



Assurance Group
London Borough of Barnet,
2 Bristol Avenue, Colindale,
London NW9 4EW
8 July 2019
Our ref: 5377528

Thank you for your request received on 7 June 2019, for the following information:

I am writing to ask for your help with a request under the Freedom of Information Act 2000.

On 7th June 2018, you kindly sent us Commitment, Contribution, Distribution, Value and IRR as of 31st March 2018 of Barnet Local Government Pension Scheme's private equity/venture capital funds. We were extremely grateful to receive this data, as it is very helpful for our research.

Do you have more recent records, specifically Commitment, Contribution, Distribution, Value and IRR as of 31st March 2019? This list should include all such partnerships, i.e. private equity, venture capital, distressed debt, mezzanine, fund of funds, real estate, natural resources and private debt investments. If so, is it possible for you to send them to us?

Thank you very much for your help with this request. I have attached a copy of the data sent previously for your reference.

We have processed this request under the Freedom of Information Act 2000.

Response

The council holds the information requested and it is attached/ the answers to your questions are below

I am writing to ask for your help with a request under the Freedom of Information Act 2000.

On 7th June 2018, you kindly sent us Commitment, Contribution, Distribution, Value and IRR as of 31st March 2018 of Barnet Local Government Pension Scheme's private equity/venture capital funds. We were extremely grateful to receive this data, as it is very helpful for our research.

Do you have more recent records, specifically Commitment, Contribution, Distribution, Value and IRR as of 31st March 2019? This list should include all such partnerships, i.e. private equity, venture capital, distressed debt, mezzanine, fund of funds, real estate, natural resources and private debt investments. If so, is it possible for you to send them to us?

Thank you very much for your help with this request. I have attached a copy of the data sent previously for your reference.

Would it be possible for you to send me a copy of any records that would show some or all of the following information:

1. A list of ALL types of alternative asset investments, including private equity, venture capital, distressed debt, mezzanine, fund of funds, infrastructure, natural resources, real estate and private debt partnerships in which Barnet Local Government Pension Scheme is an investor; and

2. For each partnership, may I please have a copy of any alternative assets investment records that would show some or all of the following information:

1. Barnet Local Government Pension Scheme's total commitment to the partnership,
2. the total contributions made by Barnet Local Government Pension Scheme to the partnership to date,
3. the total distributions received by Barnet Local Government Pension Scheme from the partnership to date,

d. the estimated current value of Barnet Local Government Pension Scheme's holding in the partnership, and

e. any available estimates of the IRR earned by Barnet Local Government Pension Scheme to date on its investment in the partnership.

Request is for information as at 31 March 2019

Holdings

The valuation of the pension fund as at 31 March 2019 and its constituent holdings was published as part of the papers for the Pension Fund Committee meeting on 30 May 2019. This is accessible from the Council web site. For information, I attach the valuation summary.

The names of the funds that fall within the request are:

IFM Global Infrastructure (UK) B, L.P (2017)

Partners Group Private Market Credit Strategies – Multi-Asset Credit (2015)

Partners Group Private Market Credit Strategies – Multi-Asset Credit 2017

Clareant European Direct Lending Fund II (2016)

IIFIG Secured Finance Fund (2017)

Commitments

Partners Group have requested that all information provided to LB Barnet remain confidential under the following FOIA exceptions:

1. Section 41 of the Act, which provides an absolute exemption from disclosure for information that is provided to a public authority in confidence.

In order for this exemption to apply: (i) the information must have been obtained by the public authority from another person; and (ii) disclosure of the information would give rise to an actionable breach of confidence.

All information relating to Partners Group and Partners Group funds supplied by us to London Borough of Barnet (LBB) is provided under clear conditions and obligations of confidentiality. As this information is not readily available by other means, breach of these confidentiality obligations would certainly be actionable. It should also be noted that pursuant to the limited partnership agreement, LBB owes duties of confidentiality to the other investors in PG Private Markets Credit Strategies 2 S.A. Compartment Multi Asset Credit 2017 (IV) GBP and

PG Private Markets Credit Strategies S.A. Compartment Multi Asset Credit 2015 (II) GBP, as well as to Partners Group itself.

