

# WIRRAL COUNCIL

## PENSIONS COMMITTEE

16 JULY 2019

<b>SUBJECT:</b>	<b>POOLING UPDATE</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 an update on pooling arrangements in respect of MPF and the Northern LGPS. Since the previous update, progress has been made on the Operating Agreement which is the subject of a separate report to the Committee.
- 1.2 Approval is sought for a revision to the Fund's Investment Strategy Statement [https://mpfmembers.org.uk/pdf/iss\\_1.pdf](https://mpfmembers.org.uk/pdf/iss_1.pdf) to reflect the way in which pooling is progressing. A draft of the revised wording is attached as appendix 1.
- 1.3 Appendix 2 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 MPF has continued to work with its pooling partners to finalise governance arrangements for the Pool's Joint Committee. An underpinning element of this is a Northern Pool inter-authority operating agreement between the three funds which is close to being concluded and is the subject of a separate report on this agenda.
- 2.2 The LGPS (Management and Investment of Funds) Regulations 2016, Regulation 7(1) requires an administering authority to formulate an investment strategy which must be in accordance with guidance issued by the Secretary of State. This must include "the authority's approach to pooling investments, including the use of collective investment vehicles and shared services;".
- 2.3 The Fund's investment strategy statement needs to be updated to reflect the current situation on pooling and a revised statement is attached for members to consider.

2.4 Minutes of the Northern LGPS Shadow Joint Committee on 28 March 2019 are attached at exempt appendix 2.

### **3.0 RELEVANT RISKS**

3.1 Pooling will result in fundamental changes to oversight and management of LGPS assets. It is essential that appropriate governance arrangements are put in place to ensure that Pensions Committee can exercise its responsibilities in accordance with the Council's constitution.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 No other options have been considered.

### **5.0 CONSULTATION**

5.1 The Pooling consultation has been discussed with the Merseyside Directors of Finance and stakeholders have been kept informed of the pooling consultation and its implications.

### **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. The anticipated financial costs of establishing pooling arrangements and the projected savings over the long-term are set out in the Fund's pooling submission of 15 July 2016. These are updated in progress reports to MHCLG.

### **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 pooling report and minutes of the Shadow Joint Committee meeting on 28 March 2019.

13.2 That Members approve the revised wording for the Fund's Investment Strategy Statement.

## 14.0 REASON/S FOR RECOMMENDATION/S

14.1 Pooling will result in fundamental changes to the oversight and management of LGPS assets and it is important that Members are informed of all developments affecting the Fund.

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## APPENDICES

Revised Investment Strategy Statement  
Minutes of Shadow Joint Committee meeting 28 March 2019.

## BACKGROUND PAPERS/REFERENCE MATERIAL

## BRIEFING NOTES HISTORY

Briefing Note	Date

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
An update report is brought to each Pensions Committee	