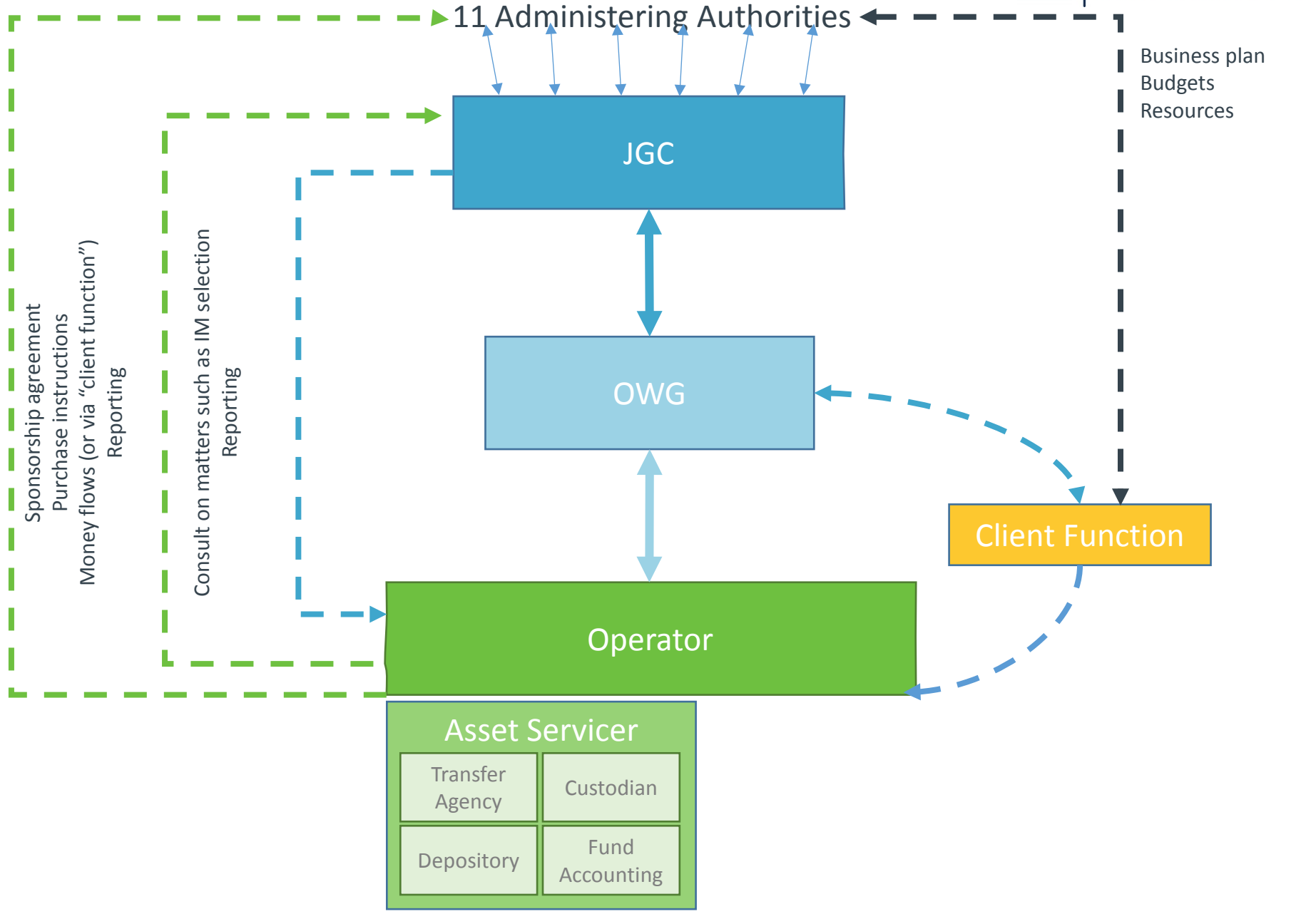




**ACCESS**

Effective • Collective • Investment

# Roles and Responsibilities



# Individual Fund Responsibilities

- Strategic decisions
  - Strategic asset allocation
  - ISS/FSS
  - Investment beliefs
- Policies
  - Responsible investment
  - Rebalancing policy
  - Voting policy
  - Stock lending – what is in/out – existing/future
- Monitoring/reporting
  - Monitoring investment performance of own portfolio
  - Performance and consolidated reporting for non-pooled assets
  - Reporting for own fund (for pooled assets)
  - Consolidated reporting for pooled/non-pooled assets
- Governance
  - Holding pool to account (e.g. if not happy with sub-fund performance, can ask for a review)
- Operational/BAU
  - Timing of transitions
  - Custody for non-pooled assets
  - Fund Manager relationships
  - Sub-fund choice (e.g. uk equity active)
  - Choice of single manager sub-funds

# Joint Committee Responsibilities

- Operator relationship
  - Agree on specification and supplier
  - Hold to account
- Sub-funds
  - Sub-fund design
  - Input into manager selection for each sub-fund
  - Access to alternatives (i.e. infrastructure)
  - Strategic migration plan
  - Consolidation of managers
- Value for money
- Strategic planning (including resourcing plan) , business plan and budget
- Governance
  - Conform with IAA (joiners/leavers/cost allocation)
  - Hold Officer Working Group (OWG) to account
  - Oversight of all assets under pool governance
- Implement common policies (e.g. stock lending/voting)
- Cross pool liaison
- Approve other advisors and suppliers

# Operator Responsibilities

## Core responsibilities

- Fund administration
- All regulated functions and reporting
- Select and contract with fund managers
- Select and procure asset servicers (trading agent/depository/custodian/accounting)
- Establish and operate vehicles

## Optional functions

- Manager searches/prepare shortlist
- Transition management
- Enhanced performance reporting
- Implementing individual fund rebalancing policy
- Executing funding level triggers
- Fiduciary policy (i.e. cross trading)

# Client Unit Responsibilities

Will act as the “intelligent client” of the Operator

## **Core responsibilities**

- Technical investment advice to OWG and JGC
- Secretarial support to the OWG and JGC
- Contract management with 3<sup>rd</sup> party operator
- Day to day facilitation and liaison, negotiation
- Interpretation
- Benchmarking costs/VFM

## Questions for consideration on the Client Unit

- Scope of responsibilities?
- Hosted by one of the administering authorities?
- What amount of officer resource might be required on day 1?
- Will the Client Unit have seconded members of staff from the Host Authority only or from a number of Authorities?
- Will there be a physical office for the Client Unit & will this sit within the Host Authority?