

Merton Council

Pension Fund Investment Advisory Panel Agenda

Membership

Councillors:

Mark Allison
Imran Uddin (Chair)
Adam Bush (Vice-Chair)

Officers:

Tina Pickard (Pensioner Rep)
Caroline Holland (LBM)
Paul Dale (LBM)
Paul Audu (LBM)
Gwyn Isaac (GMB Union Rep)

Substitute Members:

Date: Wednesday 29 June 2016

Time: 7.00 pm

Venue: Merton Civic Centre

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact
Merton.PensionFund@merton.gov.uk or telephone [020 8545 3458](tel:02085453458).

All Press contacts: communications@merton.gov.uk, 020 8545 3181

Pension Fund Investment Advisory Panel Agenda

29 June 2016

1	Apologies for absence	
2	Declarations of pecuniary interest	
3	Minutes of the previous meeting	1 - 4
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5	Draft PFAP Work Programme 2016/17	15 - 22
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8	Update on London CIV	31 - 34
9	Future meeting dates	
	28 th September 2016	
	1 st December 2016	
	8 th March 2017	

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

Attendance:

Cllr Imran Uddin (Chair)
Cllr Adam Bush (Vice Chair)
Cllr Mark Allison
Paul Dale (Assistant Director of Resources LBM)
Paul Audu (Head of Treasury and Pensions)

Additional Attendees: None

1.0 MEETING (Part 1)

1.1 Introductions made by Chair

1.2 Apologies for lateness: None

1.3 Apologies for absence: Caroline Holland (CS Director LBM), Cllr Mark Allison

1.4 Members Declaration of Interest - None

2.0 PRESENTATION OF MINUTES OF LAST MEETING (15.9.15)

Minutes agreed.

3.0 QUARTERLY PERFORMANCE REVIEW (1 July 2015 – 30 September 2015)

3.1 PA presented the report and provided information on portfolio actions and results for the quarter. Total fund was valued at £495.3million, down by £25.8m or 4.9% over the period. Global markets were volatile during the quarter however, the outlook for UK economy remained positive.

3.2 Total fund return was -4.0% compared to the benchmark return of -3.3%. The 0.7% underperformance was attributed to stock selection (0.4%) and asset allocation (0.3%), the former due to fund manager decisions and the latter due to strategic decisions made by the Fund. Year-to-date, the Fund underperformed the benchmark by 1.1 (0.9% v 2.0%). Over 3 years, the Fund gained 7.2% compared to the benchmark return of 8.1%.

3.2 In terms of allocation, the Fund was overweight benchmark on Equity (73.2% v 70.0%), underweight Bond (23.6% v 25.0%) and underweight Property (3.2% v 5.0%). The market value chart showed that the Fund had grown significantly (by £239m) in the last 7 years.

3.3 PA commented on the Fund's diversified portfolio of investments and provided high-level analysis of sectors and markets. Broadly, the Fund performed better in overseas equity markets than domestic UK equity market albeit the Fund and the benchmark produced negative return across global markets for the period. Total Equity returns were -6.6% and -6.2% for the Fund and benchmark respectively. Total Bond return for the Fund was 4.2% compared to the benchmark return of 4.3%. The Fund made 3.3% on property over the quarter compared to the benchmark return of 3.0%.

- 3.4 At the individual fund manager level, UBS (passive global equity) tracked the benchmark with identical return of -5.6%. The manager underperformed the benchmark in the active global equity portfolio (-7.4% v -7.0%). The Property portfolio run by UBS was 0.4% better than the benchmark (3.4% v 3.0%). Aberdeen Asset Management (global equity) underperformed the benchmark by 1.5% (-8.5% v -7.0%) and the manager's return of 3.3% on global bonds was identical to the benchmark. Blackrock (Property) underperformed the benchmark by 0.4% (2.6% v 3.0%). PA discussed the impact of asset allocation and stock selection decisions on overall performance.
- 3.5 There was discussion on equity mandates. The Committee considered whether to allow managers some flexibility and how that might be reflected in the SIP. PD said that officers would consult with fund managers and bring back some ideas. It would be prudent to rely on investment managers and not to constrain them.
- 3.6 PA referred to managers' performance being similar across the Fund's equity mandates and the need to consider reducing the current restrictions on asset allocations at the next investment strategy review.

4.0 RESPONSIBLE INVESTING

- 4.1 PD referred to the executive summary of EVD (section 2) report and Counsel's opinion given to members in 2013 and advice on social, ethical and environmental issues.
- 4.2 The Committee noted the report. ESG matters will be discussed and considered in future.

5.0 ANNUAL REPORT AND ACCOUNTS – 2014/15

- 5.1 PD informed the Committee that audit of the Pension Fund Annual Report and Accounts 2014/15 by Ernst & Young was complete. There were no qualifications or recommendations in the auditor's report. The Committee noted the report and agreed that this should be reported to the General Purpose Committee.

6.0 UPDATE ON INVESTMENT ADVISER PROCUREMENT

- 6.1 PA referred to the report and procurement process for the appointment of the investment adviser. Final interviews were held in October, following the evaluation of bidders' submission by officers. Bidders had been informed about the outcome of the interviews and officers anticipated that the Council would enter into contract in the near future giving regard to OJEU cooling period. Next steps – review of investment custody arrangement is ongoing. PA advised the Committee that officers would aim to rationalise the custody arrangement ahead of any decision on asset allocation and procurement of fund managers.
- 6.2 **Action:** PD to confirm if £100k is an internal cost for the procurement.

6.3 Discussion took place on having possible meeting with advisers to clarify views and involve members in discussions, and whether to revisit previous proposals. The Committee should be involved in the discussions and detail to move forward and design new mandates.

6.4 **Action:** PD to inform members once meeting date(s) with the advisers are agreed with a revised timeline for circulation.

7.0 UPDATE ON LONDON CIV

7.1 PD reported that the CIV was now operational and that the Council took up its allotted 150,000 shares in London LGPS CIV Ltd at a cost of £150,000. Two sub funds launched in December 2015, with assets transferring from some London boroughs to the CIV.

7.2 PD advised that further discussion on what to put through the CIV would take place. There is no requirement to tender. The CIV's sub funds will increase through mini competitions.

7.3 There was some discussion on the timing of the investment strategy review and manager procurement and the Committee believed that it was advantageous that the CIV was up and running before the proposed review.

