

# LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Pension Fund Committee

**Date:** 10 September 2024

**Subject:** Aviva Investors Presentation

**Report author:** Siân Cogley, Pension Fund Manager

**Responsible Director:** Phil Triggs, Director of Treasury and Pensions

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## SUMMARY

This item provides the Pension Fund Committee with an opportunity to discuss the still ongoing redemption process of the LBHF Fund's allocation to Aviva's Infrastructure Income portfolio, with representatives from Aviva to be present at the meeting.

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## RECOMMENDATIONS

The Pension Fund Committee is recommended to discuss the continuing process of the redemption process (Infrastructure Income portfolio) with Aviva.

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**Wards Affected:** None.

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<b>Our Values</b>	<b>Summary of how this report aligns to the H&amp;F Values</b>
Being ruthlessly financially efficient	Ensuring good governance for the Pension Fund should ultimately lead to better financial performance in the long run for the Council and the council taxpayer.

## Financial Impact

None

## Legal Implications

None

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## BACKGROUND

1. At the committee meeting of 20 June 2022, the Pension Fund Committee decided to redeem its allocation from the Aviva Investors Infrastructure Income portfolio. Officers handed in notice of termination in person at Aviva's London offices within the deadline set of 30 June 2022.
2. In Q3 of the 2022/23 financial year, Aviva confirmed that the redemption notice was received and that total redemptions from three individual investors (including LBHF) for this annual 2022 window amounted to less than 10% of the NAV threshold. Therefore, no additional time for liquidation was flagged outside the standard liquidity procedures.
3. The redemption monies were due back to the LBHF Fund by 31 December 2023.
4. The first tranche of redemption payments (£5m) was paid on 30 January 2024, but the remainder of the redeemed funds is yet to be received.
5. At the LBHF committee meeting of 20 February 2024, representatives from Aviva discussed updates to the redemption process with the committee and agreed a number of actions to improve communication of the process between Aviva and the LBHF Fund in future. The Chair of the Pension Fund Committee also requested that representatives from Aviva should attend the next meeting of the Pension Fund Committee on 23 July 2024 to provide an additional update, should the final funds be still outstanding by the date of the committee meeting.
6. Representatives from Aviva duly attended the Committee meeting of 23 July 2024 and gave an update on the redemption process and ongoing progress with the actions from the February meeting.
7. The Chair of the Pension Fund Committee requested that representatives from Aviva should attend the next meeting of the Pension Fund Committee on 10 September 2024 to provide an additional update, should the final funds not have been paid to the Pension Fund by the date of the committee meeting. Final funds are still awaited.

## Risk Management Implications

None