2. Section 43 of the Act, which provides a qualified exemption from disclosure if such disclosure would, or would be likely to, prejudice the commercial interests of any person.

As LBB will appreciate, the documentation agreed between Partners Group and LBB is commercially sensitive and confidential. The terms of fund documentation is a key consideration for investors when determining whether or not to invest with Partners Group and disclosure of the specific terms of the documentation which underlies PG Private Markets Credit Strategies 2 S.A. Compartment Multi Asset Credit 2017 (IV) GBP and PG Private Markets Credit Strategies S.A. Compartment Multi Asset Credit 2015 (II) GBP are likely to have a prejudicial effect both on Partners Group and potentially the other investors in PG Private Markets Credit Strategies 2 S.A. Compartment Multi Asset Credit 2017 (IV) GBP and PG Private Markets Credit Strategies S.A. Compartment Multi Asset Credit 2015 (II) GBP. In particular, we would like to emphasise the potentially severe detrimental impact that disclosure and dissemination of the commercially sensitive information (such as hurdle rates and fee bases) may have on our business. This is a particular concern in this circumstance, where it is certainly possible that the information will be disseminated to our competitors, who would then be able to use this information to the disadvantage of Partners Group, resulting in serious prejudice to Partners Group's business.

As mentioned above, the Section 43 exemption is a qualified exemption; the duty to disclose continues unless, in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In light of the severity of the potential prejudice and absence of legitimate public interest, the public interest test cannot qualify the Section 43

exemption in this circumstance. Further, as LBB may also be prejudiced, whether by the possibility that LBB will be restricted in making future investment in Partners Group investment funds or the possibility that in the future LBB may only receive restricted information about Partners Group funds and so be unable to effectively monitor its investments, neither of which can be in the public interest, any public interest argument is further undermined.

We therefore consider that Sections 41 and 43 apply to exempt the above information requested.

IFM Global Infrastructure (UK) B, L.P (2017)

Committed: \$71.418m

Invested: \$62.513m

Distributions – \$13,597 (all re-invested in addition to the above)

Current value – £73.380 million

IRR – 15.95%

Clareant European Direct Lending Fund II (2016)

Committed: £35m

Invested: £29.549m

Distributions – £3.117 million

Current value - £30.719m

IRR – 10.39% (gross)

IIFIG Secured Finance Fund (2017)

Committed: £40m

Invested: £40m

Distributions – nil

Current value – £42.499m

IRR – 4.74%

Further information

If you are interested in the data that the council holds you may wish to visit Open Barnet, the council's data portal. This brings together all our published datasets and other information of interest on one searchable database for anyone, anywhere to access. <http://open.barnet.gov.uk/>

Advice and Assistance : Direct Marketing

If you are a company that intends to use the names and contact details of council officers (or other officers) provided in this response for direct marketing, you need to be registered with the Information Commissioner to process personal data for this purpose. You must also check that the individual (whom you wish to contact for direct marketing purposes) is not registered with one of the Preference Services to prevent Direct Marketing. If they are you must adhere to this preference.

You must also ensure you comply with the Privacy Electronic and Communications Regulations (PECR). For more information follow this Link www.ico.org.uk

For the avoidance of doubt the provision of council (and other) officer names and contact details under FOI does not give consent to receive direct marketing via any media and expressly does not constitute a 'soft opt-in' under PECR.

Your rights

If you are unhappy with the way your request for information has been handled, you can request a review within the next 40 working days by writing to the Information Management Team at: foi@barnet.gov.uk. Or by post to Information Management Team (FOI) London Borough of Barnet, 2 Bristol Avenue, Colindale, NW9 4EW

If, having exhausted our review procedure, you remain dissatisfied with the handling of your request or complaint, you will have a right to appeal to the Information Commissioner at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF (telephone: 0303 123 1113; website www.ico.org.uk). There is no charge for making an appeal.