

**Local Government Pension Scheme  
Employer Forum 22 February 2017  
Investments and Asset Pooling**

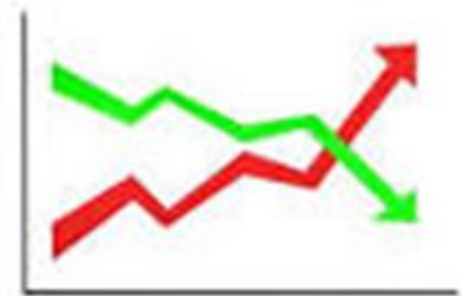


pensions@hackney

 **Hackney**

# The Hackney Fund

- Fund value just short of £1.3bn at 31<sup>st</sup> December 2016
- No new investment mandates opened or planned during 2016/17
- BUT formal review of investment strategy currently underway.
- Review in line with actuarial valuation cycle – opportunity to assess what has changed in terms of fund position or wider economy
- Fund required by law to publish new Investment Strategy Statement by 1<sup>st</sup> April – takes account of Government's asset pooling agenda



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# Asset Pooling

- Government agenda – all LGPS funds in England and Wales had to respond.
- Criteria and Guidance from Govt
  - Asset Pools >£25bn
  - Strong Governance and Decision Making
  - Reduced Costs and Value for Money
  - Improved Capacity to invest in Infrastructure
- 8 pools now formed – not all >£25bn but all allowed to progress at present



Department for  
Communities and  
Local Government



HM Treasury

# London CIV

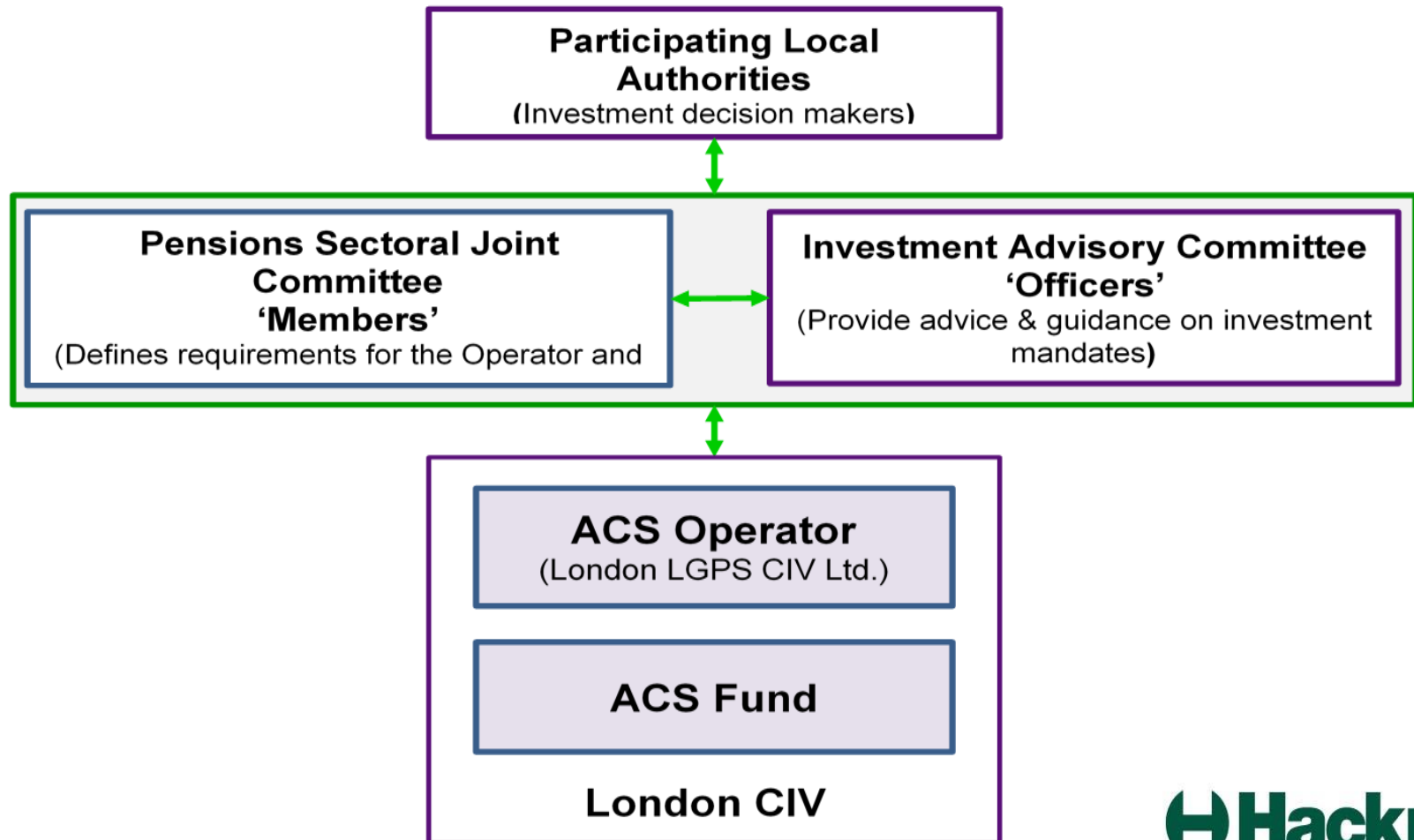
- Hackney Fund – has joined the London Collective Investment Vehicle (CIV)
- Fully FCA Registered – Alternative Investment Fund Manager (AIFM)
- All 32 funds in London signed up
- Assets being transferred over time
- Governance structure – operating company (London CIV Ltd), with Funds represented through Pensions Sectoral Joint Committee (Members) and Investment Advisory Committee (Officers).





# CIV Governance Structure

London CIV governance diagram



# Progress to date

- Total Assets Under Management currently £3.3bn
- 6 sub-funds open (2 Global Equity, 4 Multi Asset), with further launches planned
- First full scale procurement exercise (Global Equity) now nearing completion, with funds due to open from September 2017
- Plans now being made to begin work on fixed income



# Hackney and the CIV

- The Hackney Fund currently has no assets on the CIV – as no mandates in common with other boroughs
- Set out timetable for Government – begin moving assets in 2017/18
- Review of Investment Strategy will take pooling plans into account – allow process of moving assets to begin
- Must explain in ISS if assets are to be left outside the CIV – need valid reason

