

Cambridgeshire Pension Fund



Pension Fund Board

Date: 3rd May 2019

Report by: Head of Pensions

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| Subject: | Pension Fund Annual Business Plan and Medium-Term Strategy 2019/20 to 2021/22 |
| Purpose of the Report | To present the Annual Business Plan and Medium-Term Strategy which details the Fund's key areas of activity over the period 2018/19 to 2021/22 |
| Recommendations | The Board is asked to note the attached Business Plan and Medium-Term Strategy |
| Enquiries to: | Jo Walton – Governance and Regulations Manager Email: jwalton@northamptonshire.gov.uk |

1. Background

1.1 It is considered good governance for the Cambridgeshire Pension Fund to adopt a Business Plan and Medium-Term Strategy that:

- Sets out the objectives of Cambridgeshire County Council (the administering authority) with regards to the management of the Fund;
- Documents the priorities and improvements to be implemented during the next three years to help achieve those objectives;
- Enables progress and performance to be monitored in relation to those priorities; and
- Provides a clear vision for the next three years.

1.2 The Business Plan and Medium-Term Strategy approved by the Pension Fund Committee on 28th March 2019 can be found in the separate **appendix** of this report.

2. The Business Plan and Medium-Term Strategy

2.1 The Business Plan and Medium-Term Strategy concentrates on activities that are not considered business as usual, identifying key milestones and budget requirements. It is split into the following core areas:

- Service delivery
- Governance and compliance
- Communications, systems and employer management
- Operations
- Investments and fund accountancy

- 2.2 Progress made against the Business Plan will continue to be reported to the Board at each meeting via the Business Plan Update report.

3. Relevant Fund objectives

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| Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. |
| Continually monitor and measure clearly articulated objectives through business planning. Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. |

4. Finance & Resources Implications

- 4.1 Performance against the financial estimates in the Business Plan will be presented to the Pension Board each meeting.

5. Risk Management

- 5.1 The Pension Fund Committee approves the Annual Business Plan and Medium-Term Strategy every March for the upcoming year. The plan highlights the key activities of the Fund and the progress of these activities are reported through the Business Plan Update reports provided to the Pension Fund Committee and Local Pension Board at every meeting.
- 5.2 The risks associated with failing to monitor progress against the Business Plan have been captured in the Fund's risk register as detailed below.
- 5.3 The risks associated with failing to monitor progress made against the Business Plan and Medium-Term Strategy have been captured in the Fund's Risk Register as detailed below.

| Risk No | Risk mitigated | Residual risk |
|---------|---|---------------|
| 7 | Those charged with the governance are unable to fulfil their responsibilities effectively | Green |
| 13 | Failure to administer the scheme in line with regulations and guidance | Green |

- 5.4 The risk register can be found on the Fund's website at the following link:
<https://pensions.cambridgeshire.gov.uk/app/uploads/2019/04/Cambridgeshire-Risk-Register.pdf>

6. Communication Implications

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| Direct Communications | An update on progress made against the activities in the Business Plan will be presented to the Pension Fund Board each meeting. |
| Website | The Business Plan will be published on the Fund's website. |

7. Legal Implications

7.1 Not applicable.

8. Consultation with Key Advisers

8.1 The Fund's current and future key advisers were been consulted in the Business Plan and Medium-Term Strategy where necessary, including Hymans Robertson and Aon Hewitt.

9. Alternative Options Considered

9.1 Not applicable.

10. Background Papers

10.1 Not applicable.

11. Appendices

11.1 Appendix Annual Business Plan and Medium-Term Strategy 2019/20 to 2021/22

| Checklist of Key Approvals | |
|---|---|
| Has this report been cleared by Head of Pensions? | Mark Whitby – 23 rd April 2019 |

