

# **Pension Fund Investment Sub-Committee**

**13 June 2022**

## **Governance Report**

### **Recommendation**

That the Pension Fund Investment Sub-Committee considers and comments on the contents of this paper.

#### **1. Executive Summary**

- 1.1 This Report sets out to provide the latest Governance information relating to Warwickshire Pension Fund Forward Plan, Risk Monitoring, Training and Policies.

#### **2. Financial Implications**

- 2.1 None

#### **3. Environmental Implications**

- 3.1 None

#### **4. Supporting Information**

##### **Forward Plan**

- 4.1 The purpose of this item is to provide an updated forward plan for the Pension Fund Investment Sub-Committee rolled forward to cover the year ahead. The plan is set out in Appendix 1.
- 4.2 In order to provide a complete picture of policy activity, a schedule of policy review activity to be considered by the Staff and Pensions Committee is also provided for in Appendix 1.

##### **Risk Monitoring**

- 4.3 The purpose of this item is to provide an update on the risks facing the fund and management actions required to address them. Fund officers have reviewed the risks facing the fund and have updated the risk register with actions and revisions as appropriate. Appendix 2 reproduces the Fund's risk appetite. Appendices 3 and 4 reproduce the criteria for scoring risks and Appendix 5 provides an updated risk register. Any new updates to the commentary in the risk

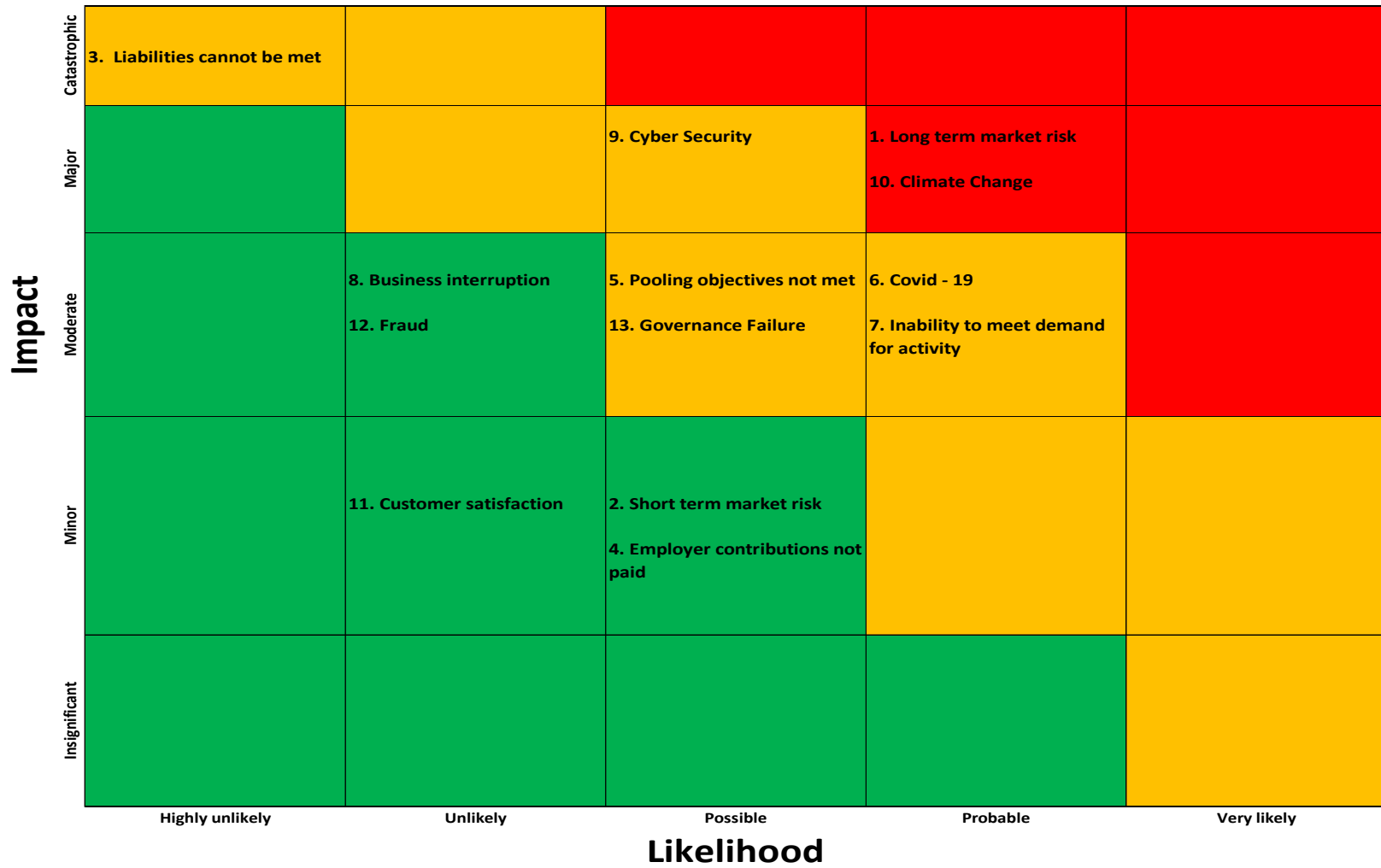
register since the previous report to the Investment Sub-Committee are presented in red font, and where future actions have become current actions, these are highlighted in a green font.

