

# CYNGOR SIR POWYS COUNTY COUNCIL

## AUDIT COMMITTEE

7<sup>th</sup> July 2016

**REPORT AUTHOR:** County Councillor Wynne Jones  
Portfolio Holder for Finance

**SUBJECT:** Pension Fund Pooling

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**REPORT FOR:** Information

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### 1. Summary

The attached briefing update sets out the progress to date made by the Powys Pension Fund in partnership with the other 7 Welsh LGPS Funds in the development of a Wales Pool for the investment of pension funds, as required by the UK Government.

### 2. Background

In July 2015, the UK Government suggested that all LGPS assets within England and Wales should be pooled. Informal discussions with funds' commenced in the summer and it was made clear that the funds themselves would be invited to put forward their own proposals as to how asset pooling might best be implemented. Discussions began across the Scheme on the possible composition of the different asset pools.

In November, the formal criteria were issued by the Department for Communities and Local Government ("DCLG") against which the pooling proposals put forward by the LGPS would be assessed. There were four key criteria: scale; strong governance and decision making; cost efficiency and value for money; and improved capacity to invest in infrastructure.

The Society of Welsh Treasurers proposed that a Wales Pool be considered in order to meet the requirements of this policy. Each of the 8 Welsh LGPS Funds are fully engaged in the development process, with Fund Officers and Committee Chairs (Cllr Tony Thomas) participating in the process.

### 3. Status of the Briefing Note

The attached Briefing Note has been agreed by the Wales Pool Working Group and was circulated to Members of both the Council's Pensions & Investment Committee and the Powys Pension Board on 7<sup>th</sup> June 2016.

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>That the Committee note the contents of the Briefing Note on Pension Fund Pooling.</b>	<b>To ensure that Audit Committee remains informed about developments in Pension Fund Pooling.</b>
<b>Relevant Policy (ies):</b>	<b>N/A</b>

<b>Within Policy:</b>	<b>N/A</b>	<b>Within Budget:</b>	<b>N/A</b>
<b>Person(s) To Implement Decision:</b>		<b>N/A</b>	
<b>Date By When Decision To Be Implemented:</b>		<b>N/A</b>	
<b>Contact Officer Name:</b>	<b>Tel:</b>	<b>Fax:</b>	<b>Email:</b>
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**Background Papers used to prepare Report:**