

PENSIONS PANEL – 4 JUNE 2024

Report of the Director of Finance

Appointment of an Independent Investment Adviser to the Pensions Panel

Recommendation of the Chair

1. That the appointment of John Harrison, as the second Independent Investment Adviser to the Staffordshire Pension Fund ('the Fund') Pensions Panel, be approved.

Background

2. Over a number of years, the Pensions Panel has enjoyed the support of several Independent Investment Advisers, who bring a range of benefits to the Panel, including:
 - **Expertise:** Providing specialised knowledge and expertise in areas such as investment, actuarial analysis, and legal compliance.
 - **Objectivity:** Offering unbiased and objective advice, helping to ensure that decisions are made in the best interests of the Fund and its beneficiaries.
 - **Risk Management:** Helping the Pensions Panel to identify, assess, and manage risks, ensuring the long-term sustainability of the Fund.
 - **Governance:** Ensuring the Pensions Panel establishes and maintains effective governance structures and processes, promoting transparency, accountability, and sound decision-making.
3. In 2020, David Thomas retired as an Independent Investment Adviser to the Pensions Panel. As a result of several factors, most notably Covid-19, the recruitment of a replacement to this position was delayed. The decision was therefore made to continue with a single Independent Investment Adviser, along with the continued support of the Fund's Investment Consultants Hymans Robertson (Hymans).
4. In March 2023 the Fund sought an "Exception" to allow it to access a platform operated by MJ Hudson, to seek expressions of interest from Independent Investment Advisers. Whilst this process was being undertaken several uncertainties around the future of MJ Hudson surfaced and eventually the entity was taken over by the Apex Group. Officers felt this was not a suitable basis on which to recommence the process and agreed that a new recruitment process should be considered.
5. Fund Officers began discussions with procurement colleagues and agreed an alternative process to appoint an Adviser in late 2023. By February 2024, ten expressions of interest had been received, and

following a shortlisting exercise carried out by Pension Fund Officers, four candidates were invited to interview.

6. The four shortlisted candidates were invited to attend an interview on 26 April 2024. The interview panel consisted of the current members of the Pensions Panel, the Assistant Director for Treasury and Pensions, Pension Fund Officers, a representative of Hymans and the Governance and Support Manager from the Council's Member and Democratic Services Team.
7. Following these interviews, the Panel recommended that the position of the second Independent Investment Adviser to the Pensions Panel, be offered to Mr John Harrison.
8. John brings with him a wealth of experience, having held positions in asset management working as a Charity Investment Portfolio Manager, a UK Institutional Portfolio Manager, and a UK Chief Investment Officer/Head of Multi-Asset, at various companies. Since 2010, John has held various roles, including being an Interim Chief Investment Officer, LGPS Independent Adviser and chairing prominent LGPS investment conferences.

Director of Finance

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Equalities implications: There are no direct equality implications arising from this report.

Legal implications: The legal implications have been covered during the recruitment and appointment process.

Resource and Value for money implications: The Resource and Value for money implications are covered within existing Pension Fund Budgets.

Risk implications: There are no risk implications arising from this report.

Climate Change implications: There are no direct climate change implications arising from this report.

Health Impact Assessment screening – There are no health impact assessment implications arising from this report.