

Business Plan Update

Lead Officer: Jason Vaughan: Director of Finance
Author: Anton Sweet: Funds and Investments Manager
Contact Details: (01823) 359584
asweet@somerset.gov.uk
Executive Portfolio Holder: Not applicable
Division and Local Member: Not applicable

1. Summary

- 1.1 To update the Committee with progress on and amendments to the Committee's business plan as agreed. Also to update Committee on relevant developments to the LGPS in general.

2. Issues for consideration

- 2.1 To note progress on the business plan and approve any amendments.

3. Background

- 3.1 The Somerset County Council Pension Fund (the Fund) is a statutory scheme with Somerset County Council acting as the 'administering authority' in accordance with the relevant legislation. This means that the County Council is responsible for taking all the executive decisions in respect of the Fund.
- 3.2 To meet its responsibilities in this respect the County Council has delegated executive decision making powers for the Fund to the Pensions Committee. A business plan has been produced to help ensure that the Pensions Committee meet their responsibilities and consider all necessary issues. Under the Scheme of Delegation put in place by the Committee day to day running of the fund has been largely delegated to officers.
- 3.3 Attached as appendix A is the business plan. Progress is shown in the final column followed by a colour coded key.
- 3.4 Attached as appendix B is a committee workplan, which indicates which items will come before each Committee meeting over the next 12 months. It should be noted all dates are provisional.

4. Progress since last report

- 4.1 Officers continue to monitor legal and regulatory developments in relation to McCloud and Goodwin.
- 4.2 Having laid regulations with respect to the £95k exit cap for staff the Government have repealed the regulations after being challenged in the courts. As the exit cap regulations clashed with the LGPS regulations there are a small number of cases that will now need to be looked at to ensure members are restored to the position they would have been in had the exit cap regulations never been in place.
- 4.3 Under separate cover Committee have received a report produced by UNISON on governance within the 10 LGPS funds linked to Brunel. Should Committee wish to specifically look to address any of the issues raised in the report as a priority that should be addressed within the business plan
- 4.4 Under separate cover Committee have received the final LGPS Scheme Advisory Board (SAB) report on the "Good Governance" project. On the assumption that this report will largely be adopted as statutory guidance for the LGPS Committee is asked to reflect on how they wish to approach meeting these new standards.
- 4.5 The SAB Good Governance report makes a number of recommendations around knowledge and skills for Committee members and consideration will need to be given to how to address this and the necessary time commitment on behalf of Committee members.
- 4.6 The annual report has not yet been published. No amendments have been made to the version approved by the Committee at the September meeting, but we are still awaiting final audit opinions from Grant Thornton. They have indicated they will not issue their opinions until work on Somerset County Council's audit is complete. The Pension Fund work is complete. We have missed the 1st December publication date required in the regulations as have the majority of LGPS funds. It is hoped this process will be signed off shortly.
- 4.7 Committee will note that the workplan contains a review of investment strategy and the Fund's approach to ESG for later in 2021. Committee are asked to indicate what training and facilitation time they would like as part of this review.

5. Consultations undertaken

None

6. Financial Implications

None

7. Background Papers

None

Note For sight of individual background papers please contact the report author.