

LONDON BOROUGH OF CAMDEN		WARD: All
REPORT TITLE: London Collective Investment Vehicle Progress Report		
REPORT OF: Executive Director Corporate Services		
FOR SUBMISSION TO: Pension Committee		DATE: 2 December 2025
SUMMARY OF REPORT: <p>This report provides a brief update on recent developments at the London Collective Investment Vehicle (CIV). Owing to the heavy agenda for this meeting, the update is limited to the proposal from Buckinghamshire Pension Fund to join the London CIV as a Partner Fund. Progress with the London CIV continues to contribute to the Government's pooling agenda and the drive to achieve greater efficiencies and cost savings within the Local Government Pension Scheme (LGPS).</p>		
Local Government Act 1972 – Access to Information No documents requiring to be listed were used in the preparation of this report:		
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RECOMMENDATIONS: <p>The Committee is requested to note this report.</p>		
Signed by <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div> Director of Finance Date: </div> <div> Agreed..... xx/11/2025..... </div> </div>		

1. BACKGROUND

- 1.1. As part of the Government's LGPS Fit for the Future reforms, investment pools were asked to demonstrate compliance with new minimum standards for governance, scale, and full pooling of assets by March 2026. London CIV's submission was one of six pool business plans endorsed by Government in May 2025. The Government did not approve the Access and Brunel pools, and their partner funds were instructed to identify alternative approved pools by 30 September 2025.

2. BUCKINGHAMSHIRE'S APPROACH TO LCIV

Following this announcement, Buckinghamshire Pension Fund (BPF), previously part of the Brunel Pension Partnership, formally approached London CIV on 11 September 2025 to explore joining the pool. The proposal was discussed by the London CIV Board and by the Society of London Treasurers (SLT) at their meeting on 12 September 2025, with senior London borough finance officers noting potential benefits and implications.

3. OVERVIEW OF THE PROPOSAL

London CIV subsequently circulated a business case to all 32 partner funds recommending BPF's admission as an equal shareholder, on the following basis:

- Scale and growth: BPF's £4.1 bn fund would increase London CIV's pooled assets by roughly 10%, improving economies of scale and fee negotiation power.
- Governance: No changes to the existing governance or voting rights are proposed. BPF would hold the same number of shares as all current partners, with a share capital contribution of approximately £331k.
- Alignment: BPF's investment philosophy and responsible investment approach align closely with London CIV's, particularly its Authorised Contractual Scheme (ACS) structure and ESG integration framework.
- Transition: Migration of assets would take place after April 2026, ensuring no distraction from current pooling priorities.

4. NEXT STEPS

The proposal is subject to formal approval by the London CIV Board and Shareholders under the A-List Reserved Matter process, followed by Government sign-off. London CIV anticipates that the full governance and legal steps may take up to three months to complete.

5. CAMDEN POSITION

At this stage, the London CIV has sought only initial indications of support from partner funds. The Senior Leadership Team (SLT) has reviewed the business case and noted that BPF's inclusion appears financially neutral to existing shareholders and consistent with London CIV's long-term growth objectives. Officers will continue to monitor developments and report back once the final approval process is complete.

6. RESPONSIBLE INVESTOR COMMENT

There are no direct Responsible Investment implications arising from this report. The admission of Buckinghamshire Pension Fund to the London CIV does not alter the Fund's existing Responsible Investment framework or Camden's alignment with the CIV's Responsible Investment Policy. Officers will continue to engage with the CIV to ensure Camden's priorities on ESG integration and stewardship remain reflected in all pooled investment activity.

7. ENVIRONMENTAL IMPLICATIONS

There are no immediate environmental implications arising from this report. The proposal for Buckinghamshire Pension Fund to join the London CIV does not involve any direct investment or operational decisions by Camden. Environmental considerations continue to be integrated within the CIV's investment and stewardship activities in accordance with its Responsible Investment Policy.

8. FINANCE COMMENTS OF THE DIRECTOR OF FINANCE

The proposed admission of Buckinghamshire Pension Fund to the London CIV is financially neutral to existing Partner Funds. The business case confirms that the new Partner will contribute proportionally to share capital and service charges, ensuring no dilution of existing shareholders' value or increase in Camden's costs. Any efficiency gains from the resulting scale expansion will be shared across all Partner Funds in line with the CIV's financial model.

9. LEGAL COMMENTS OF THE BOROUGH SOLICITOR

The London CIV is a regulated company under the Financial Conduct Authority (FCA). The admission of a new Partner Fund is governed by the existing Shareholder Agreement and requires approval by all current shareholders under the A-List Reserved Matters process. Camden will be notified once the CIV completes the necessary legal formalities for Buckinghamshire's admission.

Decisions with regard to investment into the CIV rest with the Pensions Committee, but the creation, admission of new shareholders and other internal arrangements of the CIV are Executive functions. These are exercised via the Council's shareholder representative. A formal Executive decision will therefore be required from the relevant Cabinet Member, recording the views of both the Pensions Committee and the shareholder representative.