

INTRODUCTION

This briefing note summarises key points to note in the items being presented to the Pension Fund Committee on 8 March 2024 (procedural items have not been included).

PART A**STANDING ITEMS**

Compliance Update – breaches report notes one employer with long running payment challenges, current payments now being paid, arrears to be settled. Ongoing administration breach re delays in issuing Annual Benefit Statements to 100% of members, reported to The Pension Regulator, no enforcement action arising, situation improving, with some ABSs remaining outstanding.

Business Plan 23/24 – action tracker progress summarised as “amber”, some due dates have moved back one or two quarters, primarily as dependant on external factors. Risk register update including status of each action. KPI performance – four out of ten are flagged as “red” – ABS issue (link to compliance update), employer submitting data online (90.9% compliance), employer exits concluded within 6 months (two in breach but since resolved), investment returns above benchmark (0.31% below benchmark).

Regulatory update – items include Sharia compliance, Boycotts Divestment & Sanctions, new General Code of Practice, and Government response to consultation on LGPS Investments.

McCLOUD REMEDY – data gaps are being progressed, assumptions will be made where gaps persist. Administration system developments are progressing. Further government guidance is awaited. A detailed rectification plan will follow. All members were written to in December 2023; key message remains that no action is required from members.

PENSIONS DASHBOARD PROGRAMME – proposed connection staging date for public service schemes of 30 September 2025. Integrated Service Provider to enable the Fund to connect to the dashboard now appointed – preparations ongoing. Data Privacy Impact Assessment submitted and approved. Project plan / budget being developed.

AUDIT FINDINGS REPORT 2022-23 UPDATE – updated report following completion of most fieldwork. Two additional recommendations relating to system access by staff and quality of data submitted by some employers. Audit work substantially complete but signoff subject to Council audit completion.

DRAFT BUSINESS PLAN 2024-28 – includes 24/25 budget with 3.9% increase from 23/24. Key actions for 24/25 outlined. Action plan and risk register updates will be reported quarterly.

RESPONSIBLE INVESTMENT POLICY AND CLIMATE CHANGE STRATEGY UPDATES – updated RI policy and Climate Change strategy to be issued for 8 week consultation. Strategy includes new decarbonisation and climate change targets.

TRAINING POLICY AND PLAN FOR COMMITTEE AND BOARD – 2024/25 policy and plan presented. Policy to be kept under review as national governance updates are issued. Self assessment indicates fall in combined self-assessed scores – expected due to membership changes.

PART B - CONFIDENTIAL ITEMS**STANDING ITEMS**

Employer Changes and Activity – a number of member transfers and employer exits are noted.

Electronic Decision Notices – two approved decisions taken forward outside Committee meetings.

FUNDING STRATEGY STATEMENT (FSS) – amendments to FSS following consultation with affected employers proposed for endorsement.

FUNDING UPDATE AND OUTLOOK FOR 2025 VALUATION – discussion led by Fund Actuary on current funding levels and issues for the Committee to start to consider for the 2025 triennial valuation.

INVESTMENT STRATEGY REVIEW – proposals for review of the Fund's investment strategy to be considered in the run up to the 2025 valuation.

CYBER RISK UPDATE – an update on progress in delivering a review of Cyber Risk Management arrangements.