

REPORT OF THE GROUP DIRECTOR, FINANCE AND CORPORATE RESOURCES

London CIV Update - Presentation	Classification PUBLIC	Enclosures
	Ward(s) affected	None
Pensions Committee 4th December 2017	ALL	

1. INTRODUCTION

- 1.1 This report provides the Committee with an update from the London Collective Investment Vehicle (CIV) on progress to date and future planning. Members of the CIV's Client relationship team will be presenting at the Committee, covering subjects including changes to the staffing structure and CIVs priorities for the opening of new sub funds.

2. RECOMMENDATIONS

- 2.1 **The Pensions Committee is recommended to:**
- **Note the report**

3. RELATED DECISIONS

- Pensions Committee 24th January 2017 – London CIV Update
- Pensions Committee 27th June 2016 – Investment Pooling Update and July Submission

4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES

- 4.1 The CIV's presentation to the Fund will provide an update on progress to date as well as information with regards to future plans. Regular engagement with the London CIV going forwards is key to the Fund, ensuring that the Pool makes available the strategies and services that Hackney and other London funds require. Successful delivery of these objectives will be crucial in ensuring that the anticipated longer term investment manager fee savings can be delivered.
- 4.2 There are no immediate financial implications arising from this report.

5. COMMENTS OF THE INTERIM DIRECTOR, LEGAL

- 5.1 The presentation to Committee will consider the ongoing changes to the way in which LGPS investments are managed. Regular engagement with the CIV should help to ensure that the Fund is able to transition assets over to the Pool in a timely manner

5.2 There are no immediate legal implications arising from this report.

6. BACKGROUND/TEXT OF THE REPORT

- 6.1 The London CIV last attended the Pensions Committee in January 2017 to provide an update on progress on the active global equity procurement and work on fixed income. Since this meeting, considerable progress has been made on opening additional active equity sub funds, whilst progress on the development of fixed provision has been slow.
- 6.2 London CIV Ltd has seen a number of significant personnel changes since the last update to the Committee. Most notably, original CEO Hugh Grover has left the organisation, and has been replaced by Mark Hyde-Harrison, former chief of the Barclays UK Retirement Fund, who has been appointed as interim CEO. Jill Davys, formerly Client Relations Director, has also left London CIV Ltd with Kevin Cullen now appointed to the role.
- 6.3 Kevin has been invited to attend the Committee to introduce himself as the new Client Relations Director and to provide an update to the Committee. He will be providing an update on the recent personnel changes as well as considering future plans for the CIV, including priorities for sub-fund openings and how the CIV will be ensuring that Boroughs are able to fulfil their strategic commitments.
- 6.4 As the Fund is now planning to make its first investments via the Pool, an update will also be provided on reporting and the relationship with managers on the CIV. This will provide the Committee with an indication of the type and frequency of reporting to be expected, and how the relationship with the managers of underlying sub funds will operate, including opportunities for manager meetings.

Ian Williams
Group Director of Finance & Corporate Resources

Report Originating Officers: Rachel Cowburn ☎020-8356 2630
Financial considerations: Michael Honeysett ☎020-8356 3332
Legal comments: Stephen Rix ☎020-8356 6122