



Report of: Corporate Director of Finance and Resources

Meeting of:	Date	Agenda item	Ward(s)
Pensions Sub-Committee	15 November 2016		n/a
Delete as appropriate		Non-exempt	

SUBJECT: PENSIONS SUB-COMMITTEE 2016/17– FORWARD PLAN

1. Synopsis

- 1.1 The Appendix to this report provides information for Members of the Sub-Committee on agenda items for forthcoming meetings and training topics.

2. Recommendations

- 2.1 To consider and note Appendix A attached.
- 2.2 To note that Corporate Director of Finance and Resources has agreed to renew our independent investment advice (provided by Allenbridge) for 18 months to 30/09/17. This will give officers time to conduct a full tender for approval by members next year.

3. Background

3.1 Independent investment advice

The Local Government Pension Scheme (Management and Investment of Funds) Regulation 2009, as amended, requires an authority “to obtain proper advice at reasonable intervals about their investments and to consider such advice in taking any steps about their investment.”

- 3.2 The Council’s Actuary, Mercer, also currently provides to the pension fund an investment advisory service that includes: investment manager selection and monitoring, attendance to our quarterly pension sub committee meetings with oral commentary (but not to provide a commentary report) undertaking investment strategy reviews, investment manager structure, regulatory and legislative changes and ad hoc advice to officers and members on investment issues.

3.3 Members agreed to reappoint Allenbridge in March 2011 for an initial 3 year contract, with an option to renew for a further 2 years to March 2016. Allenbridge have continued to provide the current service out of contract. Officers and Members are happy with the service Karen Shackelton, our advisor, provides.

3.4 The current Council procurement thresholds allow the Corporate Director of Finance and Resources to procure a service costing between £5000 to £24,999, by seeking one written quotation with a justification under value for money.

3.5 Allenbridge have provided a proposal to provide the same standard service for 18months to 30 September 2017 at a total cost of £24,375. The service will cover the following:
To provide independent investment policy advice to the Pension Sub-Committee and Corporate Director of Finance (or representative). This will call for attendance at up to six notified meetings.

- Four committee meetings normally scheduled at 7.30pm on dates to be notified together with an appropriate level of preparation and a written briefing note for each committee and evaluation of investment managers' performance.
- Two ad hoc meetings to advise at Officer-manager monitoring meetings or special projects

Advice will be required on any investment-related issues but specific requirements include:

- Advice on investment strategies and policies.
- Asset allocation and portfolio structure (once every 3 years).
- Assistance in the selection and review of investment managers, custodians and other investment professionals appointed from time to time.
- Assistance in the review of our Statement of Investment Principles.
- Briefing and assistance in respect of new industry developments, regulations, best practise compliance and governance.

Ad hoc Investment Advice

Training

3.6 Members are asked to note that the Corporate Director of Finance and Resources has secured the services of Allenbridge for 18months to 30 September 2017. This will allow enough time to finalise the Actuarial Valuation in April 2017 and run a competitive tender process to appoint a service provider.

3.7 The Forward Plan will be updated as necessary at each meeting, to reflect any changes in investment policy, new regulation and pension fund priorities after discussions with Members.

3.8 Details of agenda items for forthcoming meetings will be reported to each meeting of the Sub-Committee for members' consideration in the form of a Forward Plan. There will be a standing item to each meeting on performance.

APPENDIX A

Pensions Sub-Committee Forward Plan for September 2016– April 2017

Date of meeting	Reports
	<p><u>Please note:</u> there will be a standing item to each meeting on:</p> <ul style="list-style-type: none">• Performance report- quarterly performance and managers' update• CIV update report
13 March 2017	FSS and consultation results Actuarial review report Initial investment review objectives Investment strategy statement (replace existing SIP document)

Past training for Members before committee meetings-

Date	Training
16 September 2014	Investment in Sub Saharan Africa - 6.20-.6.50pm Infrastructure - 6.55- 7.25pm
25 November 2014	Multi asset credit- 6.15-6.45pm Real estate including social housing- 6.50-7.20pm
9 March 2015	Frontier Market public equity- 6.15 -6.45pm Emerging market debt- 6.50- 7.20 pm
11 June 2015	Impact investing
14 September 2015- 4.45pm pm	Social bonds
13 June 2016	
21 September 2016	Actuarial review training

Proposed Training before committee meetings

13 March 2017	