

## **Pension Advisory Board**

**26 February 2021**

### **Policy Documents**

#### **Report by Director of Finance and Support Services**

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#### **Summary**

It has been agreed that the Pension Advisory Board review relevant policy documents as part of its ongoing agenda.

#### **Recommendations**

- (1) That the Board note the register of Policy Documents
  - (2) That the Board provide feedback on the policy documents presented at the meeting in respect of their compliance with regulations and guidance.
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#### **Proposal**

##### **1 Background and context**

1.1 The Pension Regulators Code of Practice 14 requires that

*Pension board members must be conversant with their scheme rules which are primarily found in the scheme regulations and documented administration policies currently in force for their pension scheme.*

1.2 By reviewing policy documents on a regular basis the Board will be fulfilling their role in supporting the Scheme Manager by ensuring compliance with regulations. This would also assist members in ensuring they have the relevant knowledge and understanding of the Scheme.

##### **2 Pension Fund policy documents**

2.1 The Pension Fund is required by law to keep and maintain a number of policy documents. A list of all Pension Fund Policy Documents is included at Appendix A. It is proposed that as policies are reviewed by officers they will be presented to the Board for review against Regulations or Guidance.

2.2 The Governance Compliance Statement was last reviewed by the Board in November 2018 and was scheduled for review at this meeting. However, as reported to the Board previously, the governance framework, including the Regulations and guidance underpinning this statement, are being considered as part of the Scheme Advisory Board's (SAB) Good Governance Review. Progress by the SAB has been delayed by the pandemic, but it is expected that proposals for change will emerge shortly. The existing Governance Compliance Statement

has not changed since last reviewed by the Board and any further review is therefore deferred until the new proposals are known

### **3 Treasury Management Strategy**

- 3.1 The CIPFA "Treasury Management Code of Practice" requires the West Sussex Pension Fund to determine a treasury management strategy on an annual basis regarding the investment of its internally managed cash balances. The strategy includes the "Annual Investment Strategy" (AIS) that is a requirement of the Ministry of Housing, Communities and Local Government's (MHCLG) "Investment Guidance".
- 3.2 The latest Strategy will be considered by the Pension Committee at their next meeting on 17 March 2021.
- 3.3 The Board's role is to review the Strategy in line with the Investment Management Regulations - in respect of restrictions to borrow and maintaining a separate bank account - and the CIPFA guidance (Treasury Management Code of Practice and Cross-Sectoral Guidance Notes).

### **4 Other options considered (and reasons for not proposing)**

N/A

### **5 Consultation, engagement and advice**

N/A

### **6 Finance**

N/A

### **7 Risk implications and mitigations**

N/A

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### **Appendices**

- Appendix A - List of Policy Documents  
Appendix B - Extract from CIPFA guidance (Treasury Management Code of Practice and Cross-Sectoral Guidance Notes)  
Appendix C - Treasury Management Strategy

### **Background papers**

None