

Project Title: Brunel (Brunel Pension Partnership)

Full Business Case (FBC)

Annex A1: FBC Glossary of Terms

Term	Previously referred as	Meaning
Administering Authority (AA) Administering Authorities (AAs)	also known as Participating Authority, Fund	Administering Authorities are the Councils or Boards who are accountable for the LGPS Funds within the pools.
Alpha FMC	not applicable	Specialist adviser - FCA authorisation
Alternative Investment Fund Managers (AIFM)	not applicable	An EU law on the financial regulation of hedge funds, private equity, real estate funds, and other "Alternative Investment Fund Managers" (AIFMs) in the European Union.
Articles of Association	not applicable	This document is required by company law, and will set out the constitution of the company and regulate the relationship between the Administering Authorities as shareholders and the Brunel Company. It sets out the powers and procedures of the Brunel Company.
Assets Under Management (AUM)	sometimes called funds under management (FUM)	This measures the total market value of all the financial assets which a financial institution such as a mutual fund, venture capital firm, or brokerage house manages on behalf of its clients and themselves.
Authorised Contractual Scheme (ACS)	not applicable	An investment vehicle and fund manager, based in the UK, that allows LGPS pension funds or other organisations with money to invest alongside each other - while keeping a clear record of who owns what.
Bfinance	not applicable	Specialist in Investment Markets - Financial
BPP Administering Authorities	Participating Authorities	Authorities participating in the Brunel Pension Partnership. They will each retain sole responsibility for setting the detailed Strategic Asset Allocation for their Fund and allocating their asset to the outcome focused 'portfolios' provided by the Brunel company
BPP model	Segregated CAP	The model of the proposal legal structure of the pool
Brunel Board	Brunel Manager Board	Board of executive and non-executive directors, leading the Brunel company
Brunel Company	CAP (Collective Asset Pool), Brunel Manager	The entity that will manage the pooled investments. It will be an FCA authorised company, with permission to act as operator of the Brunel CIS
Brunel Executive Directors (ED)	not applicable	Executive directors of the Brunel company
Brunel Pension Partnership Limited (BPP Ltd or Brunel company)	Brunel company or Brunel Manager	A new FCA regulated company which will be wholly owned by the Administering Authorities. It will be responsible for implementing the asset allocation strategies of the BPP Funds by investing Fund assets within defined 'portfolios'. In particular, it will research and select the investment funds needed to meet the requirements of the detailed Strategic Asset Allocations. These investment funds will be operated by professional external investment managers.
Chief Finance Officer (CFO)	not applicable	A corporate officer primarily responsible for managing the financial risks of the corporation. This officer is also responsible for financial planning and record-keeping, as well as financial reporting to higher management. In the Local Authorities this is the S151 officer.
Chief Legal Officer (CLO)	not applicable	The chief lawyer of the legal department, usually in a company or a governmental department who minimizes its legal risks by advising the company's other officers and board members on any major legal and regulatory issues the company confronts, such as litigation risks. In the Local Authorities this is the Monitoring Officer.

