

FALKIRK COUNCIL

Subject: INVESTMENT IN SOCIAL/AFFORDABLE HOUSING
Meeting: PENSIONS COMMITTEE
Date: 6 MARCH 2014
Author: CHIEF FINANCE OFFICER

1. INTRODUCTION

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

2. BACKGROUND

- 2.1 At the Joint Meeting of the Pensions Panel and Committee on 10 September 2013, 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 A manager search was initiated in November with proposals being invited through the Official Journal of the European Union (OJEU).
- 3.2 The closing date for tender submissions has now passed and responses to the tender were received from the following seven Managers:
- Aviva
 - Catalyst for Homes
 - Hearthstone
 - Horizon
 - Legal and General
 - Threadneedle Investments
 - Invesco
- 3.3 The submissions are now being evaluated by the Fund's investment advisers, Hymans Robertson. Only those meeting minimum criteria will be taken forward to the short list.

- 3.4 A maximum of four managers will be invited for interview to a special meeting of the Pensions Committee on 17th March, 2014. At that time, the Pensions Committee will be invited to make a decision as to whether or not to invest.

4. CONCLUSION

- 4.1 The process to identify a suitable Manager is moving forward with an investment decision expected to be made at the special Committee meeting of 17 March 2014.

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: 20 February 2014

Contact Officer: Alastair McGirr

LIST OF BACKGROUND PAPERS

1. Appendix to this Report Not for publication by virtue of Paragraph 9 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973.

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506304 and ask for Alastair McGirr