

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

14 January 2016

Proposed Local Pension Board Work Plan

Purpose of the Report

1. The purpose of this report is to present the work plan for the Local Pension Board for review and discuss any potential changes, additions or amendments.

Background

2. A draft work plan was proposed to this meeting on 22 October 2015 for approval, pending any amendments suggested at the meeting.
3. The proposed work plan for the Local Pension Board is designed around the Wiltshire Pension Fund's own work plan and the Boards requirements to secure compliance with LGPS regulations and Pension Regulator requirements. It was agreed that the work plan should be reported to the Pension Fund Committee to assist its understanding of the Board's contribution.
4. At the meeting it was acknowledged that the work plan was ambitious and that certain items would have to be deferred to allow the Board to be sufficiently trained to consider them. However, the work plan is positioned to allow both the review of the Fund's compliance with the regulations and governance arrangements while also being in a position to examine operational issues that would not normally go to the main Pension Committee.
5. It was also suggested at the last meeting that the work plan be categorised under topics and the July 2015 meeting be added to track the Board's progress from inception.
6. The Pension Board is reminded that its primary purpose is to help the Fund secure compliance with the LGPS regulations and the Pension Regulator requirements.
7. The Pension Committee is the decision making body and the Pension Board has no decision making powers. It can only advise or make recommendations to the Pension Committee
8. Therefore the Pension Board needs to be cognisant that:
 - a) Its work programme should be take account of the Fund's own work programme and seek to add value;
 - b) Servicing the Pension Board will consume Fund management resources and time;
 - c) The senior fund officers serving the Pension Board may on some fund performance issues be personally compromised and conflicted and we need to find ways to avoid this if at all possible; and
 - d) For some work items the Pension Board may need the Fund to budget for the costs of using specialist external consultancy resources to undertake and advise it

rather than using the senior officer servicing the fund.

Considerations for the Board

Revised Board Work Plan

9. The Appendix presents the revised Board Work Plan that is based on the one approved at the last meeting and updated to reflect the amendments agreed, namely the inclusion of the July 2015 meeting and the categorisation of the activities into the following areas:
 - Statutory
 - Board Governance
 - Policies & Strategies
 - Financials & Audit
 - Fund Administration
 - Fund Governance
10. The basis for this plan was drawn on the LGPS and the Pension Regulator's (TPR) guidance on the role of Pension Boards the Pension Board's business. It also takes account of the Pension Fund's cyclical annual and triennial business and actions within its Business Plan.
11. The aim is this work plan will inform the future agendas of the Pension Board's 4 meetings a year and outline its business objectives. The aim is that these meetings last no more than 4 hours each.
12. This forward look of Pension Board business will be a standing meeting item on each meeting agenda. This is to enable the Pension Board work programme to be dynamically managed to respond to new issues and developments at and between meetings and each year. It will also provide the basis for reporting on the Board's activities over the year within its Annual Report publication.
13. The Pension Board is invited to discuss and comment on this plan on the attached appendix, with a focus to priorities at least its near term training and main business items for the next 12 months.

Environmental Impact of the Proposal

14. There are no known implications at this time.

Financial Considerations & Risk Assessment

15. As outlined in paragraph 8, the proposed draft work plan will take up the Fund's management resource which has not been costed. There will also be a need to at times use an independent specialist adviser to undertake a review where either there is conflict of interest from the officers serving the Pension Board or specialist expertise is required.
16. The Pension Board may therefore, as per its Terms of Reference make requests to the Associate Director – Finance to approve any additional expenditure required to fulfil its obligations in line with any agreed work plan. These costs are charged to the Fund budget.
17. The purpose of the draft work plan is to mitigate the risk of the Fund not acting in compliance with the scheme and other relevant regulations.

Legal Implications

18. There are no material legal implications from this report. The purpose of the Local Pension Board is to ensure the Scheme Manager (Wiltshire Council) fulfils and is compliant with its statutory obligations under the relevant scheme rules and legislation.