8.0 PFAC WORK PROGRAM 2016/17

8.1 PA reported that officers were working on a draft programme to be brought to the next meeting of this Committee on 8th March 2016, setting out a full year's work programme designed around the key areas of the Committee's responsibility. The aim of the Work Programme is to ensure all areas are covered and the Committee has visibility across the Fund arrangements to ensure proper governance and performance evaluation.

8.2 Discussion took place on governance and various key areas/issues and requirements to be fulfilled across investment and administration functions. Also, there was some discussion on communication /engagement with the scheme members via various media; intranet, newsletters, etc. as Chair keen for members to be made aware of current processes. PA said the intranet was an effective way to engage scheme members. He also suggested the use of self-service features on website for accessing reports and other information.

9.0 ANY OTHER BUSINESS

9.1 Local Pension Board

Discussion took place on possible shared joint Board or having one committee/pool of 5 people in collaboration with other London boroughs.

9.3 **Action:** PD and PA to discuss possible solution for Pension Board and consult with CH about fall back position to ensure meetings set up in order to be compliant with the regulation.

Date of Next Meeting:

8th March 2016

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London Borough of Merton Pension Fund Advisory Committee

Date: 29th June 2016

Agenda item: **3**

Wards: All

Subject: Performance of the Pension Fund for the Quarter Ending March 2016

Lead officer: Caroline Holland Director of Corporate Services

Lead member: Councillor Imran Uddin

Contact officer: Paul Dale

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RECOMMENDATION

Members are asked to note the content of this report, in particular, the market values and performance of the total fund and component portfolios for the quarter ending 31 March 2016, attribution of the results and the market environment during the period.

1.0 PURPOSE OF REPORT

- 1.1 To report the investment performance at total fund level, and of the individual fund managers, for the quarter to 31 March 2016.
- 1.2 The report gives the Committee a consistent basis on which to review the performance of the Fund as at 31 March 2016 and provide information to support future actions including periodic rebalancing and review of investment strategy and investment management arrangement.

2.0 PERFORMANCE REPORT

- 2.1 The attached Fund Analysis & Performance Report (**Appendix 1**) produced by WM Performance Services provides useful analysis and insights of the Pension Fund activity and results for the quarter to 31 March 2016.
- 2.2 The report highlights the performance of the total Fund by asset class compared to the customised benchmark. It also includes comprehensive analysis of the performance of each manager against their specific benchmark and a comparison of performance over longer periods.
- 2.3 At 31 March 2016 the total Fund was valued at £528.8m up by £11.7m (or 2.2%) since 31 December 2016.

3.0 Market Background/Outlook

- 3.1 Markets had a turbulent start to 2016 as instability in China's domestic stock market, a further slump in oil prices and concerns over the impact of negative

interest rates led to an underperformance in risk-assets while core government bonds benefited from a ‘flight to safety’.

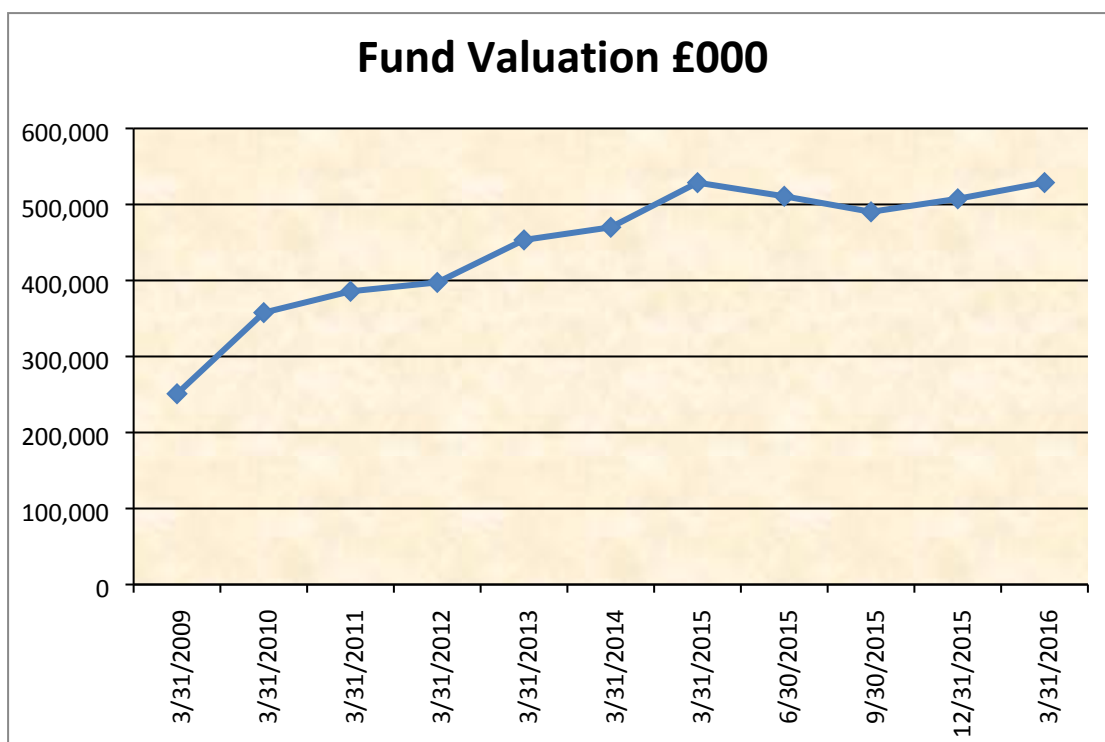
- 3.2 Upward momentum resumed in the final weeks of the quarter as the oil price recovered sharply and both the European Central Bank and the Bank of Japan committed to further monetary policy easing. An increasingly dovish tone from the Fed in the US, following the rate rise seen in December 2015, meant the US Dollar had its worst quarter in five years.

4.0 PERFORMANCE OF THE FUND

- 4.1 The table below shows the Fund’s strategic asset allocation as at 31 March 2016 against the asset allocation of the benchmark. The Fund was overweight Equity and underweight Bonds and Property compared to the benchmark.

