

Warwickshire Local Pension Board

30 January 2024

Pension Fund Business Plan Update Report

Recommendation

That the Local Pension Board considers and comments on the progress made in respect of the Warwickshire Pension Fund's Business Plan attached at Appendix 1.

1. Executive Summary

- 1.1 It is best practice for Local Government Pension Scheme pension funds to operate a formal and documented Business Plan for their operations. This report sets out the Warwickshire Pension Fund's Business Plan for 2023/24 (Appendix 1), as approved by the Staff and Pensions Committee in March 2023, and the progress made up to the third quarter.
- 1.2 The Business Plan sits alongside other key documents which govern the strategy and operations of the Warwickshire Pension Fund, including the Administration Strategy, Investment Strategy Statement and Funding Strategy Statement.
- 1.3 Several items are the same as or similar to the previous year. These may relate to ongoing business as usual activity (for example issuing annual benefits statements) or projects which require additional legislation or regulation from the Government in order for them to proceed (for example a number of Governance issues where we are still awaiting national guidance).

2. Financial Implications

- 2.1 The Fund has an Investment Strategy Statement and a Funding Strategy Statement designed to manage the financial position of the Fund. The Business Plan is designed to ensure that these two strategies are updated and implemented appropriately, and that the overall administration and management of the Fund is efficient and effective.

3. Environmental Implications

- 3.1 The Fund has a Climate Risk Policy designed to minimise the Fund’s contribution towards climate change and minimise the Fund’s exposure to risk driven by climate change.

4. Supporting Information

- 4.1 The business plan monitoring summary is provided at Appendix 1, the RAG ratings are summarised in the following table. Business Plan RAG Rating Summary

	Completed	Green	Amber	Red	Total
Number of Activities	8	22	7	0	37
Percentage of Activities	22%	59%	19%	0%	100%

- 4.2 The majority of activities are on track, and no activities are expected to cause a significant adverse issue for the Fund. However, workload remains a challenge and although we have no red items, there are a number recorded as amber. These include:

The production of the Pension Fund Accounts, which was delayed (Item 22, Appendix 1) This was caused by internal staffing turnover as well as the capacity of external auditors to review the accounts.

Ensure compliance with the 2020 UK Stewardship Code & Implementing TCFD disclosure requirements, which have both been delayed by staff turnover and current workloads (Items 35 & 36 Appendix 1).

- 4.3 Work on the business plan for 2024/25 will begin shortly. This work will include, having regard to resourcing, workforce planning, and carry forward of any activities as necessary that were not completed in this year.

5. Timescales associated with the decision and next steps

- 5.1 None

Appendices

1. Appendix 1 - Warwickshire Pension Fund Business Plan, progress during Q3.

	Name	Contact Information
Report Author	Chris Norton	chrisnorton@warwickshire.gov.uk
Director	Andrew Felton / Virginia Rennie Director of Finance	andrewfelton@warwickshire.gov.uk virginiarennie@warwickshire.gov.uk
Executive Director	Executive Director for Resources	robpowell@warwickshire.gov.uk
Portfolio Holder	Portfolio Holder for Finance and Property	peterbutlin@warwickshire.gov.uk

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

Local Member(s): n/a – county wide report

Other members: Cllr. C Kettle and Cllr B Gifford