

## Pension Fund Investment Sub-Committee

10 February 2014

### 2013/14 Business Plan

#### Recommendation

- (1) That the Sub-Committee approve the Warwickshire County Council Pension Fund Business Plan for 2014/15 as set out in **Appendix A**.

#### 1. Introduction

- 1.1 Local authority pension funds are recommended by best practice principles to compile an annual business plan.
- 1.2 This report sets out the annual business plan for 2014/15.

#### 2. Business Plan 2014/15

- 2.1 **Appendix A** sets out a draft recommended business plan for the 2014/15 financial year. The plan lists the investment and pension administration tasks, which should be carried out during 2014/15, the target date when these should be achieved, and the responsible officer.
- 2.2 This document will reconcile with the Treasury and Pensions Group's Business Plan 2014-2015 currently being compiled for the Resources Group Finance Service.

#### 3. Recommendation

- 3.1 The Sub-Committee is asked to approve the Warwickshire County Council Pension Fund Business Plan for 2014/15 as set out in **Appendix A**.

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**Warwickshire County Council Pension Fund  
Business Plan and Actions for 2014/15**

<b>Administration</b>			
Objective(s)			
<ul style="list-style-type: none"> <li>- to ensure scheme is run in accordance with the rules; agreed service standards and compliantly</li> <li>- to deal with and rectify any errors and complaints in a timely way</li> </ul>			
<b>Action</b>	<b>Description</b>	<b>Timescale</b>	<b>Primary Responsibility</b>
1	Head of Finance, Resources to receive service plan report on a quarterly basis	Ongoing with reports due end Mar, Jun, Sep and Dec	Andrew Lovegrove
2	Completion of Pension Fund Annual Report	By 30 September 2014	Mathew Dawson
3	Review of any complaints and how they have been dealt with by Director of Resources	Ongoing	Mathew Dawson/Neil Buxton
4	Further pension fund website development (in line with Group business plan)	Ongoing	Neil Buxton
5	Development of Member Self Service facility to enable scheme members to view their record and benefits.	Ongoing	Neil Buxton
6	Implementation of the new LGPS 2014 Scheme	Ongoing	Mathew Dawson/Neil Buxton
7	Support remaining employers in their auto-enrolment staging.	Ongoing	Neil Buxton

**Communication**

## Objective(s)

- to convey the security of the Scheme
- to ensure members understand and appreciate the value of their benefits

Action	Description	Timescale	Primary Responsibility
1	Timely production of minimum one annual pensioners' newsletter	At least one per annum	Neil Buxton
2	Timely production of benefit statements	Active members 30 Sep 2014 Preserved members 31 Aug 2014 Councillors 31 May 2014	Neil Buxton
3	Review communication material in last 12 months and compare with good practice	Annually	Neil Buxton
4	Communication on a timely basis of the new LGPS scheme to Sub-committee, employer bodies and members	As information becomes available	Mathew Dawson/Neil Buxton
5	Prepare and implement Pension Fund Annual Meeting (Nov) and Employers' Forum (as and when deemed necessary)	At least one each per annum	Mathew Dawson /Neil Buxton

## Actuarial/Funding

### Objective(s)

- to monitor the funding level of the Scheme including formal valuation every 3 years
- to monitor contribution payments to the Scheme by the contributors
- to understand legislative changes which will impact on funding

Action	Description	Timescale	Primary Responsibility
1	Implementation of new employer rates and arrangements following the 2013 Actuarial Valuation	31 March 2014	Andrew Lovegrove/Mathew Dawson
2	Drafting and presentation of new Funding Strategy Statement	30 June 2014	Andrew Lovegrove/Mathew Dawson
3	Receive annual funding updates (ongoing and IAS19)	Ongoing	Mathew Dawson
4	Receive contribution monitoring schedule from Treasury Team and monitor	Ongoing	Mathew Dawson
5	Member training covering current issues	Ongoing	Andrew Lovegrove/Mathew Dawson

## **Pension Fund Investment Sub-committee Members**

### Objective(s)

- to train and develop all members to enable them to perform duties effectively
- to meet quarterly and to include investment advisor and independent advisors as required
- to run meetings efficiently and to ensure decisions are made clearly and effectively

<b>Action</b>	<b>Description</b>	<b>Timescale</b>	<b>Primary Responsibility</b>
1	Review decision making process to ensure decisions are made effectively	Ongoing	Pension Fund Investment Sub-committee
2	Review member training requirements and implement training plan as appropriate	Ongoing	Andrew Lovegrove/Mathew Dawson/Chairman
3	Rollout of the Knowledge and Skills Toolkit	Ongoing	Mathew Dawson
4	Ensure compliance with the forward plan and CMIS deadlines	Ongoing	Mathew Dawson
5	Review Pension Fund Investment meeting structure	Ongoing	Andrew Lovegrove/Mathew Dawson/Chairman
6	Respond to forthcoming changes in legislation	Ongoing	Andrew Lovegrove/Mathew Dawson

## Financial & Risk Management

### Objective(s)

- To properly record financial transactions to and from the Scheme and produce annual accounts within 6 months of year end
- Manage advisers fees against budgets
- Assess the risk associated with the management of the Scheme

Action	Description	Timescale	Primary Responsibility
1	Monitor pension fund expenses for next financial year	Ongoing	Mathew Dawson
2	Produce Draft Statement of Accounts	30 June 2014	Mathew Dawson
3	Produce Pension Fund Annual Report	30 September 2014	Mathew Dawson
4	Carry out risk assessment of scheme	Annually	Andrew Lovegrove
5	To implement a system of disaster recovery/business continuity in the event of major disaster	Ongoing	Andrew Lovegrove/Mathew Dawson

**Investment**

## Objective(s)

- Periodically review investment strategy and benchmarks
- Monitor performance against benchmarks
- Meet with investment managers to discuss performance

Action	Description	Timescale	Primary Responsibility
1	The appointment and transition of assets to successful infrastructure fund manager following March 2014 interviews	Starting March 2014 and on-going	Mathew Dawson
2	Review of investment manager arrangements	May 2014	Mathew Dawson
3	Review asset allocation and possible further diversification in partnership with consultant and independent advisor	Ongoing	Andrew Lovegrove/Mathew Dawson
4	Discuss/meet with all active investment managers	At least annually	Mathew Dawson
5	Review SIP	May 2014	Mathew Dawson
6	Sub-committee to receive quarterly monitoring reports	Quarterly	Mathew Dawson
7	Ongoing consideration of best practice	Ongoing	Andrew Lovegrove