

# WIRRAL COUNCIL

## PENSIONS COMMITTEE

21 JANUARY 2019

<b>SUBJECT:</b>	<b>CONTRACT ARRANGEMENTS</b>
<b>WARD/S AFFECTED:</b>	<b>NONE</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF PENSIONS</b>
<b>KEY DECISION?</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Members with details of the Fund's contracts which are due for review and/or retender and seeks approval for the actions proposed.
- 1.2 The appendix to this report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of 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 This report provides members with an update to the report brought to this Committee in January 2018. The Fund holds a number of contracts relating to the provision of pension and investment services from third parties. These are tendered regularly in accordance with the Council's Contract Procedure Rules.
- 2.2 Since the last report, the Fund has undertaken a number of procurement exercises:
  - Custodian
  - Review of investment strategy
  - Low carbon multifactor portfolio
  - Framework of managers of equity downside protection strategies
  - LDI manager
- 2.3 A progress report on the investment strategy review is a separate item on this agenda. The strategy review has taken longer than anticipated and this has influenced the timing of some of the anticipated contract reviews. Another consideration has been the development of pooling arrangements by the Northern Pool which remains ongoing. Once concluded, the new investment strategy will inform the review and retender of the contracts and services that remain outstanding, subject to pooling arrangements being finalised. A revised schedule is set out in the appendix. Where necessary, transitional contractual

arrangements will need to be put in place in conjunction with the Council's Corporate Procurement team.

### **3.0 RELEVANT RISKS**

3.1 In support of its internal resources, the Fund makes extensive use of third party services to monitor, manage and maintain its systems and assets. Continuity of service provision is essential to ensure there is no interruption to these arrangements.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 No other options have been considered.

### **5.0 CONSULTATION**

5.1 The Fund liaises with the administering authority's corporate procurement team in relation to procurement and contract management.

### **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. Work that can be undertaken in house will be undertaken in house but some of the tenders will require the support of specialist support in the areas involved. The costs of those specialists will be managed by use of the LGPS National Frameworks but a budget provision of £500,000 has been made.

### **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 approve the contract timetable and related expenditure.

**14.0 REASON/S FOR RECOMMENDATION/S**

14.1 The Fund is subject to the EU's public procurement regulations and the Council's Contracts Procedure Rules.

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**APPENDICES**

Contract schedule – EXEMPT.

**BACKGROUND PAPERS/REFERENCE MATERIAL**

**BRIEFING NOTES HISTORY**

Briefing Note	Date

**SUBJECT HISTORY (last 3 years)**

Council Meeting	Date