



Department for
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Dear Jeff,

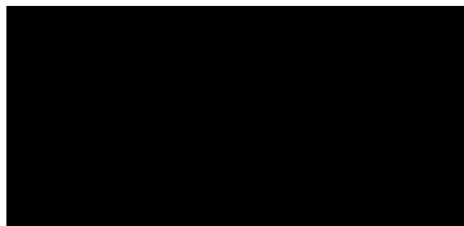
On Monday, the Chancellor of the Exchequer unveiled a major four point plan to get Britain building for the future, announcing changes to the way vital infrastructure projects are planned, determined and funded.

The Secretary of State, Greg Clark, wrote to Lord Porter after the July Budget, setting out how we intended to work with local government pension scheme administering authorities to bring forward proposals to invest collectively and deliver savings. The Chancellor's announcement at the Conservative Party Conference builds on the discussions that we have been taking forward with the sector following the Budget, but places infrastructure investment, alongside delivering efficiencies, at the heart of the policy.

The LGPS Funds as currently constituted are too small and fragmented to have the capacity and capability to be a major investor in UK infrastructure. This is why the Chancellor announced that we are going to work with administering authorities to bring together investments into up to six pools spread across the country, creating the conditions to save hundreds of millions in costs and invest billions in infrastructure in the regions.

The Government remains keen to see authorities take the lead in identifying the best way to deliver savings and drive infrastructure investment and, as announced at the Budget, we will shortly be inviting administering authorities to bring forward proposals to deliver pooled investments that meet published criteria. I look forward to continuing to work with you, local authorities and the investment management industry over the next few weeks as we finalise those criteria.

I am copying this letter to each administering authority in England and Wales.



CHRIS MEGAINNEY