

To Chairs of Pension Committees

Wednesday, 3 November 2015

Dear Colleague

**Local Government Pension Scheme - Pooling of investments**

I know that you will be aware that in the summer budget the government announced that it would seek to work with local government to pool the investments of the LGPS in order to implement fee savings without any detriment to returns.

The Secretary of State wrote to me on 10th July outlining the background to the announcement and setting a challenge to the sector to come forward with proposals to meet the objectives of government.

Since then the LGA both directly and through its representation on the LGPS Advisory Board has sought to provide a voice for and support to its members in this task. In particular we have been clear to government that issues around cost, timing, transition, effective asset allocation and political accountability back to local funds must be very carefully considered. We have also arranged a number of opportunities for representatives of the sector to meet with and question government those officials tasked with implementing the policy.

The latest of these, a session for chairs of LGPS pension committees, took place on Friday 16th October. Over a third of LGPS funds attended as well as officials from both DCLG and HM Treasury and the meeting provided the opportunity to both hear about the timeline and objectives as well as participate in a lively debate.

A briefing note is attached to this letter giving the latest position and how the LGA continue to provide your fund with an input to and support for this process.

CLr Roger Phillips is the LGA lead on this matter and would be happy to discuss any issues, ideas or views you may have.

Yours sincerely



Lord Porter of Spalding CBE  
Chairman