

# LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Pension Fund Committee

**Date:** 25 June 2025

**Subject:** Darwin Leisure Development Fund Update

**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 LBHF Pension Fund's allocation to the Darwin Leisure Development Fund with representatives from the fund manager.

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## RECOMMENDATIONS

The Pension Fund committee is recommended to discuss the allocation to the Darwin Leisure Development Fund with the fund manager representatives.

**Wards Affected:** None.

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Our Values	Summary of how this report aligns to the H&F Values
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

## OVERVIEW

## **LONDON BOROUGH OF HAMMERSMITH & FULHAM**

- 1.1 On 10 October 2024, Darwin notified investors of a downward revision to its projected net asset value (NAV) within the Leisure Development Fund.
- 1.2 This revision led to a significant 25% decrease in the Fund's NAV during Q3 2024.
- 1.3 Darwin values the Fund's assets using a ten-year discounted cash flow (DCF) model, applying a weighted average cost of capital (WACC) that is independently reviewed by Evelyn Partners LLP.
- 1.4 When this update was presented at the Pension Fund committee meeting on 15 November 2024, members stressed the importance of maintaining close oversight of the Darwin investment and requested further analysis.
- 1.5 A comprehensive review of the Darwin investment was provided in an exempt appendix at the Pensions Fund committee meeting on 5 March 2025. Following that discussion, representatives from Darwin have been invited to present to members to discuss the NAV changes in more detail.

### **List of Appendices**

Appendix 1: Presentation from Darwin (EXEMPT)