At 31/03/2016	Total Equity %	Total Bonds %	Cash/Alts %	Property %	Total Fund %
Fund Asset Allocation	71.0	24.7	0.2	4.0	100.0
Fund Benchmark	68.9	26.2	N/A	4.9	100.0
Difference overweight / (underweight)	2.1	-1.5	N/A	-0.9	

- 4.2 The Fund underperformed the benchmark by 0.1% for the quarter ending 31 March 2016. It gained 2.3% compared to the benchmark return of 2.4% for the period. Year-to-date, the Fund underperformed the benchmark by 1.1%. The return for the year was -1.8% and -0.7% for the Fund and benchmark respectively.
- 4.3 The 0.1% underperformance was due wholly to asset allocation. The manager’s results are discussed in more detail below in section 5.
- 4.4 The following graph illustrates the Fund’s market value trend between 31 March 2009 and 31 March 2016. It shows that the market value of the Fund has appreciated by £278m or 111% over the 8 yr. period.



4.5 The table below shows the market value of each Portfolio at the start and end of the period. The change in value over the period is a combination of the net money flows into or out of each Portfolio and any gain or loss on the capital value of investments.

<i>Fund</i>	Market Value 31/12/15 £000	Capital Gain/loss £000	Income £000	Market Value 31/03/16 £000	% of Total Fund
UBS Passive Equity	219,227	1,259	559	226,073	43
Aberdeen Fixed Income	122,437	8,545	41	130,945	25
Aberdeen Active Equity	95,614	774	790	97,162	18
UBS Active Equity	52,892	-476	223	52,694	10
UBS Property	10,620	-20	120	15,184	3
BlackRock Property	6,662	14	29	6,721	1
Total External Fund	507,453	10,096	1,762	528,779	100
Internal Investments	9,580			150	0
Total	517,033			528,929	

4.6 The Fund's assets are invested in various sectors and markets globally. During the quarter to March 2016, emerging market equities performed well as did fixed income investments which in contrast to the previous quarter, yielded positive returns.

4.7 The following table provides detailed analysis of the return on the Fund's investment for the period relative to the benchmark.

Sector	Market Value	Market Value	Fund Return	Benchmark
	Dec 2015 £000	Mar 2016 £000	Mar 2016 %	Mar 2016 %
UK Equities	218,026	221,842	-0.3	-0.4
Overseas Equities	149,150	153,461	2.5	2.6
• North America	52,395	53,664	4.2	4.2
• Continental Europe	40,944	41,507	1.0	0.2
• Total Far East	40,755	42,241	-0.8	0.6
• Other Intl Equities	15,055	16,049	9.8	8.6
UK Bonds	30,640	32,682	6.9	6.9
Overseas Bonds	31,624	33,074	8.1	8.6
UK Index-Linked	60,163	65,173	6.6	6.5
Cash Alternatives	1,157	1,236	8.0	N/A
Property	16,693	21,312	0.9	1.1
Total	507,453	528,779	2.3	2.4

5.0 FUND MANAGER PERFORMANCE

UBS

5.1 UBS manages three portfolios for LB Merton Pension Fund.

(1) UBS Active Global Equity

5.2 The market value of the active equity portfolio managed by UBS was £52.7m (Dec 2015 £52.9m). The portfolio return was -0.5% for the period, being below the benchmark return of 0.7%.

The table below shows the movement during the period within the portfolio.

UBS Active Equity	31/12//2015		Purchases £000	Sales £000	Gain/Loss £000	Income £000	31/03/2016	
	£000	%					£000	%
Total Equities	52,334	99	5,135	4,631	-476	282	52,362	99
Cash & Cash Alternatives	558	1	4,896	5,122	0	0	332	1
Total	52,892	100	10,031	9,753	-476	223	52,694	100

The manager's mandate is summarised below:

- For the portion of the Active Portfolio invested in UK Equities, the manager shall seek to outperform the benchmark by 1% p.a.
- For the portion of the Active Portfolio invested in Emerging Markets, the manager shall seek to outperform the benchmark by 2.0% p.a.

Performance of the UBS Active Equity over various time periods

<i>Period</i>	Manager %	Benchmark %	Variance %	Comment
Last 3 months	-0.5	0.7	-1.2	underperformed
Last 12 months	-4.2	-4.6	0.4	outperformed
Last 3 years	2.5	3.0	-0.5	underperformed
Last 5 years	4.4	4.8	-0.4	underperformed

(2) UBS Global Equity (Passive)

5.3 The passive equity portfolio was valued at £226.1m (£219.2m Dec 2015). During the quarter the manager's performance of 0.8% was slightly above the benchmark of 0.7%.

The table below shows the movement of assets during the quarter.

<i>UBS Passive</i>	31/12/2015		Purchases £000	Sales £000	Gain/ Loss £000	Income £000	31/03/2016	
	£000	%					£000	%
UK Equities	119,977	55	8,232	3,118	-987	586	124,104	55
North America	46,417	21	700	1,200	1,981	0	47,898	21
Continental Europe	26,093	12	775	0	74	0	26,942	12
Japan	14,038	6	0	0	-600	0	13,438	6
Total Pacific (ex Japan)	12,888	6	500	0	792	0	14,180	6
Cash & Alternatives	-186	0	16,637	16,940	0	1	-489	0
Total	219,227	100	26,844	21,257	1,259	559	226,073	100

The manager is to track the Benchmark index over rolling three year periods.

This table shows the performance of the portfolio.

Period	Manager %	Benchmark %	Variance %	Comment
Last 3 months	0.8	0.7	0.1	outperformed
Last 12 months	-2.4	-2.4	-0.0	In line
Last 3 years	6.1	6.0	0.1	outperformed
Last 5 years	7.3	7.3	0.0	In line

(3) UBS Property Fund

- 5.4 The market value of the property portfolio managed by UBS was £15.2m (£10.6m in Dec 2015). The portfolio return was 0.7% during the quarter, compared to the benchmark return of 1.1%.

An additional commitment in the UBS Triton Trust of £4.6m was made in February 2016. This commitment was financed from 2015/16 additional LBM employer contributions.

The table below shows the movement during the period within the portfolio.

<i>UBS Triton (Property)</i>	31/12//2015		Purchases	Sales	Gain/Loss	Income	31/03/2016	
	£000	%	£000	£000	£000	£000	£000	%
Property	10,031	94	4,581	0	-20	120	14,591	96
Cash & Cash Alternatives	589	6	4,671	4,668	0	0	593	4
Total	10,620	100	9,252	4,668	-20	120	15,184	100

The manager is to track the Benchmark index over rolling three year periods.

