

WIRRAL COUNCIL

PENSIONS COMMITTEE

17 JULY 2017

SUBJECT:	MONITORING OF INVESTMENT MANDATES
WARD/S AFFECTED:	NONE
REPORT OF:	MANAGING DIRECTOR FOR DELIVERY
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report is to advise members that officers of the Pension Fund are currently reviewing the existing monitoring regime across all investment mandates.
- 1.2 The original monitoring policy was established and approved by Pensions Committee on 31st March 2008.
- 1.3 The policy was subsequently amended in a framework which was approved by Pensions Committee in March 2012. The key changes made were to reflect the new mandates that the Fund had established since 2008 with the policy on “trigger points” and consequences remaining unchanged.
- 1.4 With the effluxion of time and the increasing importance of “alternative” assets within the Fund’s strategic asset allocation structure, officers of the Fund are currently conducting a review of the existing monitoring policy with a view to making further changes to the overall framework in order to reflect the portfolio developments that have taken place since 2012.
- 1.5 Once this exercise is completed, an amended monitoring framework will be presented to Pensions Committee for approval.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The objective of the Fund’s monitoring policy is to provide a framework for the scrutiny of the internal and external investment mandates and to ensure that each mandate is performing in accordance with contractual and internal investment performance targets.
- 2.2 The policy provides for a full reporting structure documentation and audit trail of discussions and decisions.

3.0 RELEVANT RISKS

3.1 The policy is designed as a key tool to mitigate the risk of investment mandates underperforming their agreed performance objectives.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options are currently under consideration.

5.0 CONSULTATION

5.1 Not relevant to this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no outstanding previously approved actions.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are no implications arising directly from this report.

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

8.1 None.

9.0 LEGAL IMPLICATIONS

9.1 None.

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 no planning or community safety implications arising from this report.

13.0 RECOMMENDATION/S

13.1 That members note the contents of this report.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 Members are informed of the progress of the review of the monitoring policy.

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APPENDICES

None.

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

Briefing Note	Date
Pensions Committee	Pensions Committee 31 March 2008
Pensions Committee	Pensions Committee 20 March 2012

SUBJECT HISTORY (last 3 years)

Council Meeting	Date