

	<p><b>Pension Fund Committee</b></p> <p><b>27 May 2015</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Appointment of an Independent Pension Fund Adviser to the Pension Fund</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Chief Operating Officer</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Separately circulated member pack</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Iain Millar, Head of Treasury, CSG  <a href="mailto:iain.millar@barnet.gov.uk">iain.millar@barnet.gov.uk</a>                  0208 359 7126</p>

<p><b>Summary</b></p>
<p>This report concerns the appointment of an independent adviser to the Pension Fund. The Invitations were made through National Local Government Pension Scheme (LPGS) Investment Consultancy Framework.</p> <p>Six applications were received and assessed by officers supported by a technical expert. Three companies were shortlisted to progress to second stage selection meeting with the Pension Fund Committee.</p> <p>Members will be provided with an information pack which includes the full background to the applicants being put forward for interview.</p>

<p><b>Decisions</b></p>
<ol style="list-style-type: none"> <li>1. That the Pension Fund Committee interview the applicants for this contract. and</li> <li>2. That following the interview the Chief Operating Officer in consultation with the Chair of the Pension Fund Committee will award the contract to the successful candidate for a period to end on 31 March 2020.</li> </ol>

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 To select and appoint an independent adviser to the Pension Fund

## **2. REASONS FOR DECISIONS**

- 2.1 The Pension Fund Committee's terms of reference include the appointment of independent advisers to the pension fund.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 3.1 Not applicable.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Should the committee consider it appropriate to appoint to the contract, then the Chief Operating Officer in consultation with the Chair of the Pension Fund Committee will award the contract to the successful applicant.
- 4.2 On appointment the pension fund adviser will review the pension fund investment strategy and provide investment advice to the Pension Fund Committee on a quarterly basis.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1. The contract procurement process through a framework is consistent with the Council's corporate priority: The council, working with local, regional and national partners, will strive to ensure that Barnet is a place: 'where services are delivered efficiently to get value for money for the taxpayer.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 The cost of the procurement and the provision of investment advice is met from the Pension Fund.
- 5.2.2 The Investment adviser is appointed to ensure that an appropriate pension fund investment strategy is followed to maximise investment return with due regards to risk and investment diversification.

### **5.3 Legal and Constitutional References**

- 5.3.1 Constitution –Responsibility for Functions, Pension Fund Governance Compliance Statement, sets out the responsibilities delegated by Council to the Pension Fund Committee: 2.2.6, the appointment of independent advisers.
- 5.3.2 Constitution –Part 22 Contract Procedural Rules.

## **5.4 Risk Management**

- 5.4.1 To help manage pension fund investment risk, the Pension Fund has an independent advisor who provides investment advice to officers and members and attends the quarterly Pension Fund Investment Panel. The advisor also assists with the preparation and review of the Pension Fund investment strategy, benchmarking and monitoring the performance of external investment fund managers.

## **5.5 Equalities and Diversity**

- 5.5.1 The tendering process did not identify any specific issues around equalities and diversity. The proposed contractor was identified following procurement process conducted in accordance with the Council's Equality Duty

## **5.6 Consultation and Engagement**

- 5.6.1 Members of Pension Fund Committee will receive a separately circulated member appointment pack.

## **6. BACKGROUND PAPERS**

- 6.1 DPR 15.4.15: Pension Fund Procurement of an Independent Pension Fund Adviser.  
<http://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=5742>