This table shows the performance of the portfolio.

Period	Manager %	Benchmark %	Variance %	Comment
Last 3 months	0.7	1.1	-0.3	underperformed
Last 12 months	10.8	10.6	0.2	outperformed
Last 3 years	13.8	13.0	0.8	outperformed
Last 5 years	7.0	8.8	-1.8	underperformed

Aberdeen Asset Management

- 5.5 Aberdeen manages two portfolios for the LB Pension Fund.

(1) Aberdeen Active Global Equity

- 5.6 The market value of the active equity portfolio managed by Aberdeen was £97.2m (Dec 2015 £95.6m). The portfolio return was 1.6% during the quarter, compared to the benchmark of 1.0%.

The table below shows the movement during the period within the portfolio.

Aberdeen Active Equity	31/12/2015		Purchases	Sales	Gain/ Loss	Income	31/03/2016	
	£000	%					£000	£000
UK Equities	51,264	54	5,835	5,584	-195	581	51,320	53
North America	5,978	6	0	450	238	1	5,766	6
Continental Europe	14,851	16	1,119	1,643	238	99	14,565	15
Japan	8,059	8	800	0	-752	20	8,107	8
Total Pacific (ex Japan)	5,770	6	500	0	247	29	6,517	7
Other Intl Equities	9,505	10	0	400	998	49	10,104	10
Cash & Alternatives	186	0	9,810	9,213	0	88	783	1
Total	95,614	100	18,065	17,290	774	790	97,162	100

5.7 Although this portfolio is an active mandate 35% is held in pooled funds. The Manager is required to outperform the benchmark by 1.25% p.a over rolling 3yr periods.

This table shows the performance of the portfolio

Period	Manager %	Benchmark %	Variance %	Comment
Last 3 months	1.6	1.0	0.6	outperformed
Last 12 months	-6.8	-4.1	-2.7	underperformed
Last 3 years	1.8	4.1	-2.3	underperformed
Last 5 years	5.7	5.2	0.5	outperformed

(2) Aberdeen (Bonds)

5.8 The market value of the bonds portfolio was £130.9m (Dec 2015 £122.4m). The portfolio return was 7.0%, compared to the benchmark of 7.1%.

The table below shows the movement during the period within the portfolio.

Aberdeen (Bonds)	31/12/2015		Purchases	Sales	Gain/ Loss	Income	31/03/2016	
	£000	%					£000	£000
UK Bonds	30,640	25	161	194	2,075	29	32,682	25
Overseas Bonds	31,624	26	0	1,010	2,460	16	33,074	25
UK Index Linked	60,163	49	1,009	0	4,001	34	65,173	50
Cash & Alternatives	9	0	1,167	1,169	9	0	16	0
Total	122,437	100	2,336	2,374	8,545	79	130,945	100

The manager is required to outperform its benchmark by 0.60% p.a. over a rolling three year period.

This table shows the performance of the portfolio.

Period	Manager %	Benchmark %	Variance	Comment
Last 3 months	7.0	7.1	-0.1	underperformed
Last 12 months	3.3	3.6	-0.3	underperformed
Last 3 years	5.2	5.5	-0.3	underperformed
Last 5 Years	8.1	8.5	-0.4	underperformed

BlackRock (Property)

- 5.10 The market value of the property portfolio managed by Blackrock was £6.7m (Dec 2015 £6.7m). The return on the portfolio was 0.6%, compared to benchmark return of 1.1%.

The following table below shows the movement in the portfolio during the period.

<i>Blackrock</i>	31/12/2015		Purchases £000	Sales £000	Gain/Loss £000	Income £000	30/03/2016	
	£000	%					£000	%
Property	6,662	100	45	0	14	45	6,721	100
Cash & Cash Alternatives	0	0	45	45	0	0	0	0
Total	6,662	100	90	45	14	45	6,721	100

The manager is required to outperform the average of similar institutional pooled vehicles by investing in a diversified range of property throughout the UK, principally, but not exclusively, in the retail, office and industrial/warehouse sectors.

This table shows the performance of the portfolio.

Period	Manager %	Benchmark %	Variance %	Comment
Last 3 months	0.6	1.1	-0.5	underperformed
Last 12 months	7.7	10.6	-2.9	underperformed
Last 3 years	10.7	13.0	-2.3	underperformed

6. OTHER ISSUES AFFECTING THE FUND

- 6.1 Review of the pension fund investment strategy and investment management arrangements is proposed. A draft Pension Fund Business Plan and draft PFAC Work Programme are the subjects of separate reports to this meeting.

7. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

7.1 All relevant implications are included in the report.

8. LEGAL AND STATUTORY IMPLICATIONS

8.1 All relevant implications are included in the report.

9. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

9.1 N/A

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1 Risk management is an integral part of designing the investment portfolio of the fund particularly in the current volatile economic environment.

11. BACKGROUND PAPERS

11.1 StateStreet Analytics performance report and individual Fund Managers investment reports.

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Committee: Pension Fund Advisory Committee

Date: 29 June 2016

Agenda item: 4

Wards: All

Subject: DRAFT PENSION FUND ADVISORY COMMITTEE WORK PROGRAMME 2016/17

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Imran Uddin

Forward Plan reference number: N/A

Contact officer: Paul Dale

This document is a public document

Recommendations:

- a) To consider the content of this report and agree the appended draft Work Programme for 2016/17, subject to amendments requested by the Committee.
 - b) To read this report in conjunction with the Draft Pension Fund Business Plan 2016/17.
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Pension Fund Advisory Committee (PFAC) is responsible for the administration and investment arrangements for the Merton Pension Fund. The Committee meets four times a year to review, discuss and decide on matters relating to the management of the Fund.
- 1.2 At its meeting held on 3 December 2015, the Committee noted officers' proposal to submit a draft Work Programme for the PFAC for 2016/17 for consideration and approval at this meeting.
- 1.3 The draft Work Programme focuses on the key tasks implicit in the Committee's stewardship of the Pension Fund for the coming year.

