

Pension Advisory Board Business Plan

This is the Business Plan for the West Sussex Pension Advisory Board.

The Business Plan is an important document which sets out the aims and objectives of the Board over the coming year, its core work and how the objectives will be achieved.

The County Council is responsible for the administration of the West Sussex County Council Pension Fund and as the Administering Authority, is required under S106 of the LGPS Regulations 2013 to establish a local pension board and has established the Pension Advisory Board for this purpose.

The County Council acts as the Scheme Manager, as defined by the Public Service Pensions Act 2013, in respect of the management of the Scheme and its functions in this respect are discharged in accordance with the Council's scheme of delegation by the:

- Governance Committee (delegated to the Pensions Committee); and
- Officers (Director of Finance and Support Services and the Director of Law, Assurance & Strategy)

The Board is supported by the officers, by the appointment of an independent chairman, and by assurance statements and information provided by external service providers. The costs of the Board's operations are charged to the Pension Fund and a budget is included in the Business Plan.

The Board's approach has been to establish a core programme of work based on guidance received from the Pensions Regulator, the Scheme Advisory Board and from CIPFA in the form of advisory guidance.

Following a review of the Board in 2018, this Business Plan has been adapted to be more consistent with and complimentary to the Pensions Committee's business plan. The Plan is reviewed annually and progress monitored at each meeting. New priorities that might arise can be introduced at each meeting and new action identified where progress has not been as expected.

Details of how the Board's objectives will be met, together with key priorities for 2020/21 and 2021/22 and an indication of key risks are included in the Plan.

The achievement of the objectives and key tasks are reviewed at the end of each year and reported to the Pensions Committee. A brief report is also approved for inclusion in the Pension Fund Annual Report and is made available to scheme employers and to scheme members.

Statutory Responsibilities

1. The statutory responsibilities of the Board are similar to those set out in the Regulations for all local pension boards, that is:

Assist the Scheme Manager:

- To secure compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme;
- To secure compliance with requirements imposed in relation to the scheme by the Pensions Regulator;
- In such other matters as the scheme regulations may specify;
- To ensure the Scheme Manager effectively and efficiently complies with the Code of Practice on the governance and administration of public service pension schemes issued by the Pensions Regulator (COP14); and
- To ensure that the Board complies with the knowledge and understanding requirements in the Regulator's Code of Practice.

Accountability

2. The Board is accountable to the Scheme Manager, to the Pensions Regulator, to the Scheme Advisory Board, and to the scheme employers and members that it represents.
3. The Scheme Advisory Board will advise the Responsible Authority (the Ministry for Housing, Communities and Local Government) and the Scheme Manager.
4. The Pensions Regulator will report to the Responsible Authority but will also be a point of escalation for whistle blowing or similar issues (supplementary to the whistle blowing policy and anti-fraud and corruption policy operated by the Scheme Manager which operate to include all of the functions of the Council as Scheme Manager and its advisers).

Principal Functions

5. The principal functions of the Board include:
 - Seeking assurances that due process is followed with regard to Pensions Committee decisions:
 - Considering the integrity and soundness of Pensions Committee decision making processes:
 - Seeking assurance that administration performance is in compliance with the Administration Strategy;
 - Considering the effectiveness of communications with employers and members including the Communication Strategy;
 - Considering and commenting on Internal Audit recommendations; and
 - Consideration of External Auditor reports.
6. Any complaint or allegation of breach of due process brought to the attention of the Board shall be dealt with in accordance with the Pensions Regulator's Code of Practice.

Objectives

7. The Board's main objectives are set out below:

Governance: Act solely in terms of the public interest, with integrity, objectivity, accountability, openness, honesty and with leadership, and seek to ensure these are followed by all those involved in the Fund's administration.

Compliance: Seek to understand the statutory framework of regulations and guidance, and ensure all aspects are complied with.

Administration: Seek to ensure that proper procedures and controls are in place and are followed, and that performance expectations are met.

Communication: Seek to ensure that standards of reporting and clear communications are maintained and improved.

Efficiency: Seek to ensure improvements are being made in all processes, and minimise demands placed on officers in supporting the Board's work.

Effectiveness: Seek to ensure that the Board is making an effective contribution to the governance of the Fund through careful planning and performance assessment.

Risk management: Seek to ensure that fund risks are being identified, monitored and mitigated through proper procedures and controls.

Proper advice: Seek to ensure that proper advice is being taken and considered in all aspects of decision-making.

Knowledge and understanding: Seek to ensure that all Board members maintain a suitable level of knowledge and understanding.

Responsiveness: Seek to ensure that the Board considers and responds to consultations, surveys and requests for information effectively.

8. The means by which the Board can deliver these objectives is set out in the detailed plan. As part of the agenda planning process, the officers and chairman have agreed a structured agenda as a standard and discuss the detailed agenda well in advance of each scheduled meeting.
9. The papers for each meeting are made available at least one week prior to the meeting and implementation of action agreed is monitored in a progress report at the following meeting.

Budget

10. The Board does not have delegated powers to incur expenditure but agrees an annual budget with the officers each year. Provisional sums are included to allow the Board to request any additional independent advice should that might be required in exceptional circumstances.

Budget item	Budget 2019/20 £	Spend 2019/20 £	Budget 2020/21 £
Fee for independent chairman	16,000	16,000	17,500
Travel expenses/subsistence	2,000	1,072	2,000
Training provision	2,500	1,500	2,500
Democratic Services Support (0.2 FTE)	7,000	6,760	7,000
Meetings (incl. refreshments)	500	671	700
Provisional sums (if required):			
✓ Legal and other external advice	3,000	0	3,000
✓ Contingency	2,000	0	2,000
TOTAL BUDGET	33,000	26,003	34,700

N.B. All costs are chargeable to the Pension Fund.

Training

11. The Pensions Committee has agreed a Training Strategy which incorporates the Board's training needs. Training for Board members, including induction training, is provided through regular focus sessions at each meeting, regular updates from officers and advisers, internally developed training days, and attendance at external seminars which specialise in the needs of local pension boards.
12. Reference is also made to the e-learning provided by the Pensions Regulator and, at the start of 2020/21, all members of the Board had successfully completed the public service learning modules.
13. In terms of self-learning and familiarisation, the Board has developed arrangements to keep members apprised on changes to the scheme regulations and guidance through access to the national LGPS and Scheme Advisory Board websites.

Risk Management

14. The Board does not consider it necessary to have its own risk register but monitors the Fund risk management arrangements as reported to the Pensions Committee on a regular basis.