

**CAMBRIDGESHIRE
PENSION FUND**



Pension Fund Committee

19th March 2020

Report by: Head of Pensions

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| Subject: | ACCESS Asset Pooling |
| Purpose of the Report: | To seek approval of the 2020-21 ACCESS Business Plan and to update the Pension Fund Committee on the asset pooling project. |
| Recommendations: | <p>The Pension Fund Committee are asked to:</p> <ol style="list-style-type: none">1) Approve the 2020-21 ACCESS Business Plan and associated budget; and2) Note the verbal asset pooling update. |
| Enquiries to: | <p>Name – Paul Tysoe, Investment Manager Tel – 01604 368671 E-mail – phtysoe@northamptonshire.gov.uk</p> |

1. Background

- 1.1 The Pension Fund has been working collaboratively with ten other Funds in the ACCESS pool to jointly meet the Government's published criteria on asset pooling.
- 1.2 This report seeks the Pension Committee's approval for the 2020-21 ACCESS Business Plan and associated budget and provides an asset pooling update.

2. The 2020-21 ACCESS Business Plan

- 2.1 The 2020-21 ACCESS Business Plan was approved by Members at the ACCESS Joint Committee (AJC) meeting of 9th December 2019. The AJC recommended the Business Plan for approval to ACCESS partner funds. The ACCESS Business Plan is attached at Appendix 1.
- 2.2 The central costs associated with the 2020-21 Business Plan amounted to £1.080m, which represents approximately £98k per partner Fund. Note these costs exclude Operator and Depository fees that are deducted directly from ACCESS sub-funds.

- 2.3 The governance arrangements of the ACCESS pool means that the Business Plan must now be approved by each partner fund. It was also noted at the AJC meeting that s151 officers of the ACCESS Authorities had already lent their support to the Business Plan and associated costs.
- 2.4 It should be noted that £100k of ACCESS costs have been included in the Cambridgeshire Fund's local Business Plan for the 2020-21 scheme year.

3. Verbal asset pooling update

- 3.1 Officers will update the Pension Committee verbally on the AJC meeting of the 9th March 2020, which occurred after the report deadline for this Pensions Committee meeting.

4. Recommendations

- 4.1 The Pension Committee is recommended to:

4.1.1 Approve the 2020-21 ACCESS Business Plan and associated budget; and

4.1.2 Note the verbal asset pooling update.

5. Relevant Pension Fund Objectives

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| Continually monitor and measure clearly articulated objectives through business planning. |
| Put in place a Strategic Asset Allocation ensuring it is appropriately maintained taking into account the Funding Strategy. |
| Maximise investment returns over the long term within agreed risk tolerances. |

6. Finance & Resources Implications

- 6.1 The ACCESS Joint Committee in its meeting of the 9th December 2019 recommended that ACCESS partner funds approve the 2020/2021 ACCESS Business Plan and associated budget of £1.080m, which equates to approximately £98k per partner fund.

6. Risk Management

- 6.1 The Pension Fund Committee and Pension Fund Board has a responsibility to ensure the ACCESS pool meets the Government's published criteria on asset pooling with in the Local Government Pension Scheme universe.
- 6.2 The risks associated with this report have been captured in the Fund's risk register as detailed below.

| Risk No | Risk | Residual risk rating |
|---------|--|----------------------|
| 16 | Failure to provide relevant information to the Pension Fund Committee/Pension Board to enable informed decision making | Green |

- 6.3 The risk register covers other risks that are directly associated to Cambridgeshire Pension Fund’s investments.
- 6.4 The full version of the Fund risk register can be found – <https://pensions.cambridgeshire.gov.uk/governance/key-documents/cambridgeshire/>

7. Communication Implications

- 7.1 Not applicable.

8. Legal Implications

- 8.1 Not applicable.

9. Consultation with Key Advisers

- 9.1 Consultation with the Fund’s advisers was not required for this report.

10. Equality Screening

- 10.1 There are no equality implications in relation to this report.

| Reason that no Equal is required | ✓ as appropriate |
|--|------------------|
| The paper is for information only | |
| The proposal/activity/decision has no impact on customers (scheme members) or the service they receive | ✓ |
| The proposal impacts upon staff but the proposed staffing changes will not affect the service that customers receive | |
| Other (please explain further) | |

11. Alternative Options Considered

- 11.1 Not applicable.

12. Background Papers

- 12.1 Not applicable.

13. Appendices

- 13.1 Appendix 1 – 2020-21 ACCESS Business Plan

| Checklist of Key Approvals | |
|--|---|
| Is this decision included in the Business Plan? | No |
| Will further decisions be required? If so, please outline the timetable here | No |
| Is this report proposing an amendment to the budget and/or policy framework? | No |
| Has this report been cleared by Section 151 Officer? | Sarah Heywood – 27 th February 2020 |
| Has this report been cleared by Head of Pensions? | Mark Whitby – 24 th February 2020 |
| Has the Chairman of the Pension Committee been consulted? | Councillor Rogers – 4 th March 2020 |
| Has this report been cleared by Legal Services? | Fiona McMillan – 25 th February 2020 |