2. DRAFT WORK PROGRAMME

- 2.1 The draft Work Programme is appended to this report. It is designed around the following key areas:
 - A. Governance
 - B. Administration
 - C. Investment
 - D. Finance

- E. Training; and
- F. Pension Board

- 2.2 The draft Work Programme will form the basis of the Committee's agendas for 2016/17 and provide the framework to monitor its own effectiveness.
- 2.3 The draft Work Programme is an Action Plan highlighting the suggested key priorities for PFAC in 2016/17. Members are asked to read this report and the draft Work Programme in conjunction with the Pension Fund Business Plan 2016/17, which is the subject of a separate report to this meeting.

3. CONSULTATION UNDERTAKEN OR PROPOSED

- 3.1 N/A

4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 4.1 The investment strategy chosen will affect the return on the fund, its actuarial valuation and the cost to the Council.

5. LEGAL AND STATUTORY IMPLICATIONS

- 5.1 There are no legal implications other than those normally associated with these matters.

6. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 6.1 N/A

7. CRIME AND DISORDER IMPLICATIONS

- 7.1 N/A

8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 8.1 N/A

9. APPENDICES

- Draft PFAC Work Programme 2016/17

10. BACKGROUND PAPERS

- Draft Pension Fund Business Plan 2016/17 (Report of the Director of Corporate Services to PFAC on 8 March 2016)
- PFAC Work Programme (Report of the Director of Corporate Services to PFAC on 3 December 2015)

APPENDIX 1: DRAFT PENSION FUND ADVISORY COMMITTEE WORK PROGRAMME 2016/17

SUBJECT	REPORT OF	DECISION REQUESTED	CONTACT OFFICER(S)
PFAC 29 June 2016			
Pension Fund Performance for Quarter 1 Jan – 31 March 2016 and 2015/16. (State Street Presentation to PFAC)	Director of Corporate Services State Street (WM Performance Services)	To review the activity and results of the Pension Fund investment managers for the Quarter and the year to 31 March 2016.	Paul Dale Paul Audu
PFAC Member Training	Director of Corporate Services	To consider and approve the Training Plan to help PFAC members to gain the required knowledge and understanding.	Paul Dale Paul Audu
Draft Pension Fund Annual Report and Accounts 2015/16 and Auditor’s Report under current International Auditing Standards.	Director of Corporate Services	To consider/comment on the draft Pension Fund Annual Report and Accounts. Note: Final Pension Fund Annual Report and Accounts 2015/16 are going to GP Committee on 8 September 2016, so PFAC might need a special meeting before 28 September 2016 to approve the audited Final Report and Accounts ahead of GPC on 8 September.	Paul Dale Paul Audu
Review of the Pension Fund Investment Strategy	Director of Corporate Services	To consider and agree the scope and timing of the proposed investment strategy review and the role of the Investment Adviser.	Paul Dale Paul Audu
Merton Pension Board	Director of Corporate Services	To approve the annual budget and consider the Draft Work	Paul Dale Paul Audu

		Programme for the Local Pension Board.	
Update on the London CIV	Director of Corporate Services	To consider the potential transition of some assets to the London CIV in the context of the proposed review of the Pension Fund investment strategy, the CIV sub-funds and regulation on collaboration/pooling.	Paul Dale Paul Audu
Draft Response to the Local Government Pension Scheme: Investment Reform Criteria and Guidance (DCLG, November 2015)	Director of Corporate Services	To consider and approve the Authority's refined submission to DCLG Consultation prior to the 15 July 2016 deadline.	Paul Dale Paul Audu
Pension Fund Triennial Actuarial Valuation 2016.	Director of Corporate Services	To note the arrangement for the statutory triennial actuarial valuation of the pension fund as at 31 March 2016 including the timetable, process, issues, impact on the proposed review of the investment strategy and timing of the valuation results.	Paul Dale Paul Audu
Update on Pension Administration	Director of Corporate Services	To note the update and issues with respect to LGPS Regulations, Scheme members and employers and Pension Shared Service arrangement.	Paul Dale Paul Audu
Pension Fund Risk Register	Director of Corporate Services	To review the Pension Fund Risk Register by exception.	Paul Dale Paul Audu
Pension Fund Cashflow	Director of Corporate Services	To consider the Pension Fund cashflow statement.	Paul Dale Paul Audu
PFAC 28 September 2016			
Pension Fund Performance for	Director of Corporate Services	To review the activity and results	Paul Dale

Quarter 1 Apr – 30 June 2016 (UBS Presentation to PFAC)	UBS Asset Management	of the Pension Fund investment managers for the Quarter.	Paul Audu
Update on the Review of the Pension Fund Investment Strategy	Director of Corporate Services	To review progress and consider issues raised by officers and Investment Adviser.	Paul Dale Paul Audu
Update on the London CIV	Director of Corporate Services	To consider the potential transition of some assets to the London CIV in the context of the review of the Pension Fund investment strategy, the CIV sub-funds and regulation on collaboration/pooling.	Paul Dale Paul Audu
Merton Pension Board	Director of Corporate Services	To note/monitor the work of the Local Pension Board.	Paul Dale Paul Audu
Pension Fund Triennial Actuarial Valuation 2016.	Director of Corporate Services	To review progress (and initial results) on the Actuarial Valuation exercise.	Paul Dale Paul Audu
Review of the Statement of Investment Principles (SIP).	Director of Corporate Services	To consider and approve updated SIP in line with changes in the regulations, investment strategy review and actuarial valuation exercise.	Paul Dale Paul Audu
Update on Pension Administration and Triennial auto-enrolment	Director of Corporate Services	To review pension fund administration generally and consider progress on automatic re-enrolment of eligible staff into the LGPS.	Paul Dale Paul Audu
Pension Fund Risk Register	Director of Corporate Services	To consider the Risk Register by exception.	Paul Dale Paul Audu
Pension Fund Cashflow	Director of Corporate Services	To review the Pension Fund cashflow statement.	Paul Dale Paul Audu
PFAC 1 December 2016			

