

LOCAL PENSION BOARD**27 SEPTEMBER 2023**

REPORT TITLE:	LOCAL GOVERNMENT PENSION SCHEME (LGPS) CONSULTATION: NEXT STEPS ON INVESTMENTS
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to provide Board Members with a copy of a report taken to Pensions Committee giving details of a consultation by the Department for Levelling Up, Housing & Communities (DLUHC) seeking views on the Local Government Pension Scheme's (LGPS) "next steps on investments" and seeks comment on the proposed response which has been prepared by officers.

RECOMMENDATION/S

That the Pension Board be recommended to consider and comment on the consultation response and note the report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The consultation was issued on 11 July 2023 and closes on 2 October 2023 which only provides time for a report to be prepared for September Pensions Committee and this Board. As an important area of policy, it is important that Pensions Committee and Pension Board are informed of the consultation and have an opportunity to review and contribute to the Fund's response before it is issued.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The option not to respond to the consultation was considered but was dismissed in view of the materiality of the subject matter and the implications of the anticipated requirements on LGPS funds.

3.0 BACKGROUND INFORMATION

- 3.1 A consultation from DLUHC on LGPS investment matters has been anticipated for some time. The consultation is framed to cover the following areas:

- Asset Pooling in the LGPS
- LGPS investments and levelling up
- Investment opportunities in private equity
- Provision of investment consultancy services
- Updating the LGPS definition of investments

Further information is provided in the accompanying report.

4.0 FINANCIAL IMPLICATIONS

- 4.1 As set out in the accompanying report.

5.0 LEGAL IMPLICATIONS

- 5.1 As set out in the accompanying report.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 As set out in the accompanying report.

7.0 RELEVANT RISKS

- 7.1 A failure to provide the Board with information on the Fund's activities could hinder the Board in the discharge of its responsibilities. The accompanying report sets out the risks from a failure to comply with statutory guidance once issued.

8.0 ENGAGEMENT/CONSULTATION

8.1 As set out in the accompanying report.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are none arising from this report.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are none arising directly from this report but the levelling up proposals may result in greater investment in deprived areas of the UK.

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APPENDICES

Appendix 1 Report to Pensions Committee

Appendix 2 Draft Response to consultation

BACKGROUND PAPERS

CIPFA: The Guide for Local Pension Boards

As set out in the appendix.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Pension Committee	22 June 2022
	22 June 2021
	25 March 2019
Audit & Risk Management Committee	27 June 2022
	28 June 2021