

**CAMBRIDGESHIRE  
PENSION FUND**



**Pension Fund Board**

**Date:** 26 June 2014

**Report by:** Head of Pensions

<b>Subject:</b>	<b>Pension Fund Annual Business Plan Update Report 2014-15</b>
<b>Purpose of the Report</b>	To present the Pension Fund Business Plan update for the first quarter of 2014-15 Financial Year to the Pension Fund Board
<b>Recommendations</b>	<b>The Board is asked to note the attached Pension Fund Business Plan update report for the 2014-15 Financial Year, Quarter 1, provided in the appendix to this report</b>
<b>Enquiries to:</b>	Jo Walton, Pension Services Governance Officer Tel - 01604 367030 E-mail - <a href="mailto:jwalton@northamptonshire.gov.uk">jwalton@northamptonshire.gov.uk</a>

**1. Background**

- 1.1 Good governance ensures that any updates to the pre-agreed Business Plan are provided to the board on a regular basis. This update highlights the progression the made on the Fund's service challenges, its performance on the key performance indicators and also any other initiatives during each quarter of 2014-15 as laid out in the Annual Business Plan.
- 1.2 The Fund Business Plan Update Report is attached at Appendix 1.
- 1.3 The Fund Business Plan Update Report covers :-
  - Pension Fund News
  - Regulations and Consultations Update
  - Investment Information
  - Update on Key Service Challenges
  - Service Key Performance Indicators
  - The Forward Plan

**2. Headline Information**

**2.1 Pension Fund News**

This section provides a brief update on the status of the Annual Report and Statement of Accounts for 2013-14. There is also a reference to the major project of 2013-14, the triennial valuation, and the review of processes and data quality scheduled for October's Board meeting.

## **2.2 Regulations and Consultations Update**

This section provides information on recently issued regulations that are either Local Government Pension Scheme (LGPS) Regulations as well as overriding legislation. This section also addresses any consultations that have an effect on the administration of the LGPS.

## **2.3 Investment Information**

The investment information section details key developments and updates from quarter 1 and a recap of the areas covered to date.

## **2.4 Key Service Challenges**

This section provides an update of the work undertaken by and the achievements of LGSS Pensions Service on completing the service challenges for 2014-15 as laid out in the Annual Business Plan.

## **2.5 Key Performance Indicators**

This section of the Business Plan Update reports on the Key Performance Indicators (KPIs) as set out in the Annual Business Plan. As only one complete month of reporting on these indicators has passed at the time of writing this report, the information supplied is purely numerical. A number of KPIs are also new for 2014-15 and so there is no rolling historical data for comparison purposes. The second quarter business plan update will have a more graphical display of how the service has performed during 2014-15.

## **2.6 Pension Fund Board**

This details the next Board meeting date and the topics for discussion.

# **3 Relevant Pension Fund Objectives**

<b>Perspective</b>	<b>Outcome</b>
<b>Communications</b>	<ul style="list-style-type: none"><li>• Promote the Scheme as a valuable benefit.</li><li>• Deliver a clear and consistent message; that is simple, relevant and impactful, uses plain English throughout and engages all levels of stakeholders understanding.</li><li>• Provide clear information about the Scheme, including changes to the Scheme, and educate and engage with members so that they can make informed decisions about their benefits.</li><li>• Seek and review regular feedback from all stakeholders about communication and shape future communications appropriately.</li><li>• Look for efficiencies in delivering communications including through greater use of technology.</li></ul>

<b>Perspective</b>	<b>Outcome</b>
<b>Administration</b>	<ul style="list-style-type: none"> <li>• Provide a high quality, friendly and informative administration service to the Funds' stakeholders.</li> <li>• Administer the Funds in a cost effective and efficient manner utilising technology.</li> <li>• Ensure the Funds and its stakeholders are aware of and understand their roles and responsibilities under the LGPS regulations and in the delivery of the administration functions of the Funds.</li> <li>• Put in place standards for the Fund and its employers and ensure these standards are monitored and developed as necessary.</li> <li>• Ensure benefits are paid to, and income collected from, the right people at the right time in the right amount.</li> <li>• Maintain accurate records and ensure data is protected and has authorised use only.</li> <li>• Understand the issues affecting scheme employers and the LGPS in the local and national context and adapt strategy and practice in response to this.</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• To have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies.</li> <li>• Ensure the Fund and its stakeholders have the appropriate skills and receive training to ensure those skills are maintained in a changing environment.</li> </ul>

#### **4. Finance & Resources Implications**

4.1 The financial and resource implications are set out in the Business Plan.

#### **5. Risk Implications**

a) Risk(s) associated with the proposal

<b>Risk</b>	<b>Mitigation</b>	<b>Residual Risk</b>
No risk as it is best practice that the Fund has an approved Business Plan.	An approved business plan.	Green

b) Risk(s) associated with not undertaking the proposal

<b>Risk</b>	<b>Risk Rating</b>
If the Fund does not have a Business Plan update report the Fund will have significant lack of direction, control and structure in the management of its business.	Red

## 6. Communication Implications

<b>Direct Communications</b>	The Pension Fund Business Plan update report will be presented to the Pension Fund Board at its quarterly business meetings.
<b>Website</b>	The Pension Fund Business Plan update report will be published on the Fund's website

## 7. Legal Implications

7.1 Not applicable.

## 8. Consultation with Key Advisors

8.1 The Fund's key advisers have been consulted in the Pension Fund Business Plan update report where necessary.

## 9. Alternative Options Considered

9.1 Not applicable.

## 10. Background Papers

10.1 Not applicable.

## 11. Appendices

11.1 Appendix 1 – Annual Business Plan 2014-15 – Quarter 1 Update Report

<b>Checklist of Key Approvals</b>	
Is this decision included in the Business Plan?	No
Will further decisions be required? If so, please outline the timetable here	N/A
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Section 151 Officer?	Chris Malyon – 12/06/2014
Has this report been cleared by Head of Pensions?	Steve Dainty – 12/06/2014
Has the Chairman of the Pension Fund Board been consulted?	Copy of report sent to Councillor Count – 11/06/2014
Has this report been cleared by Legal Services?	No – not required for this report.