



Department for  
Communities and  
Local Government

Cllr John Lenton  
Chair, Berkshire Pension Fund

**Marcus Jones MP**  
*Minister for Local Government*

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*Dear Councillor Lenton,*

15 MAR 2017

**LOCAL GOVERNMENT PENSION SCHEME (LGPS) INVESTMENT POOLING**

As you will be aware, it is now well over a year since the Government set the framework for reform of the investment function of the LGPS, through the guidance and criteria for pooling published in November 2015. Authorities across the scheme have responded to the challenge and come together to form partnerships of their own choosing based on a shared view of investment strategy. This is a substantial programme of reform which aims to deliver reduced costs while maintaining performance, and to develop capacity and capability for greater investment in infrastructure.

I have made it clear that I expect every administering authority in the LGPS to join a pool and to place all assets in their chosen pool, taking account of the benefits across the pool and across the scheme, as well as to their own fund. I am therefore concerned to note that Berkshire is now the only administering authority which has not formally committed to participation in a pool.

I understand that you have been in discussion with the Local Pensions Partnership (LPP) for some time and that joining another pool is no longer a realistic option. I consider that these negotiations must now be brought to a conclusion, with a spirit of compromise on both sides and a determination to arrive at an agreement satisfactory to all.

We have set the deadline of April 2018 for the pools to be operational, and participation by all funds is a vital component. I expect Berkshire to complete negotiations with LPP as soon as possible with a view to Berkshire formally committing to LPP by the end of June. My office will be in touch to set a date for a meeting with both parties to review progress in June.

I am writing in similar terms to LPP.

*Yours sincerely,*

**MARCUS JONES MP**

