Louise Jack

The journey to onboarding

Pensions Age sits down with Local Pensions Partnership Investments (LPPI) chief operating officer, Louise Jack, to discuss the provider's onboarding of new partner funds following the 1 April implementation date for the government's 'Fit for the Future' reforms

Can you talk us through how Local Pensions Partnership Investments (LPPI) approached onboarding new partner funds ahead of the 1 April 'Fit for the Future' implementation date?

Although the 1 April date was important, the real work had been underway for years; iterating our operating model, evolving governance, and, critically, building our internal capabilities.

We knew we were welcoming six new partner funds from Brunel Pension Partnership into LPPI, many of whom were moving from running a portion of their investments independently to putting their trust in us to manage (pool) all of their investments.

That meant focusing as much on people, communication, and confidence as on systems and timelines.

Our approach was shaped by the understanding that this was not just about ensuring we met all the government requirements by the regulatory deadline.

We prioritised early engagement, clear explanations of how LPPI operates, and regular dialogue so that no fund felt they were being 'onboarded to' rather than onboarded with.

Our approach to onboarding our new partner funds was about preparation, partnership and purpose, ensuring that as we doubled our assets under management to nearly £60 billion, we stayed firmly focused on delivering for over 900,000 members.

What were the most complex operational or investment-related hurdles you encountered in the process of integrating these new partner funds?

The complexity was managing everything simultaneously, at pace, and with care. We were working across different asset classes, legacy portfolios, governance structures, and expectations, all within a compressed timeframe.

Our incoming partner funds were placing significant trust in a team and organisation they did not yet know well.

Integrating assets while also establishing credibility, familiarity, and confidence required us to be very intentional in developing our plans together. This is where our focus on trust mattered.

How did you ensure continuity of investment strategy and fiduciary duty throughout the transition of assets, particularly while managing any changes in governance, mandates, or operational arrangements during the process?

Continuity was non-negotiable. Throughout the transition, our fiduciary duty remained our guiding principle, given that this is a regulatory obligation of a Financial Conduct Authority (FCA) firm.

A core principle of the approach we agreed to with our partner fund was that we would focus on evaluating what was the best outcome for their assets during the transition.

We worked closely with each partner fund to understand their existing investment strategies, risk tolerances, local priorities, and responsible investment ambitions before making any changes.

For the vast majority of assets, this meant the continuity of investments (or 'no change') was the outcome for 1 April.

As a pension fund fiduciary manager, we are focusing on long-term outcomes.

To continue to realise the benefits of pooling, we will be transitioning assets into pooled vehicles (as appropriate) over a multi-year horizon.

Importantly, as the fiduciary manager, we will be looking to the updated investment strategy statements, which are due in the coming year, to ensure we are implementing in line with the partner fund investment objectives.

In practical terms, that means phasing transitions carefully, maintaining existing strategies where appropriate, and using tailored solutions such as local investment 'sleeves' for real estate and infrastructure.

These will allow us to respect individual fund objectives while still delivering the benefits of scale and pooling.

Did you make any internal changes at LPPI to support and improve the onboarding process? If so, what specific adjustments were made to systems, governance, or workflows to help ensure smoother integration of incoming partner funds?

Yes, growth on this scale requires evolution. As we prepared to become a nine-client whole scheme manager, we continually reviewed our governance, systems, and internal capacity to ensure they were fit for purpose.

To manage the additional levels of assets and clients, it was necessary for us to increase the number of our staff by around 15 per cent.

This is a relatively small increase in overall employee numbers and demonstrates the focus over recent years on technology and data, which is allowing us to manage three times the number of clients with a relatively small increase in headcount.

One visible example we aligned with the onboarding activity for 1 April was our brand refresh. This wasn't about changing our name, but about signalling how we operate – we are inclusive, collaborative, and flexible as a broader partnership organisation.

By bringing partner funds into the rebranding discussions and acting on their feedback, we reinforced that LPPI is shaped with its clients, not just for them.

How did you manage alignment and communication with incoming partner funds, especially where expectations differed?

Communication was (and is) absolutely central. We put in place weekly engagement so that we could really listen and respond to what each fund needed.

Where expectations differed, we addressed that openly and early. Rather than seeing misalignment as a problem, we treated it as a conversation.

Whether it was views on responsible investment, local allocations, or pacing of transitions, we aimed to understand the 'why' behind each position and find objective, transparent solutions.

Taking this approach helped build trust quickly and reinforced the message that pooling doesn't mean losing identity; it means working together more effectively.

Now that the initial onboarding phase is underway, what are the next priorities for LPPI moving forward?

The next phase is all about refinement and alignment at an asset-by-asset level.

Over the next six to 12 months, the LPPI will be working closely with our partner funds to determine whether assets should be pooled, retained, or divested; always guided by value, suitability, and member outcomes.

In addition to this, we are also navigating the evolving requirements around investment strategy statements, which adds complexity but also creates an opportunity for deeper strategic alignment.

As we continue to scale, our priority is maintaining the culture that has underpinned our success – strong relationships, open dialogue, and a shared commitment to delivering long-term value for members.

Growth is important, but purpose remains paramount.

LPPI

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