

<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARD:</b> All
<b>REPORT TITLE:</b> London Collective Investment Vehicle Progress Report	
<b>REPORT OF:</b> Executive Director Corporate Services Interim	
<b>FOR SUBMISSION TO:</b> Pension Committee	<b>DATE:</b> 18 March 2026
<b>SUMMARY OF REPORT:</b>  This report provides a brief update on recent developments at the London Collective Investment Vehicle (CIV). 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).	
<b>Local Government Act 1972 – Access to Information</b>  No documents requiring to be listed were used in the preparation of this report:  <b>Contact Officer:</b> Saul Omuco Head of Finance Treasury and Pensions Finance Corporate Services 5 Pancras Square London N1C 4AG  <b>Telephone</b> 0207 974 7116 <b>Email</b> <a href="mailto:saul.omuco@camden.gov.uk">saul.omuco@camden.gov.uk</a>	
<b>RECOMMENDATION:</b>  The Committee is requested to note this report.	
<b>Signed by</b>  Director of Finance: <b>Agreed</b>  Date: <b>6 March 2026</b>	

## 1. PURPOSE OF THE REPORT

- 1.1. The purpose of this report is to provide Committee with an update on progress towards asset pooling through the London CIV (LCIV), including recent mandate transitions, current pooling levels, and next steps.

## 2. POOLING PROGRESS

### Disinvestment of Legacy Mandates

- 2.1. The Fund has now completed the full redemption of the following mandates:

- Harris Associates Global Equity
- Baillie Gifford Diversified Growth Fund (DGF)

- 2.2. These redemptions form part of the Fund's strategy to increase assets managed through LCIV in line with Government pooling requirements and the Fund's Investment Strategy Statement.

### Investment into LCIV Global Equity Value (GEV)

- 2.3. An initial investment of £75m has been made into the LCIV Global Equity Value (GEV) Fund, managed by Wellington Management.
- 2.4. The allocation represents the first phase of the transition from the previous Harris mandate and aligns with the Committee's strategic asset allocation decision taken in December 2025.
- 2.5. Further allocations, if any, will be considered in the context of overall asset allocation, liquidity requirements and market conditions.

### Transition of CBRE Property Mandate

- 2.6. The CBRE property mandate will be transitioned into LCIV via a lift-and-shift arrangement using an Investment Management Agreement (IMA) wrapper.
- 2.7. This structure enables the Fund to maintain continuity of the underlying strategy while achieving compliance within the government's pooling framework.

### Current and Projected Pooling Ratio

- 2.8. The Fund's pooling position has materially progressed following the above transitions.

Stage	Pooling Ratio
Prior to Harris & DGF redemptions	86.5%
Post £75m GEV investment	90%
Post CBRE transition	94%
Projected post-Partners transition	100%

- 2.9. The only remaining legacy mandate outside of LCIV is the Partners Group private markets allocation.
- 2.10. It is intended that this mandate will be transitioned via the LCIV IMA wrapper structure. An update on timing and implementation will be provided once finalised.

### **3. COST OF IMPACT POOLING**

#### **Fee Comparison - Harris to LCIV GEV**

- 3.1. The Harris mandate carried a management fee of approximately 0.563%.
- 3.2. The LCIV GEV mandate carries a management fee of approximately 0.305%, inclusive of LCIV oversight costs.

#### **DGF Redemption**

- 3.3. The redemption of the Baillie Gifford DGF mandate removes a higher-cost diversified growth allocation and simplifies the Fund's equity exposure structure.
- 3.4. The full cost impact of this change will be reflected in the Fund's ongoing manager fee monitoring reports.

### **4. RISK MANAGEMENT**

- 4.1. The disinvestment from Baillie Gifford DGF and the initial £75m investment into LCIV GEV were executed simultaneously.
- 4.2. This approach was designed to minimise time out of the market and reduce unintended market timing risk.
- 4.3. By aligning redemption and subscription dates, the Fund maintained continuous equity exposure and limited short-term tracking error relative to its strategic benchmark during the transition period.

### **5. GOVERNANCE**

#### **Investment Strategy Statement (ISS)**

- 5.1. The Fund's revised Investment Strategy Statement is in the consultation phase with the LCIV and will be finalised before new regulations come into effect.
- 5.2. The ISS was based on the draft 2026 regulations and guidance and reflects the Fund's current strategic asset allocation and the ongoing transition into pooled arrangements via LCIV.
- 5.3. Once finalised, the Fund will engage with the LCIV to agree an investment strategy implementation plan.

#### **Sector Developments**

- 5.4. Committee will be aware of recent developments in the sector, including the decision to admit Buckinghamshire Pension Fund to the LCIV (decision taken on 2 March 2026).
- 5.5. These developments provide additional clarity in relation to pooling implementation and administering authority discretion within the evolving regulatory framework.

### **6. NEXT STEPS**

- 6.1. The final outstanding mandate to transition is the Partners Group allocation.
- 6.2. Subject to implementation of the IMA structure, the Fund expects to achieve a pooling ratio of 100% by the 31<sup>st</sup> of March.

6.3. Officers will continue to monitor pooling developments and report further progress to Committee.

## **7. RESPONSIBLE INVESTOR COMMENT**

7.1. 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.

## **8. ENVIRONMENTAL IMPLICATIONS**

8.1. 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.

## **9. FINANCE COMMENTS OF THE DIRECTOR OF FINANCE**

9.1 There are no finance comments to add.

## **10. LEGAL COMMENTS OF THE BOROUGH SOLICITOR**

10.1 The Borough Solicitor has been consulted and has no comments to add.