

# SPECIAL PENSIONS COMMITTEE

## AGENDA

6.00pm

Tuesday,  
5 December 2006

Havering Town Hall,  
Main Road, Romford

Members 6: Quorum 3

### **COUNCILLORS:**

#### **Conservative Group**

**(4)**

Melvin Wallace - (Chairman)  
Roger Ramsey - (V.Chairman)  
David Charles  
Robby Misir

#### **Residents' Group**

**(2)**

Clarence Barrett  
Linda van den Hende

#### **Trade Union observers with no Voting Rights**

**(2)**

Brian Long (Unison)  
Michael Parker (TGWU)

**For information about the meeting please contact:**

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## NOTES ABOUT THE MEETING

### 1. HEALTH AND SAFETY

The Council is committed to protecting the health and safety of everyone who attends meetings of its Committees.

At the beginning of the meeting, there will be an announcement about what you should do if there is an emergency during its course. **For your own safety and that of others at the meeting, please comply with any instructions given to you about evacuation of the building, or any other safety related matters.**

### 2. MOBILE COMMUNICATIONS DEVICES

Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

### 3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Committee, they have no right to speak at them. Seating for the public is, however, limited and the Council cannot guarantee that everyone who wants to be present in the meeting room can be accommodated. When it is known in advance that there is likely to be particular public interest in an item the Council will endeavour to provide an overspill room in which, by use of television links, members of the public will be able to see and hear most of the proceedings.

The Chairman of the meeting has discretion, however, to invite members of the public to ask questions or to respond to points raised by Members. Those who wish to do that may find it helpful to advise the Committee Officer before the meeting so that the Chairman is aware that someone wishes to ask a question.

**PLEASE REMEMBER THAT THE CHAIRMAN MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.**

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the meeting room.

## **AGENDA ITEMS**

### **1. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

### **2. APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS** (if any) - receive.

### **3. DECLARATION OF INTERESTS**

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

### **4. PRESENTATIONS BY TENDERERS FOR THE APPOINTMENT OF AN INVESTMENT ADVISOR –report attached**

Stephen Evans  
Chief Executive



<b>MEETING</b>	<b>DATE</b>	<b>ITEM</b>
<b>SPECIAL PENSIONS COMMITTEE</b>	<b>5<sup>th</sup> December 2006</b>	<b>5</b>

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## **REPORT OF THE CHIEF EXECUTIVE**

### **SUBJECT: PRESENTATIONS BY TENDERERS FOR THE APPOINTMENT OF THE INVESTMENT ADVISER**

#### **SUMMARY**

The report outlines the process for the selection of an Investment Advisor to the Pension Fund.

#### **RECOMMENDATION**

It is recommended that the Committee: -

- Consider the presentations from tenderers for the appointment of a Pension Fund investment advisor.
- Note that the existing contract for investment advice ends on 31 March 2007.
- Note that it is intended to formally award the new contract at the Pensions Committee of 19<sup>th</sup> December.

#### **REPORT DETAIL**

### **1 BACKGROUND**

1.1 At its meeting of 23<sup>rd</sup> September 2003, the Investment Committee appointed PSolve to provide investment advisory services to the Havering Pension Fund following a competitive tender process. PSolve were appointed for the period from September 2003 to March 2007. On 20<sup>th</sup> December 2005 the Investment Committee approved the re-tendering process of the contract for the investment advisor with the new contract commencing on 1 April 2007.

1.2 A tender process has been conducted in accordance with EU regulations.

Tenders were subsequently invited from four potential suppliers and an initial evaluation has been carried out to assess the tenders against the criteria set out in the advertisement and the invitation to tender. Any tenders failing to comply with tender requirements or failing to meet the selection criteria are eliminated at this stage.

- 1.3 The final stage in the selection process is for the Pensions Committee to receive a presentation from each of the prospective suppliers. A final evaluation will then take place to identify the best supplier. This will be based upon established criteria that is compliant with the relevant EU regulations.
- 1.4 The detailed contract pricing, selection criteria and associated guidance will be circulated to members of the committee prior to the meeting as a separate confidential report along with any relevant background papers. The criteria is based upon quality (60%) and price (40%).

### **Financial Implications and risks**

The cost of the contract is charged to the Pension Fund.

The cost of the advisor contract may increase as a consequence of increased activity such as changes in investment strategy or a change in fund manager(s). These potential increases in the advisor's costs need to be considered in the light of any potential benefits that may arise from following a specific policy or course of action.

### **Legal Implications and risks**

The Committee has within its terms of reference power to appoint advisors. The current contract expires on 31 March 2007.

### **Human Resource Implications and risks**

There are no direct implications arising from the appointment of a new contractor. Changes in Investment policy may impact upon the internal administrative arrangements of the fund and will be considered when specific proposals are forthcoming.

### **Equalities Implications**

None

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**STEPHEN EVANS**  
**Chief Executive**

## **Background Papers**

Principles for Investment Decision Making in the Local Government Pension Scheme in the UK” - Published by CIPFA

Item 25 Investment Committee meeting 20<sup>th</sup> December 2005- Review of the Investment Adviser