

**WIRRAL COUNCIL**  
**PENSIONS COMMITTEE**  
**15 JANUARY 2013**

<b>SUBJECT:</b>	<b>PROVISION OF INDEPENDENT ADVICE TO MERSEYSIDE PENSION FUND</b>
<b>WARD/S AFFECTED:</b>	<b>NONE</b>
<b>REPORT OF:</b>	<b>INTERIM DIRECTOR OF FINANCE</b>
<b>KEY DECISION?</b>	<b>NO</b>

**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to seek approval from Members for an extension of the contract with the Fund's independent adviser for a further 12 months.
- 1.2 In view of the changes to the Fund's governance arrangements resulting from Wirral's restructure of senior management, Committee is asked to consider the appointment of a further independent adviser.

**2.0 BACKGROUND AND KEY ISSUES**

- 2.1 From 2005 to 2010, members and officers of MPF benefitted from independent advice from two advisers. In 2010, one of the advisers stepped down and Mr Noel Mills was reappointed for a further three years to February 2013, with the option to extend for a further year.
- 2.2 On 20 December, Wirral confirmed that the Fund would now report to the Strategic Director of Transformation and Resources who will have wider responsibilities than the Director of Finance.
- 2.3 The Fund is proposing to introduce tactical asset allocation arrangements which will require additional governance and this could be made more resilient by an additional adviser. Also, by staging adviser appointment dates, greater continuity would be assured.

**3.0 RELEVANT RISKS**

- 3.1 With the increasing complexity of investment strategy, strengthening the resilience of the independent resource to members may be appropriate.

The changes to reporting structures may have implications for the oversight of the Fund.

**4.0 OTHER OPTIONS CONSIDERED**

- 4.1 No other options have been considered

**5.0 CONSULTATION**

5.1 There has been no consultation undertaken or proposed for this report. There are no implications for partner organisations arising out of this report.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 There are none arising from this report.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 The incumbent adviser's fee is £15,000 p.a.

## **8.0 LEGAL IMPLICATIONS**

8.1 There are none arising from this report.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are none arising from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are none arising from this report.

## **12.0 RECOMMENDATION/S**

12.1 That Members approve the extension of the contract with the Fund's independent adviser for a further 12 months.

12.2 That Members consider the appointment of a further independent adviser and, if approved, agree to a procurement exercise to achieve this.

## **13.0 REASON/S FOR RECOMMENDATION/S**

13.1 The provision of independent advice to Pensions Committee is a key element of the Myners Principles.

**REPORT AUTHOR:** **Peter Wallach**  
*Head of Pension Fund*  
telephone: (0151) 242 1309  
email: [peterwallach@wirral.gov.uk](mailto:peterwallach@wirral.gov.uk)

## **APPENDICES**

None

## **REFERENCE MATERIAL**

NONE

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Pensions Committee</b>	<b>September 2009</b>

# Minutes of Investment Monitoring Working Party, 28<sup>th</sup> November 2012

***In attendance:***

(Chair) Councillor Patricia Glasman (WBC)	Peter Timmins (Interim Director of Finance)
Councillor Mike Hornby (WBC)	Peter Wallach (Head of MPF)
Councillor Adrian Jones (WBC)	Paddy Dowdall (Investment Manager)
Councillor Harry Smith (WBC)	Susannah Friar (Property Manager)
Paul Wiggins (Unison)	Greg Campbell (Investment Manager)
Phil Goodwin (Unison)	Allister Goulding (Investment Manager)
Noel Mills (Investment Advisor)	Adam Williamson (Investment Assistant)
Emily McGuire (Aon Hewitt)	Emma Jones (PA to Head of MPF)

***Apologies were received from:***

Councillor Geoffrey Watt (WBC)	Councillor Sylvia Hodrian (WBC)
Councillor George Davies (WBC)	Councillor Ann McLachlan
Councillor Norman Keats (WBC)	Councillor Cherry Povall

**Declarations of interest**

There were no declarations of interest