

NORTH YORKSHIRE COUNTY COUNCIL

PENSION FUND COMMITTEE

22 NOVEMBER 2018

LGPS POOLING ARRANGEMENTS

Report of the Treasurer

1.0 PURPOSE OF REPORT

- 1.1 To update Members on progress towards the Government's announced proposal to pool the assets of LGPS funds.

2.0 RECENT EVENTS

- 2.1 The BCPP Annual Conference was held in Leeds on 8 and 9 November 2018. This was a well-attended event by Partner Funds that covered the following topics: cost effective transition into BCPP, managing risk, UK equities externally managed sub-fund, Partner Fund investment strategies, Responsible investment, governance, forthcoming fund launches and Alternative investments.
- 2.2 The next Joint Committee meeting is to be held on 21 November 2018. A verbal update on this meeting and other BCPP developments will be provided at the meeting by the Chairman and Treasurer.
- 2.3 The key focus is on the setting up of sub-funds and transitioning of funds into the pool. This is covered in detail in Item 3 on the agenda.

3.0 JOINT COMMITTEE REPRESENTATIVE

- 3.1 The Chair of the PFC has now been formally appointed as a Shareholder nominated Non-Executive Director on the Board of BCPP. This role has an initial term of 12 months ending on the 1 October 2019. To avoid any potential conflicts of interest, the Chair is required to stand down from the Joint Committee (JC).
- 3.2 Members are therefore asked to consider who will replace the Chair as the JC representative for NYPF and who the new substitute Member will be should the representative not be able to attend any JC meetings.
- 3.3 It is expected that there will be minimal conflicts of interest due to the Chair of the PFC also being on the Board of BCPP, any conflicts will be declared

at the start of each PFC meeting. Members are asked to consider how to deal with any conflicts should they arise.

4.0 Responsible Investment

- 4.1 The BCPP Responsible Investment Policy and Corporate Governance & Voting guidelines are reviewed annually. The latest revisions of these policies are being taken to the Joint Committee on 21 November 2018 for their views. Following this they will be brought to Committees for their consideration.

5.0 NEXT STEPS

- 5.1 The next Joint Committee meeting is to be held on 11 March 2019.

6.0 RECOMMENDATION

- 6.1 Members to note the content of the report and verbal updates provided in the meeting.
- 6.2 Members to consider Joint Committee representation on behalf NYPF.

GARY FIELDING
Treasurer, North Yorkshire Pension Fund
NYCC
14 November 2018