Pension Fund Performance for Quarter 1 Jul – 30 Sep 2016 (Aberdeen Asset Management Presentation to PFAC)	Director of Corporate Services Aberdeen Asset Management	To review the activity and results of the Pension Fund investment managers for the Quarter.	Paul Dale Paul Audu
Final Report on the Review of the Pension Fund Investment Strategy.	Investment Adviser Director of Corporate Services	To receive the Investment Adviser's Report and consider the recommendations.	Paul Dale Paul Audu
Actuary's Draft Report on the Actuarial Valuation	Pension Fund Actuary Director of Corporate Services	To receive the Actuary's Report and consider the valuation results.	Paul Dale Paul Audu
Review of the Funding Strategy Statement (FSS).	Director of Corporate Services	To review and approve the updated FSS.	Paul Dale Paul Audu
Update on the London CIV	Director of Corporate Services	Update of the developments in the London CIV and changes (if any) in the LGPS investment regulations and pooling.	Paul Dale Paul Audu
Merton Pension Board	Director of Corporate Services	To note/monitor the work of the Local Pension Board.	Paul Dale Paul Audu
Pension Fund Risk Register	Director of Corporate Services	To consider the Risk Register by exception.	Paul Dale Paul Audu
Pension Fund Cashflow	Director of Corporate Services	To review the Pension Fund cashflow statement.	Paul Dale Paul Audu
PFAC 8 March 2017			
Pension Fund Performance for Quarter 1 Oct – 31 Dec 2016	Director of Corporate Services	To review the activity and results of the Pension Fund investment managers for the Quarter.	Paul Dale Paul Audu
Implementation of the Agreed Investment Strategy.	Director of Corporate Services	To review/monitor actions taken by officers to implement the agreed investment strategy.	Paul Dale Paul Audu
Update on the London CIV	Director of Corporate Services	To consider the potential transition of some assets to the	Paul Dale Paul Audu

		London CIV in the context of the agreed investment strategy.	
Review of PFAC 2016/17 Work Programme and draft Work Programme for 2017/18.	Director of Corporate Services	To evaluate PFAC's activity and accomplishments and consider the draft Work Programme for the coming year.	Paul Dale Paul Audu
PFAC Member Training	Director of Corporate Services	To consider and approve the Training Plan to help PFAC members to gain the required knowledge and understanding.	Paul Dale Paul Audu
Merton Pension Board	Director of Corporate Services	To review the work of the Local Pension Board for the year and to consider/approve the annual budget and draft Work Programme for the Board for 2017/18.	Paul Dale Paul Audu
Annual Review of Pension Fund Investment Arrangement (Investment Managers' Annual Presentation to PFAC).	Director of Corporate Services <ul style="list-style-type: none"> • UBS Asset Management • Aberdeen Asset Management • BlackRock 	To conduct comprehensive evaluation of fund managers performance and assessment of portfolio results.	Paul Dale Paul Audu
Annual Review of the Pension Fund Custody Arrangement.	Director of Corporate Services	To review the activity and performance of the Pension Fund custodian.	Paul Dale Paul Audu
Pension Fund Risk Register	Director of Corporate Services	To consider the Risk Register by exception.	Paul Dale Paul Audu
Pension Fund Cashflow	Director of Corporate Services	To review the Pension Fund cashflow statement.	Paul Dale Paul Audu

Committee: Pension Fund Advisory Committee

Date: 29 June 2016

Agenda item: 5

Wards: All

Subject: DRAFT PENSION FUND BUSINESS PLAN 2016/17

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Imran Uddin

Forward Plan reference number: N/A

Contact officer: Paul Dale

This document is a public document

Recommendations:

- a) To consider and approve the draft Pension Fund Business Plan 2016/17 set out at Appendix 1 of this report; and
- b) To read this report in conjunction with the draft PFAC Work Programme 2016/17, which is the subject of a separate report to this meeting

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 London Borough of Merton as Administering Authority of Merton Pension Fund is responsible for the administration and investment arrangements for the Pension Fund. The draft Pension Fund Business Plan 2016/17 will provide the Authority with a clear framework and mechanism to carry out its responsibilities and monitor agreed actions.
- 1.2 This report should be read in conjunction with a separate report to this meeting titled "draft Pension Fund Advisory Committee Work Programme 2016/17" as the Pension Fund Business Plan underpins the Committee's responsibilities detailed in draft PFAC Work Programme for the coming year.
- 1.3 The draft Business Plan will ensure that all key matters are covered and the required actions are carried out and monitored effectively during the year.

2. DRAFT PENSION FUND BUSINESS PLAN 2016/17

- 2.1 The draft Business Plan is attached to this report at Appendix 1. It will provide the Authority the framework to carry out the required actions to comply with the LGPS regulations and best practice.

2.2 The draft Business Plan and actions will be monitored quarterly by officers and a review carried out by PFAC at the end of the year to show the extent to which the Authority and PFAC met the key priorities for the year.

2.3 Key actions in the draft Business Plan for 2016/17 include:

- To carry out statutory triennial actuarial valuation of the Pension Fund as at 31 March 2016 with a Rates and Adjustment Certificate effective from 1 April 2017.
- To review the investment strategy of the Pension Fund and investment management arrangement.
- To make a refined submission to DCLG Consultation by no later than 15 July 2016.
- To work collaboratively on pooling with other London boroughs via the London CIV.
- To work collaboratively with other London boroughs on the Pension Shared Service arrangement for pension administration.
- To review and update key documents of the Pension Fund.
- To publish audited Pension Fund Annual Report and Accounts 2015/16 before the 1 December 2016 statutory deadline.
- To communicate effectively with scheme members and employers.
- To monitor the performance of the Pension Fund assets.
- To monitor the Pension Fund finances; and
- To review and maintain a Risk Register.

3. CONSULTATION UNDERTAKEN OR PROPOSED

3.1 N/A

4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

4.1 The investment strategy chosen will affect the return on the fund, its actuarial valuation and the cost to the Council.

5. LEGAL AND STATUTORY IMPLICATIONS

5.1 There are no legal implications other than those normally associated with these matters.

6. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

6.1 N/A

7. CRIME AND DISORDER IMPLICATIONS

7.1 N/A

8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

8.1 N/A

9. APPENDICES

Draft Pension Fund Business Plan 2016/17.

