

## Consultation on Local Government Pension Scheme (England and Wales): Next steps on investments

A summary of the key proposals in the consultation are provided in the table below:

Area	Proposal
Pooling	<p>To revise ISS guidance to include requirements to transfer listed assets to the pool by 31 March 2025, and to set out in the ISS:</p> <ul style="list-style-type: none"> <li>• assets which are pooled, under pool management and not pooled, and</li> <li>• to provide a rationale, value for money and date for review for assets which are under pool management or not pooled</li> </ul> <p>To revise pooling guidance so as to set out fully how funds and pools should interact and promote a model of pooling which includes the characteristics described above including on delegation of manager selection, strategy implementation, advice, governance, transition of assets, new investments outside the pool and reporting.</p> <p>To implement a requirement in guidance for administering authorities to have a training policy for pensions committee members and to report against the policy</p> <p>To revise guidance on annual reports to require greater clarity on progress of pooling including a summary asset allocation (including investment in infrastructure and levelling up), a comparison between actual and strategic asset allocation, and a report of the net savings from pooling. We also seek views on whether there should be an additional requirement for funds to report net returns for each asset class against a consistent benchmark, and if so how this requirement should operate</p> <p>For the Scheme Advisory Board to expand their Scheme Annual Report to provide a report on the progress on pooling and on asset allocation across the LGPS.</p> <p>To make changes to LGPS official statistics to provide greater transparency on asset allocation and the proportion of assets which have been pooled.</p>
Investment in levelling up	To amend regulations to require funds to set a plan to invest up to 5% of assets in levelling up the UK, and to report annually on progress against the plan.
Investment in private equity	To revise ISS guidance to require funds to consider such investments to meet the government's ambition of a 10% allocation to private equity in the LGPS.
Investment consultancy services	To amend regulations to set requirements funds with respect to investment consultants in line with the CMA order.

Definition of investment	To amend investment regulations to correct an inconsistency in the definition of investment.
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