



LOCAL PENSIONS BOARD

1 DECEMBER 2021

REPORT TITLE:	UPDATED INVESTMENT STRATEGY STATEMENT
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

This report provides Board Members with a copy of a report to Pensions Committee recommending the approval of a revised Investment Strategy Statement (ISS).

RECOMMENDATION

That the Pension Board be recommended to consider and note the report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION

- 1.1 There is a requirement for Members of the Board to be kept up to date with legislative developments as part of their role in supporting the Scheme Manager.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other suitable options as there is a need for the Pension Board to be informed of legislative developments and a statutory requirement to consult them on the ISS.

3.0 BACKGROUND INFORMATION

- 3.1 The accompanying report provides an overview of the legislative framework with which an Investment Strategy Statement (ISS) should comply. The ISS was last reviewed in February 2020 following a change to the Fund's strategic asset allocation. This revision follows the approval at September's Pensions Committee of the Northern LGPS Responsible Investment policy and is intended to reflect changes in legislation, guidance, best practice and, of course, that it is consistent with the Northern LGPS RI Policy.
- 3.2 Members are also reminded that the guidance issued by the Department for Levelling Up, Housing and Communities states that in formulating and maintaining their policy on social, environmental and corporate governance factors, an administering authority should explain the extent to which the views of their local pension board and other interested parties who they consider may have an interest will be taken into account when making an investment decision based on non-financial factors.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are none arising directly from this report. The accompanying report sets out the financial implications of the ISS in relation to MPF's assets and liabilities.

5.0 LEGAL IMPLICATIONS

- 5.1 There are none arising from this report. Any indirect implications for the Fund are set out in the accompanying report.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are none arising directly from this report. The Pension Board assists the administering authority in its role as Scheme Manager in the scrutiny of the performance of Fund's administration function.

7.0 RELEVANT RISKS

- 7.1 A failure to provide the Board with information on legislative and statutory changes in the LGPS could hinder the Board in the discharge of its activities.

7.2 A failure to formulate, publish and maintain an ISS would be a breach of the administering authority's statutory obligations.

8.0 ENGAGEMENT/CONSULTATION

8.1 The relevant consultations are set out in the accompanying report.

9.0 EQUALITY IMPLICATIONS

9.1 The relevant implications are set out in the report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are none arising directly from this report. The ISS sets out the Fund's approach to the management of climate risk.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 None arising directly from this report. The ISS contains scope for the Pension Fund to undertake investment in regeneration projects in the Liverpool City Region.

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APPENDICES

Updated Investment Strategy Statement and report

BACKGROUND PAPERS

The Public Service Pensions Act 2013

LGPS Guidance on the creation and operation of Local Pension Boards in England and Wales

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Pension Board	February 2020