

Pensions Committee

1 November 2023

Business Plan

Report by Director of Finance and Support Services

Summary

The Pensions Committee approved its Business Plan for 2023/24 in April 2023.

Appendix A provides a summary of progress against the Business Plan priorities. The following updates are highlighted in terms of deliverables to date:

- The Director of Finance and Support Services has further considered the arrangements in place to administer the West Sussex Local Government Pension Scheme(LGPS) and is considering recommendations to strengthen the arrangements currently in place.
- Hymans Robertson was appointed as the Fund Actuary for an initial period of six years. This follows a competitive process via the National LGPS Framework. The timetabled open tender for a property manager is due to be published shortly with the completion date extended slightly to June 2024 (previously 31 March 2024). Work also continues with ACCESS colleagues in relation to procurement for Operator Services, for completion by 31 March 2025.
- Officers have continued to work with appointed fund managers to prepare an initial review of the framework and data coverage relating to climate-related financial disclosures.
- A response was prepared and sent in response to the Government [consultation on proposals](#) relating to the investments of the LGPS which covers areas of asset pooling, levelling up, opportunities in private equity, investment consultancy services and the definition of investments. This followed engagement with local authority colleagues, specialist advisers and fund managers.
- On 1 October, changes to the regulations to facilitate the McCloud remedy became effective. In total 7,340 members have been identified as being in scope for remedy. The administration team will check whether the pension to a member in the final salary scheme is higher than the current benefit arrangements for members retiring after 1 October 2023. There is no further update on the remedy timetable for Teachers Excess Hours and Goodwin.

Although not included in the Business Plan, the Pension Fund Accounts for the financial year 2022/23 were [published](#) by the statutory deadline of 31 May 2023. Ernst and Young has commenced its audit work, the plan for which was noted at the [Regulation, Audit and Accounts Committee \(RAAC\) on 21 September 2023](#). The audit work is expected to be completed by 31 October, ahead of the final accounts being presented the RAAC on 1 December 2023.

Appendix B provides an update on the risk matrix. There has been an increase to red for two risks regarding employer admissions reflecting the increase in the number of retrospective admissions which is impacting the workload of the team whilst it ensures employers are admitted as promptly as possible to mitigate the risk to members.

Appendix C provides an update on training available and completed. Members are reminded of the importance of completing the LGPS Online Learning Academy modules to support their role as Pension Committee members. To assess the level of knowledge and understanding of Committee and Board members and officers the Fund is participating in the Hymans Knowledge Progress Assessment which will be open between 1 and 14 November 2023.

Appendix D provides an update on internal audit work completed and in scope. All completed reviews have been assessed as 'substantial' or 'reasonable'. The National Fraud Initiative (NFI) audit work has now been completed. Four matches were initially identified as being active on the administration system and payment was immediately suspended. Following investigations by the team, one has since been reinstated and recovery is being made for the other three.

Recommendations:

- (1) The Committee notes the update on Business Plan activities for 2023/24.
- (2) The Committee provides comments on the risk matrix and audit work.
- (3) The Committee members review the training completed and advise officers of any additional requirements to support their development of the necessary skills and knowledge to act effectively as members of the Committee.

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Appendices

Appendix A – Summary of Business Plan Priorities

Appendix B – Risk Register

Appendix C – Training Log

Appendix D – Internal Audit Work Completed / Planned

Background papers

None

Recommended Training

None