10. BACKGROUND PAPERS

None

APPENDIX 1: DRAFT PENSION FUND BUSINESS PLAN 2016/17

AREA OF ACTIVITY	REQUIRED ACTION	START DATE	COMPLETION DATE
Investment Strategy			
	Review Investment Strategy with input from the Investment Adviser.	Quarter 1 (April – June 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> • Agree asset allocation 	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> • Agree and adopt new benchmarks 	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> • Determine new investment management arrangement 	Quarter 3 (Sept – Dec 2016)	Quarter 4 (Jan – Mar 2017)
	<ul style="list-style-type: none"> • Work with the London CIV to meet Government pooling criteria. 	On-going/Quarterly	On-going/Quarterly
Performance Monitoring			
	Monitor Pension Fund performance	On-going/Quarterly	On-going/Quarterly
	<ul style="list-style-type: none"> • Assess individual fund manager’s performance 	Quarterly	Quarterly
	<ul style="list-style-type: none"> • Fund manager presentation to PFAC 	Quarterly	Quarterly
	<ul style="list-style-type: none"> • Annual Performance Review 		
Actuarial Valuation			
	Triennial Actuarial Valuation	Quarter 1 (April – June 2016)	Quarter 4 (Jan – Mar 2017)
	<ul style="list-style-type: none"> • New rates and adjustment certificate effective 1 April 2017 	Quarter 3 (Sept – Dec 2016)	Quarter 4 (Jan – Mar 2017)
	<ul style="list-style-type: none"> • Pension Fund actuarial position. 	Quarterly	Quarterly

Funding Strategy Statement			
	Review and update the Funding Strategy Statement and set contribution rates for employers	Quarter 3 (Sept – Dec 2016)	Quarter 4 (Jan – Mar 2017)
Statement of Investment Principles			
	Review and update the Statement of Investment Principles.	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
Governance			
	Review overall governance arrangement in line with Government reforms.	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> Review PFAC Annual Training programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> Review PFAC Annual Work Programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> Review the Pension Fund Risk Register 	On-going/Quarterly	On-going/Quarterly
Merton Pension Board			
	Review meeting arrangement for the Local Pension Board for the year.	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> Review Board Training Programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> Review Board Annual Work Programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
Pension Administration			
	Monitor Pension Shared Service	On-going	On-going
	<ul style="list-style-type: none"> Activity and performance against agreed performance targets 	On-going	On-going
	<ul style="list-style-type: none"> Cost (Value for money) 	On-going	On-going

	<ul style="list-style-type: none"> • Feedback from clients/users 	On-going	On-going
Communication			
	Review communication strategy for scheme members and employers.	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> • Online 		
	<ul style="list-style-type: none"> • Newsletter 		
	<ul style="list-style-type: none"> • AGM/Seminar 		
Reporting			
	Report on the Pension Fund performance.	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016)
	<ul style="list-style-type: none"> • Publish audited Annual Report and Accounts 2015/16 	Quarter 3 (Sept – Dec 2016)	Quarter 3 (Sept – Dec 2016) (Statutory deadline: 1 December 2016)
	<ul style="list-style-type: none"> • Publish reports on website as per other Council papers 	Quarterly	Quarterly
	<ul style="list-style-type: none"> • Cashflow statement 	Quarterly	Quarterly
Annual Review			
	Review Pension Fund Business Plan together with:	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> • PFAC Work Programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)
	<ul style="list-style-type: none"> • Merton Pension Board Work Programme 	Quarter 4 (Jan – March 2017)	Quarter 4 (Jan – March 2017)

Agenda item 6

Impact Assessment of the Vote for the United Kingdom to Leave the European Union

Director of Corporate Services Briefing Paper to London Borough of Merton Pension Fund Advisory Panel (PFAC) on Wednesday 29 June 2016

Following the historic vote for the United Kingdom to leave the European Union at the Referendum last Thursday 23 June 2016, the purpose of this Paper is to discuss the immediate impact on the London Borough of Merton Pension Fund, the Local Government Pension Scheme and the implications of the uncertainty for the UK and wider global economy in the near and medium to long-term.

UK Economic Outlook

In the immediate aftermath of the Referendum result, equity prices fell in the domestic UK and foreign markets, Credit Default Swap (CDS) rose and the value of Sterling fell sharply. Already, the credit rating agencies are reviewing their outlook for the UK economy. Moody's has downgraded its outlook from stable to Aa1 negative. Standard & Poor's (S&P) rating for the UK remained AAA with negative outlook until Monday 27 June when it was downgraded due to S&P's concern about "a deterioration of the UK's economic performance, including its large financial services sector". Also, Fitch's rating was unchanged at AA+ with stable outlook but this has been downgraded to AA, predicting an "abrupt slowdown" in growth in the short-term. The key issues for the rating agencies are:

- Likelihood of long period of uncertainty for the UK economy with real implications for growth
- Strength and resilience (effectiveness and predictability) of UK economic policy-making; and
- UK's public finances

As a result of uncertainty, negative outlook and investors' flight to safety of Government bonds, yield on UK Government bonds and index-linked bonds have come under a lot of pressure.

Implications for London Borough of Merton Pension Fund

The vote for the UK to exit the EU could present significant political and economic challenges and opportunities but it is too soon to understand the full impact on UK pension funds although the coming periods will be characterised by increased market volatility. Against this background and likely environment, it is important to note the following:

- To put last week's market volatility in context, equity markets returned to where they were the previous fortnight. The FTSE All-Share remains above its lows for 2016 but at the time of writing, the index of leading stocks was expected to fall further. Also, the decline in financial markets reduces the value of the Fund's assets and, to some extent, its liabilities.
- L B Merton Pension Fund investment assets are managed by external managers with full discretion to manage the assets as appropriate giving regard to the Investment Management Agreement. Faced with heightened market volatility, fund managers will be mindful of threats and opportunities.
- There is no need for knee-jerk reaction on investment strategy. It is fortuitous that we will be reviewing the long-term investment strategy in the post-Brexit environment where the financial circumstances of the pension fund is forensically understood from the 2016 actuarial valuation perspective and in the context of global markets. In reviewing the investment strategy, the emphasis will be to strike the right balance between growth assets,

income based assets and some downside protection appropriate to the pension fund's need. This will ensure that the Fund is more resilient to risk.

