3.1 In July the documentation for the Partners Group global infrastructure fund was completed.

- 3.2 The manager has provided a drawdown forecast for the fund, first capital calls will be expected in the remainder of 2015 and will be in the region of 10-15% of committed amount (£4-6m). Throughout 2016 further drawdowns will be expected to around 40% of total target allocation. Looking to the longer term, the aim of this fund is to become fully subscribed by 2020-2021.

## Background Papers

Partners Group Infrastructure Fund Cash flow/NAV document

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