

Report to Pension Advisory Board

13 November 2023

Business Plan Update

Report by the Chairman of the Pension Advisory Board

Summary

This report provides an update on progress in achieving the key tasks and activities for 2023/24.

The business plan update report considered by the Pensions Committee at its meeting on 1 November is included for the Board to review how the Committee's Plan is progressing, developments in the training strategy, and any variations in the risks.

Recommendations

The Board is asked to note the updates to the Business Plans of the Board and of the Pensions Committee.

Proposal

1. Background and context

- 1.1 The Board considered its Business Plan for 2023/24 on 22 May 2023, and in line with the Board's Terms of Reference, the Plan was approved by the County Council's Governance Committee on 26 June.
- 1.2 As part of its core business activity, the Board reviews progress on achieving the key tasks and activities at each meeting. Similarly, the Board considers updates on progress for the Pensions Committee's Business Plan at each meeting, particularly as these include information on risk management, internal audit, and training.
- 1.3 Progress on special activities and reviews continues to be constrained pending action by the Department for Levelling Up, Housing and Communities (DLUHC) to bring forward consultations on new initiatives, and a delay by the Pensions Regulator in publishing its new General Code of Practice. There has been progress recently with a consultation on investment issues which is reported under Item 9 on the agenda.

2. Business Plan update

- 2.1 The Board has maintained its schedule of core on-going work as set out in the Plan and kept abreast of developing issues. Some of the national initiatives held back from last year have still to emerge in terms of consultation and progress is being monitored. A brief review of progress in delivering special activities and reviews is set out in **Appendix A**.

3. Annual performance reviews

- 3.1 In previous years, the Chairman has undertaken reviews with each Board member, with key officers, and with the chairman of the Pensions Committee. For Board members, these take the form of written self-assessments combined with face-to-face interviews.
- 3.2 The review process is expected to take place in January prior to the Pension Advisory Board meeting in February. Further details will be circulated to Board members during November and dates will be arranged either for meetings in person or virtually.
- 3.3 The results of the annual review will be reported to the Board in February and will include a short summary report for inclusion in the Fund's annual report.

4. Pensions Committee Business Plan

- 4.1 A copy of the Pensions Committee's update report to its meeting on 1 November is attached as **Appendix B**.
- 4.2 The Board's attention is drawn to the update on the risk matrix (Appendix B), the update on the training log (Appendix C), and the update on internal audit work and scope (Appendix D).

5. Training

- 5.1 Maintaining knowledge and skills is a mandatory requirement for Board members and is assisted by the circulation of briefing papers, Committee/Board reports, and external links to national websites.
- 5.2 The Hymans LGPS Online Learning Academy (LOLA) is used as a baseline for training needs for both Board and Committee and has been updated recently. Other training is made available through in-house presentations and external courses and seminars. The Board's training log forms part of the Business Plan Update to the Pensions Committee.
- 5.3 In addition to activities recorded in the training log, the Board received a presentation from the Secretary to the Scheme Advisory Board on their work and emerging LGPS issues following its meeting in July, to which Committee members were invited. The training log will be updated to reflect the Pension Advisory Board and Pension Committee's attendance at this session.

6. Other options considered (and reasons for not proposing)

6.1 N/A

7. Consultation, engagement and advice

7.1 N/A

8. Finance

8.1 The Board has a budget agreed as part of its business plan, but this has not been affected in any significant way by the pandemic.

9. Risk implications and mitigations

9.1 ***Failure to manage work efficiently and effectively*** – The circulation of information papers to replace the cancelled meeting and the use of virtual meeting arrangements has enabled the Board to continue to work as efficiently and effectively as possible.

9.2 ***Failure to account for activities and performance*** – updates to each meeting monitor performance and the end year position will be reviewed in the usual way.

10. Policy alignment and compliance

10.1 The Board's business plan is developed to be consistent with the Pensions Committee's plan.

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Chairman of the Pension Advisory Board

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Appendices

Appendix A - Progress update on the Board's special activities and reviews

Appendix B - Pensions Committee's Business Plan Update (1/11/23)

Background papers

None