

**NORTHUMBERLAND COUNTY COUNCIL PENSION FUND
Pension Fund Panel Meeting 21 June 2019**

Assessing Investment Consultants' Performance

Scorecard for Investment Consultancies

Investment Advisers: Susan Greenwood and Catrina Arbuckle of Mercer

The table below summarises the range of work undertaken by the investment consultant during the twelve months to 31 March 2019.

Work Done	Comments
Preparation and attendance at Panel meetings including quarterly performance updates and general information about financial markets and currency hedging (Susan Greenwood)	<i>No comments provided</i>
Advice on infrastructure investment to aid in Panel decision to invest with Pantheon Ltd (April 2018, Susan Greenwood) (This advice was given before the start of the 2018/2019 Council year)	<i>No comments provided</i>
Training provided to Panel in relation to 'Private Equity Investing' (October 2018, Susan Greenwood)	<i>No comments provided</i>
Advice on implementing an Equity Protection Strategy for the Fund (July 2018, Susan Greenwood)	<i>No comments provided</i>
Advice on investing via BCPP Ltd (December 2018, Susan Greenwood)	<i>No comments provided</i>

In completing the scorecard a brief entry/note in the comments box can act as a helpful reminder of the reason(s) why you awarded that score for the particular question, although there is no requirement to provide comments if not appropriate.

Scoring Index:

- 1 – Poor/Area for Improvement
- 2 – Satisfactory
- 3 – Good
- 4 – Very Good
- N/A – Not Applicable

Questions	Average Score (1-4) and (number of responses)	
	2018/19	2017/18
Satisfaction Level		
What is the overall assessment of the tailored advice/solutions received from the investment consultant in meeting the needs of NCCPF?	3.88 (8)	3.71 (7)
How accessible and responsive is the regular consulting team to requests for advice?	3.57 (7)	3.50 (6)
How would you rate the alternative investment consultant support if the regular consultant is unavailable?	3.00 (2)	3.00 (6)
How would you rate the knowledge and experience of the regular consultant?	3.63 (8)	4.00 (7)
How comprehensive and suitable to the needs of NCCPF are the range of services offered by the investment consultant?	3.43 (7)	3.86 (7)
How would you assess the investment consultant's proactivity in submitting new investment ideas for consideration, which are relevant to NCCPF?	3.13 (8)	3.00 (7)
How happy would you be to retain the consultancy firm if the regular consultant left the company?	3.13 (8)	3.00 (7)
Professional Relationships		
How responsive is the investment consultant to the need to liaise with other scheme consultants (e.g. actuary/legal consultant) to deliver the Panel's requirements?	3.17 (6)	3.50 (4)
How responsive is the investment consultant to the need to establish and maintain good working relationships with the investment management community?	3.00 (5)	3.50 (4)
Communications		
How timely is the investment consultant in providing drafts of written advice in advance of meetings to allow review?	3.75 (8)	3.71 (7)
How effective are the consultant's communication skills, both orally and in writing?	3.50 (8)	4.00 (7)
How effective are the consultant's people management skills in dealing with a range of abilities among Panel members?	3.75 (8)	4.00 (7)
How effective are the consultant's contributions at meetings?	3.71 (7)	4.00 (7)
How would you assess the investment consultant in dealing	3.13 (8)	3.67 (6)

with contentious issues including potential conflicts of interest?		
How proactive is the investment consultant firm in requesting regular feedback on the consultant's performance and all aspects of service?	3.00 (4)	3.33 (3)
If you have raised any concerns regarding service or consultant performance, how would you rate the response to dealing with those concerns?	2.50 (2)	4.00 (2)
How would you assess the relationship between the investment consultant and the officers?	3.86 (7)	3.86 (7)
How would you assess the service provided by the investment consultant to the executive officers, both in terms of the information provided and response times?	3.67 (6)	4.00 (4)
Fees & Administration		
How would you assess the consultant's ability to provide value for money?	3.00 (5)	3.00 (4)
How transparent and understandable is the investment consultant's charging structure?	2.80 (5)	2.50 (4)
How good is the investment consultant's back office support service regarding invoicing and fee payment queries?	3.00 (1)	3.00 (1)
How would you rate the investment consultant at producing valid scope documents, including fee budget, for major investment projects?	3.00 (3)	2.67 (3)
Training		
How good are the investment consultant's recommendations for providing suitable investment training for trustees?	3.33 (6)	3.71 (7)
How would you rate written investment updates/market commentaries produced by the investment consultant?	3.71 (7)	3.57 (7)
Investment Advice		
How would you assess the advice given by the investment consultant in understanding the importance of and need to manage risk?	3.75 (8)	3.86 (7)
How clear and relevant is the investment consultant's advice on asset allocation?	3.75 (8)	3.71 (7)
How would you rate the investment consultant's explanation to the trustees of difficult or complex technical issues?	3.56 (8)	3.86 (7)

How would you rate the investment consultant's knowledge and advice on CSR issues?	3.29 (7)	3.67 (6)
How would you rate the ability of the investment consultant to provide innovative ideas within the LGPS arena?	2.94 (8)	2.83 (6)
How would you rate the strength of recommendations made by the investment consultant?	3.19 (8)	3.43 (7)
Manager Research & Selection		
How good is the quality and depth of the investment consultant's investment manager research?	3.75 (8)	3.57 (7)
How would you rate the investment consultant's ability to successfully recommend investment managers?	3.63 (8)	3.43 (7)
How would you assess the investment consultant's advice on dealing with investment manager underperformance (including recommendations on the termination of managers)?	3.14 (7)	3.14 (7)
How would you assess the timeliness of the investment consultant in recommending the deselection of a manager?	3.17 (6)	3.29 (7)
Reporting & Governance		
How would you rate the monitoring and reporting of investment performance provided by the investment consultant?	3.50 (8)	3.71 (7)
Miscellaneous		
How would you assess the investment consultant's advice/recommendations on providers of custody services?	3.00 (2)	3.00 (1)

Average Satisfaction rating	Comments
3.3 (3.5 in 2017/18)	"Susan is very personable. A good interface between complex pension and investing strategies and offering advice to the Panel members. I am very confident in the performance."