

The Local Government Pension Scheme Cutting costs and charges: the campaign continues

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In the next 20 minutes we will cover

- The Local Government Pension Scheme
 - Who and what we are.....
- The background to cost transparency
 - The wind starts to blow in one direction.....
- Case study West Midlands Pension Fund
 - How much.....
- The development of the Code
 - To mandate or not to mandate......
- Where next?
 - IA, DWP, FCA etc etc



The LGPS

Costs £730m investment management expenses in 2014-15 embership

Actives 1.9m eferreds 1.8m ensioners 1.5m 2,000 Employers overnance

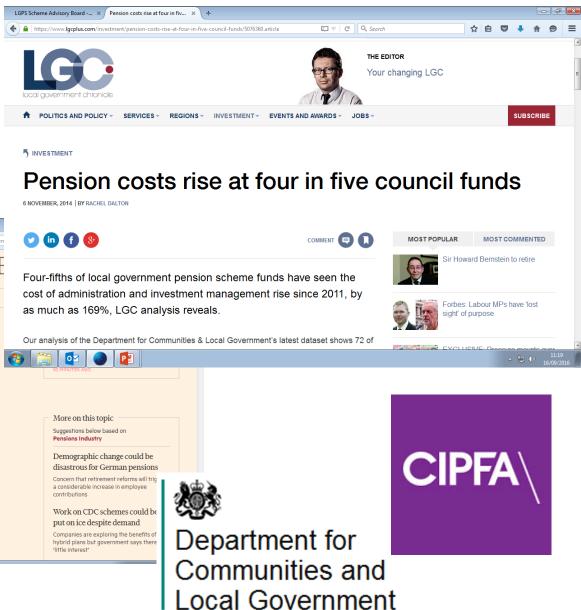
Administering
Authorities in
Igland and Wales

Ssets £220b



Background







Case study - WMPF

2013-14 £87.3m

2014-15 £81.2m



The SAB Code



ASSET MANAGER COST COLLECTION TEMPLATE For use with segregated portfolio management mandates All figures in GBP unless specified Asset Manager Portfolio name Period of report Start: End: Since formation Investment return 3 years 5 years Gross return (% ca) Netreturn (% pa) Investment activity Total Pooled funds Other (specify) Opening assets Closing assets Purchases Turnover (% ps) Management fees Total Invoiced feet (less relates) VAT (if a pplicable) Payments for research Other charges (specify) Performance fees Total Fees paid from NAV of pooled funds Transaction costs Total Equity Bonds Pooled funds Derivatives Foreign exchange Other (specify) Transaction taxes Broker commission Market spread cost Market impactcost Entry (exit charges Indirect transaction costs Exchange fees Other transaction costs (specify) Stock lending (if applicable) Gross income less: income shared (rame recipient) Less: other costs Income retained by client Ancillary sevices (if provided by manager) Custody charges

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Where next?

- More asset classes
- Working with others
- Third party audit
- The numbers in context







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