Safeguarding Considerations/Public Health Implications/Equalities Impact

19. There are no known implications at this time.

Reasons for Proposals

20. To ensure the Local Pension Board maintains a clear and relevant forward work plan that is aligned to the business cycles of the Pension Fund Committee and enables it to fulfil its roles of helping secure compliance with the scheme regulations and assisting in the efficient and effective administration and governance of the Fund.

Proposals

21. The Pension Board is asked to approve the draft work plan as outlined in the appendix subject to amendments suggested at this meeting.

MICHAEL HUDSON
Treasurer to the Pension Fund

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Unpublished documents relied upon in the production of this report: NONE

APPENDIX

LOCAL PENSION BOARD – Work Plan

Meeting:	16-Jul-15	22-Oct-15	14-Jan-16	07-Apr-16	20-Jul-16	20-Oct-16	12-Jan-17	Apr 17	Jul 17	Oct 17	Jan 18	Apr 18	Jul 18	Oct 18	Jan 19
Statutory Items:															
Membership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Attendance of Non Members	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Apologies for absence	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Minutes of last Board & matters arising not on agenda		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chairman's announcements	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Declaration of Interest	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Public Participation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Date of Next Meeting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Urgent Items	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Main business items:															
Board Governance															
Election of Vice Chair	✓				✓				✓				✓		
Board Budget setting			✓				✓				✓				✓
Board KPIs to monitor				✓				✓				✓			
Board Annual Report				✓				✓				✓			
Review Board's Terms of Reference (if and as required)	✓				✓				✓				✓		
Board Annual Training Plan Update	✓	✓	✓			✓				✓				✓	
Training Item relevant to agenda		COI & Code of Conduct	tPR Code 14 and record keeping	2016 Triennial Valuation	Annual Reporting requirements	Data protection and quality standards	Complaints and dispute handling	Fraud prevention and mitigation	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Code of Conduct & Conflicts of Interest Policy	✓	✓												✓	
Role & purpose of the LPB	✓														
Forward Work Plan Review	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review - how did the Board do?		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Fund Policies & Strategies															
Review Fund Annual Business Plan	✓		✓				✓				✓				✓
Review Admin Strategy			✓				✓				✓				✓
Review Admin Authority Discretions			✓								✓				
Review Governance Compliance Statement				✓				✓				✓			
Review Funding Strategy Statement								✓							
Review Statement of Investment Principles/compliance with FRC stewardship code					✓				✓				✓		
Financials & Audit															
Review Fund Annual Report		✓				✓				✓				✓	
Review Fund Annual Accounts		✓			✓				✓				✓		
Review Internal Audit Report	✓	✓			✓				✓				✓		
Review External Audit Report		✓				✓				✓				✓	
Input to Annual External Audit Plan				✓				✓				✓			
Input to Annual Internal Audit Plan						✓				✓				✓	
Administration															
Review employers compliance (data)						✓			✓				✓		
Review Fund fraud risk prevention and mitigation measures						✓								✓	
Review Fund website contents/resilience							✓								✓
Review of Fund IDRPs procedures & cases							✓								✓
Review Fund Communications (employers/members)				✓				✓				✓			
Review of Data Security & Business Recovery									✓				✓		
Review GMP reconciliation process										✓					

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Fund Governance															
Scheme Legal, Regulatory & Fund update	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review of Risk Register		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fund update & comments on minutes of PC & ISC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review Fund Training Programme			✓				✓				✓				✓
Review all Fund Declarations of Interest				✓				✓				✓			
tPR Code of Practice 14/record keeping compliance survey results				✓								✓			
Results of national LGPS KPI survey and Funds own KPIs					✓				✓				✓		
Review external advisor appointments process/controls and internal SLAs						✓								✓	
Review Triennial Valuation Process						✓									
Review fund delegations and internal controls							✓								✓
Review CIPFA Admin, WM investment and other Fund benchmarking results							✓				✓				✓