SECTION M – PENSIONS PANEL

1. Responsible for all the following Pension Fund related matters, with the exception of those reserved to the Corporate Director of Finance and Resources and/or the Pension Fund Investment Managers as appropriate:

1.1. Pension Fund Investment Managers as follows:-

1.1.1. Appointment, addition, replacement and termination of the Managers.

1.1.2. Changes to the terms of existing Managers.

1.1.3. Annual review of the Managers’ mandate and their adherence to their expected investment process and style in line with the Fund’s overall objective which will be appropriately defined in terms of performance target, risk parameters and timescale.

1.2. Determining the allocation of funding/investments to Managers. Similarly, in the event that assets need to be realised in order to meet the Fund’s liabilities, to determine the source of this funding.

1.3. Appointment and termination of providers of Custodian services, investment and actuarial advice. In so doing, conduct and conclude the negotiation of formal agreements with managers, custodians and other investment service providers.

1.4. Selection, appointment and termination of External Additional Voluntary Contribution (AVC) providers for use by members in purchasing additional benefits as well as reviewing the Fund’s AVC providers’ performance annually.

1.5. Monitoring all aspects relating to the investment of the assets of the Fund as follows:-

1.5.1. Formally reviewing the Fund’s asset allocation at least annually, taking account of any changes in the profile of Fund liabilities and any guidance from the investment adviser regarding tolerance of risk.

1.5.2. Rebalancing strategy between different portfolios when asset allocations change due to different assets with the Investment Managers and implementing any changes to the asset allocation.

1.5.3. Ensuring that the Fund investments are sufficiently diversified and that the Fund is investing in suitable investments.

1.5.4. Considering and monitoring the Quarterly Reports produced by the Investment Managers, including risk analysis, transaction costs, and details of corporate governance (including Statement of Reporting Investment, voting activity and engagement with management).
1.6. Monitoring the investment advice from the investment consultant and investment services obtained from other providers (e.g. custodian) at least annually.

1.7. Promoting the Fund within the Authority.

1.8. Arranging an annual Pensions Stakeholders' meeting.

1.9. Ensuring that the administration of the Fund is appropriately resourced, is effective and meets performance standards.

(Contact Officer: Divisional Director of Finance: Tel: 020 8227 8427)