

PENSIONS PANEL

15 March 2017

Title: Independent Advisor	
Report of the Chief Operating Officer	
Public Report	For Information
Wards Affected: None	Key Decision: No
Report Author: David Dickinson, Group Manager Pensions and Treasury	Contact Details: Tel: 020 8227 2722 E-mail: david.dickinson@lbbd.gov.uk
Accountable Director: Kathy Freeman, Director of Finance	
Accountable Strategic Director: Claire Symonds, Chief Operating Officer	
Summary: This report outlines the role of the London Borough of Barking and Dagenham Pension Fund's Independent Advisor. The report includes a review of the work the Independent Advisor's work during the past year.	
Recommendations Members are asked to agree to extend agree to extend the Independent Advisors role, currently carried out by John Raisin Financial Services Limited, as the Panel's investment advisors for one year based on the revised job description included as appendix 1 of this report.	

1. Introduction and Background

- 1.1 At the December 2014 Pension Panel, Members requested officers to start the procurement of an Independent Advisor (“IA”) to support the Panel Members.
- 1.2 On 11 February 2015 a sub-group of six Members interviewed three candidates, with the sub-group Members agreeing to appoint John Raisin, operating as John Raisin Financial Services Limited (“JFRS”), subject to formal agreement by Panel.
- 1.3 At the 23 March 2015 Pension Panel Members agreed to award John Raisin a one year contract to 23 March 2016.
- 1.4 At the 15 March 2016 Pension Panel Members agreed to award John Raisin a one year contract to 23 March 2017.

2. Review of Independent Advisor during 2016/17

- 2.1 Throughout 2016/17 John Raisin has provided support in several key areas including:
 - i. additional expertise at Panel Meetings;
 - ii. Advice on Fund Managers and Strategy;
 - iii. Updates on regulation and legislation changes; and
 - iv. training to both Pension Panel and Board Members.

3. Contract Renewal and Recommendation

- 3.1 The IA contract is subject to an annual review. It can be terminated by either not renewing the contract, or by providing three months’ notice of the contract termination.
- 3.2 It is expected, were the contract with JRFS extended, that it is would continue to include additional support with Member Training and as the Fund transitions to a more collaborative investment approach. JRFS will also be asked to provide Members a short summary, prior to each Pension Panel, of the main issues covered within the Panel Papers. The summary will also include questions that Member can ask of officer, fund managers and the advisors.
- 3.3 In addition, the IA is expected to actively participate in the implementation of the Fund’s strategy review.
- 3.4 The IA contract has therefore been amended to include these changes and is included as appendix 1 of this report for reference.
- 3.5 Members are recommended to agree to extend the contact with JRFS as the Panel’s independent advisor for an additional one year contract to 31 March 2018.

List of appendices:

Appendix 1 - Independent Advisor Specifications for 2017/18