

AGENDA ITEM 4

FALKIRK COUNCIL

Subject: INVESTMENT IN SOCIAL/AFFORDABLE HOUSING
Meeting: PENSIONS COMMITTEE
Date: 12 DECEMBER 2013
Author: CHIEF FINANCE OFFICER

1. INTRODUCTION

- 1.1 This report updates the Pensions Committee on the Fund's progress towards making a possible investment in Social/Affordable Housing.

2. BACKGROUND

- 2.1 At the Joint Meeting of the Pensions Panel and Committee on 10 September 2013, following a vote, it was agreed that:

- Action towards the Fund making an investment in Social/Affordable Housing should be progressed;
- Officers should initiate a search for a manager to run a £30m mandate that would be invested significantly in Social/Affordable Housing in the UK, preferably in Scotland and where possible within the Council areas covered by the Fund; and
- The final decision to invest would depend on a suitable Manager and fund being identified.

3. LATEST DEVELOPMENTS

- 3.1 In order to ensure that the widest possible search could be made for a Manager and following consultation with the Fund's investment adviser, it was decided to undertake the search using the OJEU route.
- 3.2 A specification outlining the Fund's requirements has been prepared and the OJEU notice, inviting expressions of interest published on 18 November 2013. The various stages of the tender process are as follows:-

Hymans Publish OJEU Notice Inviting Proposals	18 November
Deadline for responses (45 days)	Early January
Initial Assessment and scoring by Hymans	End January
Hymans issue draft report	Early February
Meeting with Officers for discussion	Mid February
Hymans issue final report	Late February
Officers interview managers on short leet	Early March
Interviews with Pensions Committee/Pensions Panel	Mid March

- 3.3 Essentially, Managers are being invited to submit their proposals, which will then be scored. Only those meeting minimum criteria will be taken forward and subjected to due diligence and detailed analysis.
- 3.4 It is anticipated that the tender process will culminate in a maximum of four Managers being interviewed at a joint meeting of the Panel and Committee to be held in March 2014.

4. CONCLUSION

- 4.1 The formal process to identify a suitable Manager has been commenced. Committee Members will be notified of the manager interview date in due course.

5. RECOMMENDATION

- 5.1 **The Committee is asked to note the actions that have been taken in relation to the proposed investment in Social and Affordable Housing.**

Chief Finance Officer

Date: 28 November 2013

Contact Officer: Alastair McGirr

LIST OF BACKGROUND PAPERS
NIL