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Client Group	Shadow Oversight Group (SOG)	Group comprised primarily of Pension Officers drawn from each of the Administering Authorities. It will be responsible for providing practical support to enable the Oversight Board to fulfil its monitoring and oversight function. In effect, it will provide a client-side link between the Oversight Board and the Brunel Company and therefore as appropriate will also draw on administering authorities finance and legal offices.
Client Group (CG)	Shadow Operations Group (SOG) (change @ 01 April 2018)	Sub-committee of the Oversight Board, it is responsible for the client oversight of the Brunel manager on a day to day basis. It will include Fund officers with investment and contract management expertise.
Collective Investment Scheme (CIS)	not applicable	An investment scheme in which profits or income is shared through collective investment, and the participants of the scheme do not have any day-to-day control over the management of the assets or property.
Cross Pool Collaboration Group (CPCG)	not applicable	A collaborative group across 8 pools in the UK
Department for Communities and Local Government(DCLG)	not applicable	The UK Government department for communities and local government in England
Environment, Social and Governance (ESG)	not applicable	Refers to the three central factors in measuring the sustainability and ethical impact of an investment in a company or business.
FBC cases	not applicable	Strategic, financial, economic, commercial and management case.
Finance and Legal Assurance Group (FLAG)	not applicable	Finance and Legal Assurance Group (FLAG) with membership of each AAs equivalent to Chief Finance Officer (CFO) and Chief Legal Officer (CLO)) will sponsor the changes in the Funds and the arrangements for governance of the Brunel company.
Financial Conduct Authority (FCA)	not applicable	A financial regulatory body in the United Kingdom, but operates independently of the UK government, and is financed by charging fees to members of the financial services industry
Full Business Case (FBC)	not applicable	The document that captures the reasoning for the project. From this information, the justification for the project is derived
Full Time Employee (FTE)	not applicable	Employment in which a person works a minimum number of hours defined as such by his/her employer. Full-time employment often comes with benefits that are not typically offered to part-time, temporary, or flexible workers, such as annual leave, sick leave, and health insurance.
Government Actuary's Department (GAD)	not applicable	A department of the Government of the United Kingdom responsible for providing actuarial advice to public sector clients. It describes itself as providing "Actuarial analysis - For the public sector - From the public sector".
Her Majesty's Treasury (HMT)	sometimes referred to as the Exchequer, or more informally the Treasury,	The British government department responsible for developing and executing the government's public finance policy and economic policy.
Investment Strategy Statement (ISS)	not applicable	A set of rules, behaviours or procedures, designed to guide an investor's selection of an investment portfolio. Individuals have different profit objectives, and their individual skills make different tactics and strategies appropriate.
JLT Employee Benefits (JLT)	not applicable	Specialist adviser - Business case development/ project support
LGPS (Management and Investment of Funds) Regulations 2016 (Investment Regulations)	Draft LGPS (Management and Investment of Funds) Regulations 2016	Regulations 2016 (Investment Regulations) that came into effect 1 November 2016.
Local Authority Pension Fund (LAPF)	not applicable	One of the LGPS Funds and is part of the LPP pool.
Local Authority Pension Fund Forum (LAPFF)	not applicable	The UK's leading collaborative shareholder engagement group. The Forum provides a unique opportunity for Britain's local authority pension funds to discuss investment issues and shareholder engagement.
Local Government Association (LGA)	not applicable	An organisation which comprises local authorities in England and Wales. The LGA seeks to promote better local government; it maintains communication between officers in different local authorities to develop best practice. It also represents the interests of local government to national government.

