

# LGPS Central - Update

Asset pooling within the LGPS

# Background

- Investment pooling is a government initiative, with an expectation of significant cost savings
- The savings will mainly arise from Funds combining their assets into larger portfolios, thereby harnessing economies of scale
- Likely to be eight pools in England and Wales
- Leicestershire belongs to LGPS Central, along with eight other Funds

# Background

- LGPS Central has £40bn of assets
- The nine Funds have been working on the project since late in 2015
- The project is complicated but excellent progress has been made
- Willingness of Funds to compromise where there is a clear common good
- 'Go Live' date of 1<sup>st</sup> April 2018

# Update of recent activity

- Board of LGPS Central is now complete:
  - Chief Executive Officer
  - Non-Executive Chair
  - Chief Operating Officer/Chief Financial Officer
  - 2 x Non-Executive Directors (one with expertise in investment management, one with expertise in operations and governance)

# Update of recent activity

- Chief Investment Officer also appointed
- Adverts for next tier of management (Chief Risk Officer, Head of IT, Legal Counsel etc.) are all currently 'live'
- Appointment process expected to be completed within next two months
- Timing of appointments is going according to plan

# Update of recent activity

- Application to Financial Conduct Authority (FCA) was completed in July
- First meeting with FCA has taken place. They do not see any 'show-stoppers'
- All other key dates continue to be met
- Everything is going remarkably well
- But still time for unexpected events to cause problems!