

MEETING: **PENSION BOARD**

DATE: **22 FEBRUARY 2021**

TITLE: **SETTING OBJECTIVES FOR INVESTMENT CONSULTANTS**

PURPOSE: **To report progress against current objectives**

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1. INTRODUCTION

At the end of 2018, following a review of the investment consulting and fiduciary management markets, the Competition and Markets Authority (“CMA”) stipulated that Pension Scheme Trustees should set objectives for their investment consultants.

The objectives were operational from 10th December 2019.

2. ESTABLISHING OBJECTIVES FOR INVESTMENT CONSULTANTS

The CMA states that objectives for consultants should include a clear definition of the outcome expected, and should be:

- ‘closely linked’ to the pension scheme’s strategic objectives
- reviewed at least every three years, and after a significant change to the investment strategy or objectives

Establishing long term objectives is part of a well organised and well managed governance approach. The extension to set objectives for investment consultants could be regarded as a natural progression towards all stakeholders being aligned towards a common goal.

3. GWYNEDD PENSION FUND OBJECTIVES FOR INVESTMENT CONSULTANTS

The objectives for Gwynedd Pension Fund can be found in Appendix 1, with the progress reported against them during 2020.

A compliance statement has been signed by the Pensions Committee Chairman by the required deadline of 7th January 2021.

4. FUTURE OBJECTIVES

The current objectives were approved by the Pensions Committee on 21st January 2021 and will remain for the upcoming period.

5. RECOMMENDATION

The Board is asked to note the information.