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Local Government Pension Scheme (LGPS)	not applicable	A nationwide scheme and is a valuable part of the pay and reward package for employees working in local government or working for other employers participating in the Scheme and for some councillors. The Scheme is administered locally for participating employers through 99 regional pension funds
London Collective Investment Vehicle (London CIV)	not applicable	This pool consists of London's 32 boroughs and the City of London Corporation, but it is also open to the rest of the LGPS
LPP (London Pensions Partnership)	not applicable	This pool consists of Lancashire, Berkshire and the London Pension Fund Authority.
Management contract	Framework agreement	Legal contract between each Participating Authority and the Brunel company
Markets in Financial Instruments Directive II (MiFID II)		Investment firm under the Markets in Financial Instruments Directive (MiFID) means "any legal person whose regular occupation or business is the provision of one or more investment services to third parties and/or the performance of one or more investment activities on a professional basis"
National Audit Office (NAO)	not applicable	An independent Parliamentary body in the United Kingdom which is responsible for auditing central government departments, government agencies and non-departmental public bodies. The NAO also carries out Value for Money (VFM) audit into the administration of public policy.
Net Present Value (NPV)	not applicable	The value in the present of a sum of money, in contrast to some future value it will have when it has been invested at compound interest.
Office of Government Commerce (OGC)	not applicable	A UK government office that supported the public sector in procurement and acquisition. Their goal was to improve value to taxpayer, and as part of their remit they provided useful best practice advice on delivery of projects and programs
Official Journal of the European Union(OJEU)	not applicable	The publication in which all tenders from the public sector which are valued above a certain financial threshold according to EU legislation, must be published
Osborne Clarke (OC)	not applicable	Specialist adviser - Procurement and Legal
Outline Business Case(OBC)	not applicable	The second stage in developing a case for change. It is preceded by the Strategic Business Case (SBC) and followed by the Full Business Case (FBC)
Oversight Board (OB)	Shadow Oversight Board (SOB) (change @ 01 April 2018)	The senior client/shareholder group that oversees the Brunel Manager on behalf of the funds. It is made up of the funds' Pension committee chairs and an independent Chair, as for the SOB.
Oversight Board (OB)	Shadow Oversight Board (SOB)	This will be comprised of representatives from each of the Pension Committees. It will be set up by the BPP Administering Authorities (i.e. the 9 Councils, with the Environment Agency). Acting for the Administering Authorities, it will have ultimate responsibility for ensuring that the Brunel company delivers the services required to achieve asset pooling.
Pension Committee (PC)	not applicable	The primary committee accountable for the governance of a LGPS Fund. The actual name of the committee varies between Funds but this is the most common description and therefore is used as the generic title for this type of committee. It will therefore have a monitoring and oversight function, and will be able to consider relevant matters on behalf of the Administering Authorities, but will not have delegated powers to take decisions, including decisions requiring shareholder approval.
Project Office (PO)	not applicable	Creates and maintains the plan, track and report progress.
Portfolio	Sub-group	The grouping of the asset types to be available for funds. For example, Global Equities Core, Hedge funds, UK Gilts, LDI.
Portfolio group	Sub-fund group	The higher level category of asset types. For example, equities, alternatives, fixed interest.
PricewaterhouseCoopers LLP (PwC)	not applicable	Specialist adviser - Financial
PRojects IN Controlled Environments(PRINCE 2)	not applicable	This is a de facto process-based method for effective project management. Used extensively by the UK Government, PRINCE2 is also widely recognised and used in the private sector, both in the UK and internationally

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Public Sector Comparator (PSC)	not applicable	A tool used by governments in determining the proper service provider for a public sector project. It consists of an estimate of the cost that the government would pay were it to deliver a service by itself
Risk Potential Assessment (RPA)	not applicable	Standard set of high-level criteria against which the intrinsic characteristics and degree of difficulty of a proposed project are assessed. Used in the UK public sector to assess the criticality of projects and so determine the level of OGC Gateway Review required.
S151 Officer	not applicable	An officer appointed under section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs
Scheme Advisory Board (SAB)	not applicable	A body set up under Section 7 of the Public Service Pensions Act 2013 and The Local Government Pension Scheme Regulations 110-113. It will seek to encourage best practice, increase transparency and coordinate technical and standards issues.
Secretary of State (SoS)	not applicable	A guidance that includes "the authority's approach to pooling of investments, including the use of collective investment vehicles and shared services"
Senior Responsible Owner/Officer (SRO)	not applicable	Provide leadership and direction, bringing together the perspectives of the members of the sponsoring groups, to ensure the pooling initiative meets its objectives and delivers the benefits. Ensure (with input from each AA) the authority is in place to implement the changes. Ensure the aims of the change continue to be aligned with the direction of AAs and government.
Shadow Operations Group (SOG)	not applicable	This group provides officer activity, support and knowledge to project. This is the future Client Group.
Shadow Oversight Board (SOB)	not applicable	A group with representatives (usually the Chair of the Pensions Committee) from each Administering Authority
Shareholders' Agreement	not applicable	Agreement between the Administering Authorities relating to their shareholdings in the Brunel Company.
South West (SW)	not applicable	A mainly rural region with an extended coastline along the English Channel and Bristol Channel. Stonehenge, the famous prehistoric stone circle, is found in Wiltshire
Strategic Business Case (SBC)	not applicable	The stage in developing the case for changes and is followed by the Outline Business Case (OBC) and then the Full Business Case (FBC).
Transfer of Undertakings (Protection of Employment) (TUPE)	not applicable	Regulations which protect employment rights when employees transfer from one business ("the transferor") to another ("the transferee").
Value Added Tax (VAT)	not applicable	A tax on the amount by which the value of an article has been increased at each stage of its production or distribution.