

Warwickshire Local Pension Board

18 October 2022

Business Plan Report

Recommendation

That the Local Pension Board notes and comments on the latest progress update against the Business Plan (Q2) attached at Appendix 1

1. Executive Summary

- 1.1 It is best practice for local authority pension funds to operate a formal and documented Business Plan for their operations. This report sets out the current position in respect of the actions in the Business Plan for 2022/23.
- 1.2 The plan contains 38 actions, and the position on each action is RAG rated as follows:
- Blue – complete
 - Green – on track or materially on track
 - Amber – not on track but the activity can be managed appropriately and does not require escalation outside the pension fund managers co-ordination group.
 - Red – not on track, the implications are or would be material, and the issue cannot be resolved without escalation.
- 1.3 The table below summarises the current position:

Category	Number	%
Blue or Green	29	76%
Amber	7	18%
Red	2	5%
Total	38	100%

2. Financial Implications

None

3. Environmental Implications

None

4. Supporting Information

- 4.1 The Business Plan sets out how the Fund intends to manage and develop its services, and specifically identifies the Fund's principal responsibilities, business objectives and future priorities. It also focuses on Fund management in terms of investment and administration.
- 4.2 The majority of activities are on track, but the commentary below summarises the amber and red items on the plan:

Amber

(9) McCloud Project – The Fund has undertaken the actions that it can do so and cannot proceed further until new legislation comes into effect. Data collection has already been completed and the team have plans in place to deal with next steps once legislation is in place.

(12) Pension Dashboards – The rating recognises that the Fund is aware that once launched this is likely to lead to additional work for the Pensions Administration team. However, it is difficult to assess accurately the volume of work this will create at this stage. Additional software will also need to be purchased to deal with the secure collection and transfer of data.

(16) Employer Covenants – As part of the valuation process the Fund has identified employers by type ready for risk assessment. Further work will be done on higher risk employers over the remainder of 2022/23

(25) Stewardship Code – Work is ongoing to complete this work. The recruitment of a new investment analyst who is due to be in post by November, will assist in completing this. It is intended that the Code will be taken to Pension Fund Investment Sub Committee in December for comment and approval.

(35-37) Government Responses – Information is awaited from central government in respect of the Good Governance Review, TPR Single Code of Practice and Levelling up agenda.

Red

(29 & 30) Pension Fund Accounts – Both of these items relate to issues with capacity within the external auditor arrangements (as was the case last year). This is a national pressure and is being experienced by many LGPS Funds and local authorities.

5. Timescales associated with the decision and next steps

5.1 None

Appendices

1. Appendix 1 Business Plan Monitoring

Background Papers

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

Local Member(s):

Other members: