

London Borough of Enfield

PENSION POLICY AND INVESTMENT COMMITTEE (PPIC)

Meeting Date: 23 November 2022

Subject: Risks within the Enfield Pension Fund's Investments plus Aon's View on the Strategy and Asset Allocation considering the Current Economic Climate

Cabinet Member: Cllr Leaver

Executive Director: Fay Hammond

This report introduces two Aon's reports:

- i) Risks within the Enfield Pension Fund's Investments, attached to this report as Appendix 1; and
- ii) Asset Allocation paper set as Appendix 2 to this report.

Purpose of Report

1. The Pension Fund Regulations require that the Council establishes arrangements for monitoring the investments of the Fund. It considers the activities of the investment managers and ensures that proper advice is obtained on investment issues.
2. Officers and fund advisers meet regularly with investment managers to discuss their strategy and performance and if considered necessary may recommend that investment managers are invited to explain further to the Pension Policy & Investment Committee.

Proposal(s)

3. Pension Policy and Investment Committee are recommended to note the contents of Aon's reports set as Appendix 1 to this report.

Reason for Proposal(s)

4. The first report informs the Pension Policy and investment Committee of the key developments and the performance of asset managers and how it affects the overall performance of the Enfield Pension Fund.
5. The second report is for discussion at this meeting to explain the soundness of implementing the various stages required as outlined in the Fund's revised investment strategy.

Relevance to the Council's Corporate Plan

6. Good homes in well-connected neighbourhoods.
7. Build our Economy to create a thriving place.
8. Sustain Strong and healthy Communities.

Background

9. The purpose of the attached Appendix 1 report is to provide an overview of the key risks the Fund is exposed to within each of the individual investment mandates to improve the Committee's understanding on these risks.
10. The attached appendix 2 report is to provide Aon's view on the Enfield Pension Fund Strategy and Asset Allocation considering the Current Economic Climate.

Workforce Implications

11. The employer's contribution is a significant element of the Council's budget and consequently any improvement in investment performance will allow the Council to meet this obligation easily and could also make resources available for other corporate priorities.

Property Implications

12. None

Other Implications

13. None

Options Considered

14. There are no alternative options.

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Date of report 10th November 2022

Appendices

Appendix 1 - Risks within the Enfield Pension Fund's Investments as at October 2022 **(Confidential – Exempt Report)**

Appendix 2 - Asset Allocation paper **(Confidential – Exempt Report)**

Background Papers - None