

Report for: Pensions Committee and Board 21 January 2019

Title: Local Government Pension Scheme Pooling Consultation

Report authorised by: Jon Warlow, Director of Finance (S151 Officer)

Lead Officer: Thomas Skeen, Head of Pensions
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non Key decision

1. Describe the issue under consideration

- 1.1. The purpose of the paper is to provide information to members of the Pensions Committee and Board regarding a recent consultation released by the Ministry and Housing Communities and Local Government (MHCLG) regarding pooling of Local Government Pension Scheme (LGPS) assets.

2. Cabinet Member Introduction

- 2.1. Not applicable.

3. Recommendations

- 3.1. The Committee and Board note the contents of this report, and any other verbal updates provided by officers and the fund's Independent Advisor in the meeting.

4. Reason for Decision

- 4.1. Not applicable.

5. Other options considered

- 5.1. None

6. Background information

- 6.1. In 2015 the Government reformed the structure of the LGPS with regards to the management of investments, by introducing the pooling agenda: going forwards all funds would move towards no longer managing all investments (whether directly or via a fund manager) in house, and these would instead be managed by investment pools. LGPS administering authorities in England and Wales worked together to set up 8 pools across the country. London boroughs, including Haringey, are part of the London CIV pool. The pools are at different stages of being set up, and having assets transition into them. There remain investment assets that have not yet transitioned into the pools, and this will pertain for some time to come.
- 6.2. In early January 2019, MHCLG released further statutory guidance regarding pooling, for consultation. This consultation document is attached at Appendix 2. The Independent Advisor to the fund, John Raisin Financial Services Ltd has produced an initial observations paper relating to this, which is appended at Appendix 1. The Independent Advisor will provide a verbal update to the Committee and Board regarding this.
- 6.3. The Head of Pensions will prepare a formal response to the consultation on behalf of Haringey, before this closes in March 2019, in consultation with the Chair of the Pensions Committee and Board, and the Independent Advisor to the fund.

7. Contribution to Strategic Outcomes

- 7.1. Not applicable

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

- 8.1. There are no direct financial implications arising from this report, this is a information item.

Legal Services Comments

- 8.2. The Assistant Director of Governance has been consulted on the content of this report. There are no specific legal implications arising from this report.

Equalities

- 8.3. None applicable.

9. Use of Appendices

- 9.1. Appendix 1: Initial Observations on the Pooling Consultation from the fund's Independent Advisor
- 9.2. Appendix 2: MHCLG statutory guidance Consultation

10. Local Government (Access to Information) Act 1985

- 10.1. Not applicable.