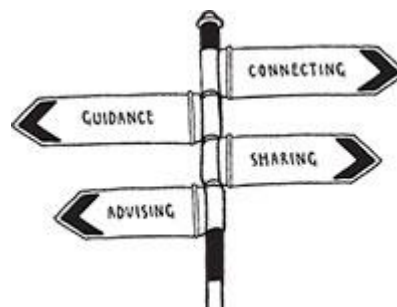


Pensions Network Newsletter



29 May 2020

Advisor Update

Welcome to the May Pensions Newsletter

Firstly – I hope this finds you well and best wishes in these challenging times ahead and thank you for joining our webinars over the last month in these very busy times.

These are challenging times for Pension Funds, we have seen some of the UK's biggest funds stockpiling cash as we continue to grapple with the future uncertainties of Covid-19 and the impact. The extra allocations to cash investments are a sign of the time that a need of maintaining liquidity has gained greater focus in the management of portfolios. Whilst none of us know which direction the market is going, it is certain that risks are abundant.

Palestine Solidarity Campaign Ltd vs Secretary of State for Communities and Local Government

In a landmark verdict, the court ruled in favour of the Palestine Solidarity Campaign (PSC) in a legal case which has set a significant precedent for local decision making for Local Government Pension Funds. The ruling has significant implications on the level of intervention allowed by Central Government on how LGPS's invest their funds.

<https://www.supremecourt.uk/cases/uksc-2018-0133.html>

Events & Webinar

CIPFA And Insight Investment - Investment and Asset Backed Securities Webinar 18th June - CIPFA in partnership with Insight Investment are delivering a webinar to provide a first class presentation on Investment options, specifically detailing Asset Backed Security options to give you an understanding of the dynamics of these structures and the regulatory environment.

Our next Live Economic Update will be in July

Key Areas will be covered with a live Q&A on, Key Data and Trends. The Economic impact on the global and UK economy and the Impact on Portfolios

Programme caveat
All events are subject to change. Where new topics emerge that are considered as either more important or urgent than those within the existing programme, the CIPFA CPN will attempt to add them to the programme as outlined above. However there may be occasions when a new programme has to replace an existing programme already highlighted at short notice.

[Pensions Home](#)

Update from GOV.UK – Proposed merger of the Northumberland and Tyne and Wear pension funds

Northumberland County Council and South Tyneside Council are both administering authorities of the Local Government Pension Scheme, in relation to the Northumberland Pension Fund and the Tyne and Wear Pension Fund respectively.

Both funds have worked closely together in recent years, and have now applied to the Secretary of State to merge in order to make further efficiencies savings.

The government has issued its response to the consultation. It confirms that the government has decided to proceed with the merger of the 2 pension funds.

https://www.gov.uk/government/consultations/proposed-merger-of-the-northumberland-and-tyne-and-wear-pension-funds?utm_source=9246e1ce-5e91-4659-8df8-58d992dc2e2c&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

At the Pensions Network we strive to give you the best information and we hope you will join us at our next online webinar, free to all Pensions Network Subscribers,

CIPFA And Insight Investment - Investment and Asset Backed Securities Webinar 18th June

We will cover a brief introduction into the creation of asset backed securities and the fundamental dynamics of these structures

Delve into the remote credit risk that global securitisations have shown through both the global financial crisis and also the more recent global growth wobbles; US subprime and CDO markets were the acute problem and have since all but disappeared from the market place (<1% of total market)

Covering developments in underwriting standards have been improved dramatically; structures are far less levered and ironically the very punitive European regulatory regimes provide asset backed securities with almost unparalleled spread opportunity for equivalent credit risk.

Best wishes,

Richard Lloyd-Bithell

CIPFA Pensions and Treasury Management Advisor

Network and CIPFA News

Borrowing hits record high in April –

Public sector borrowing hit a record £62.1bn in April 2020, during the first full month of Covid-19 lockdown measures, according to the Office for National Statistics.

<https://www.publicfinance.co.uk/news/2020/05/borrowing-hits-record-high-april>

LGPS funds urged to protect pensions of staff returning to fight coronavirus –

<https://www.lgcplus.com/finance/lgps-funds-urged-to-protect-pensions-of-staff-returning-to-fight-coronavirus-23-03-2020/>

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