

WIRRAL COUNCIL

PENSIONS COMMITTEE

4 JULY 2016

SUBJECT:	POOLING UPDATE
WARD/S AFFECTED:	NONE
REPORT OF:	STRATEGIC DIRECTOR TRANSFORMATION & RESOURCES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report updates Members with the progress made in developing pooling arrangements in relation to the Northern Pool and Government's requirement for the Local Government Pension Scheme to pool investments to deliver significantly reduced costs while maintaining overall investment performance.
- 1.2 As feedback from HM Treasury is awaited, the submission cannot be finalised at the time of writing. However, it is expected that the submission should be complete by the time of Pension Committee and a briefing will be provided at the time.
- 1.3 The appendix to the report, appendix 2, contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972, i.e. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Following its initial pooling submission in February, Merseyside Pension Fund has been working towards the final submission due 15 July 2016. On 19 May, the Pool was requested to meet, on 16 June, with a senior evaluation panel convened by HM Treasury, to provide officials with an update on the Pool's current thinking on its July submission. The topics addressed in the presentation are set out in appendix 1.
- 2.2 Appendix 2 provides the Board with details of the Northern Pool's presentation to HM Treasury, DCLG and their advisors on 16 June 2016.
- 2.3 Following the presentation, HM Treasury will be communicating with the Northern Pool to advise of any areas where officials feel further consideration or work is required. The Pool's submission cannot be finalised until that communication has been received but the Pool's intentions are clearly set out in the presentation.

2.4 On 8 June, DCLG wrote to the Chairs of Pensions Committees advising that funds will not be expected to make individual submissions in July as set out in the Investment Reform Criteria and Guidance (paragraph 2.2). Instead DCLG will require only a single submission from each pool with an annex from each participating fund on assets to be held outside the pool.

3.0 RELEVANT RISKS

3.1 There are none arising from this report.

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 from this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no previously approved actions outstanding.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 There are none arising directly from this report.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising from this report.

10.0 EQUALITIES IMPLICATIONS

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

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

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION/S

- 13.1 That Members note the report and that officers are preparing a final submission in consultation with the Chair.
- 13.2 That Members approve the final submission which is expected to be available at this meeting.

14.0 REASON/S FOR RECOMMENDATION/S

- 14.1 The Fund and the Northern Pool is required to submit a response to the Government's consultation by 15 July 2016.

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APPENDICES

- Appendix 1. LGPS Pooling Presentation requirements
- Appendix 2. Exempt – Presentation to HM Treasury

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Pension Committee	21 March 2016
Pension Committee	25 January 2016
Pension Committee	16 November 2015