- The Fund actuary's valuation approach adopts a "smoothed" economic model whereby the financial assumptions are based on the average financial conditions over the period from 1 January 2016 to 30 June 2016 for both assets and liabilities. Intuitively, there are a few days of the 6 month "smoothing" period remaining therefore it is likely there will be no significant impact on the 2016 valuation results.
- Yield on corporate bonds which support the valuation of accounting liabilities is not immune to the downward pressure. As such there is the possibility of accounting deficits rising significantly over the short-term with consequences for colleges, universities and academies.
- L B Merton Pension Fund is cashflow positive and there is no requirement to sell assets (in the current volatile markets) to meet pension payments. Also, as a long-term investor, the Pension Fund is well placed to ride out short-term volatility.
- The fall in the value of UK equities will have been partially offset by overseas equities where currency gain will have added value.
- At the time of writing, it is unclear whether the Referendum result and the evolving UK political landscape have any ramifications for the ongoing LGPS asset pooling. In this regard, it is important to note that the LGPS is underpinned largely by UK regulation rather than EU's. Therefore, the current LGPS governance, membership, benefits and investment arrangements are unaffected.
- The Pension Fund completed a bulk transfer prior to the Referendum. Officers, in consultation with the Fund actuary, will ensure that crystallisation events post-Brexit will be negotiated taking account of increasing market volatility.
- Persistent falls in gilt yields could exacerbate the pension fund deficit. Officers and the Fund actuary are in the process of developing their thinking around assumptions for the 2016 actuarial valuation. In the current environment, the outlook for inflation expectations and the impact on funding is increasing uncertain.

Conclusion

The result of the Referendum has caused significant market volatility and economic uncertainty but the full impact on the funding position of L B Merton Pension Fund longer-term is difficult to ascertain. Market volatility presents risk and opportunity. Therefore, it should be viewed from the perspective of the Fund as a long-term investor.

Officers will continue to monitor the situation and will update PFAC on any developments.

Caroline Holland
Director of Corporate Services

Committee: Pension Fund Advisory Committee

Date: 29 June 2016

Agenda item: 7

Wards: All

Subject: UPDATE ON LONDON COLLECTIVE INVESTMENT VEHICLE (CIV)

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Imran Uddin

Forward Plan reference number: N/A

Contact officer: Paul Dale

This document is a public document

Recommendations:

- a) Note the content of this report. The report is related to a separate report to this meeting titled "LGPS: Investment Reform Criteria and Guidance (DCLG, November 2015) Consultation". Members should also note the links between this report and separate reports on the Pension Fund Business Plan 2016/17 and this Committee's Work Programme for the coming year to this meeting.
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update the Committee on the progress of the London CIV since the last update to the Committee on 3 December 2015, on the CIV's upcoming Fund launch, membership, current suite of fund managers and future plans to expand its offering.
- 1.2 Pooling LGPS assets is the focus of on-going and far-reaching Government reforms and the London CIV is the vehicle through which London boroughs seek to comply with regulatory requirement.

2. CIV UPDATE

- 2.1 The CIV is continuing to develop sub-funds across a range of asset classes that its active borough members need to implement their investment strategies. In the previous update to this Committee on 3 December 2015, it was reported that the CIV's first sub-fund (active global equity fund), managed by Allianz Global Investors, was seeded with £500m by three boroughs.
- 2.2 It is anticipated that a further £5.5billion will be transferred to the CIV by boroughs during 2016/17 when 8 sub-funds including active and passive equity funds are available. The CIV is aiming to attract circa £23billion of LGPS assets by 2020 and generate about £30m annual saving on fund management fees.

Accordingly, the CIV is pushing to introduce additional mandates and fund managers to broaden its appeal.

- 2.3 London Borough of Hillingdon has resolved to join the London CIV, meaning that 32 of the 33 London boroughs are now involved in developing the CIV.
- 2.4 London CIV is fully authorised as a fund manager by the Financial Conduct Authority. It will explore the potential to internalise fund management rather than the current delegated approach of using external fund managers for its pooled and segregated offering.
- 2.5 Members are asked to read L B Merton's initial response to DCLG in connection with the LGPS: Investment Reform Criteria and Guidance (DCLG, November 2015) Consultation contained in a separate report to this meeting in conjunction with this report. Also, the London CIV and the Government's on-going Consultation and pooling agenda are reflected in the draft Pension Fund Business Plan 2016/17 and draft PFAC Work Programme 2016/17 both the subjects of separate reports to this meeting.

3. ADVICE OF THE HEAD OF COMMERCIAL SERVICES

- 3.1 Not applicable at this stage.

4. LONDON BOROUGH OF MERTON'S ACTIVITY WITH LONDON CIV

- 4.1 As part of the proposed review of the Pension Fund investment strategy in 2016/17, PFAC will consider its approach to pooling some assets via the London CIV to demonstrate commitment to collaborating with other London boroughs to comply with the Government's reform of the LGPS.

5. CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1 N/A

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 The investment strategy chosen will affect the return on the fund, its actuarial valuation and the cost to the Council.

7. LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The Government has published its response to the consultation on Local Government Pension Scheme: Opportunities for collaboration, cost savings and efficiencies on 25 November 2015.

- 7.2 The Government supports the view of the majority of the respondents that asset allocation decision should remain with local administering authorities and that savings can be delivered through asset pooling, and in particular collective investment vehicles.
- 7.3 The Government is minded to pursue a localised approach to reform. Administering authorities are asked to determine the most efficient way to pool their assets and with whom to partner.
- 7.4 A consultation, “Revoking and replacing the LGPS Management and Investment of Funds Regulations 2009” has been launched on draft regulations aimed at reforming the investment regulations and introduce a power of intervention to allow the Secretary of State to intervene in an administering authority’s investment function if it failed to bring forward credible proposals for pooling. The consultation which closed on 19 February 2016, will impact how LGPS funds including London boroughs’ manage and invest their assets and their relationship with investment pools.

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1 N/A

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 N/A

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1 The use of the CIV would enable a quicker, simpler process, but any delays in their ability to take investments could impinge on our ability to have the new allocations and fund managers in place by the end of the financial year.

11. APPENDICES

None

12. BACKGROUND PAPERS

1. London CIV Initial Response to LGPS: Investment Reform Criteria and Guidance (DCLG, November 2015) – February 2016
2. LB Merton Initial Response to LGPS: Investment Reform Criteria and Guidance (DCLG, November 2015) – February 2016
3. LGPS: Opportunities for collaboration, cost savings and efficiencies - DCLG Consultation Response – 25 November 2015
4. Update on London CIV – Report to the Pension Fund Advisory Committee on 3 December 2015

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