- 4.4 The Committee is advised that the risk scores have remained the same since the previous report to the Investment Sub-Committee.
- 4.5 Officers propose to remove 'Covid' specific items on the risk register moving forward as these risks will be included within the other general items covered by the register.
- 4.6 The net risks facing the Fund after having regard to existing management actions are summarised in Chart 1.

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Chart 1 – Net Risk Summary

## Risk Map



*The likelihood and the impact of all the risks remain the same as last presented to the PFISC on the 13th December 2021*

## **Training**

- 4.7 The results from the recent Hymans Robertson Knowledge and Skills Assessment have now been received and circulated to both the Committee members and the Local Pension Board.
- 4.8 This Assessment was slightly different to the 2020 National Assessment, as Hymans Robertson didn't include benchmarking for the most recent report. Their current plan is to make available a national benchmark assessment every 2 years. As such they are working towards a 2022 National Knowledge assessment being released in August/September this year. That assessment will give members both their current benchmark against other participating LGPS funds and also the comparison to the Fund's progress since the 2020 assessment.
- 4.9 Having examined the results of the Assessment and discussed them with Hymans Robertson, the Fund has developed a Training Schedule which will offer some inhouse and external training opportunities to members of the Committee and the Local Pension Board and to officers.
- 4.10 A copy of the Training Schedule can be found in Appendix 6

## **Voting and Stewardship Policy**

- 4.11 Officers have reviewed the Voting and Stewardship Policy and are content that it does not require any amendments

## **Investment Strategy Statement**

- 4.12 The Fund has worked with Hymans Robertson to update its investment strategy statement
- 4.13 Warwickshire Pension Fund are required by Regulation 7 of The Local Government Pension Scheme (Management of Investment of Funds) Regulations 2016 to publish and maintain their Investment Strategy Statement
- 4.14 Hymans Robertson have reviewed the current document and a marked up copy can be found in Appendix 7. Officers recommend that these changes are adopted by the Investment Sub-Committee.

## **5. Timescales associated with the decision and next steps**

- 5.1 None

## Appendices

1. Appendix 1 The Forward Plan
2. Appendix 2 Risk Appetite
3. Appendix 3 Risk Scoring Convention and Likelihood Definitions
4. Appendix 4 Risk Impact Definitions
5. Appendix 5 Risk Register
6. Appendix 6 Warwickshire Pension Fund Training Schedule
7. Appendix 7 Investment Strategy Statement

## Background Papers

None

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The report was circulated to the following members prior to publication:

Local Members: n/a

Other members: Cllrs Kettle and Gifford