



Report of: **Corporate Director of Finance and Resources**

Meeting of:	Date	Agenda item	Ward(s)
Pensions Sub-Committee	15 July 2014	B8	n/a

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: ANNUAL REVIEW AND PROGRESS ON THE 2011-2015 PENSION BUSINESS PLAN

1. Synopsis

- 1.1 To report to the Pension Sub-Committee progress made to date on some of the action plans in the agreed four year business plan and undertake an annual review of the plan

2. Recommendations

- 2.1 To consider and note progress to date on some of the action plans on the attached business plan, Appendix A.
- 2.2 To review the business plan and agree the required changes

3. Background

- 3.1 CIPFA Pensions Panel Principles for Investment Decision Making in the Local Government Pension Scheme in the United Kingdom (Guidance note issue No. 5) publication, is based on ten principles proposed by the Myners review of Institutional Investment in the United Kingdom, and was adopted by the Government as a model for best practice in 2001.
- 3.2 The 10 Myners principles were reviewed by the NAPF in 2007 and after consultation a response document was published in October 2008 and adopted by CLG (government department responsible for the oversight of the LGPS). The LGPS administering authorities are required to prepare, publish and maintain a statement of compliance against a set of six principles for pension fund investment, scheme governance, disclosure and consultation.
- 3.3 The Myners principles and compliance forms part of Islington Pension Fund's published Statement of Investment Principles. Myners Principle 1- Effective decision-making through a forward looking business plan is a key requirement. Members agreed a four year business plan to April 2015 and to review the plan annually.

- 3.4 The key objectives of the four year business plan agreed at the March 2011 Pensions sub-committee and last reviewed in June 2013 are
- ◆ To achieve best practice in managing our investments in order to ensure good long-term performance , sustainability of the Fund and pursue new investment opportunities
 - ◆ To continually improve our administration in order to deliver an excellent and cost effective service to all Fund Members.
 - ◆ To engage with companies as an active and responsible investor with a focus on good corporate governance and environmental sustainability.
 - ◆ To actively monitor and challenge poor performance in managers and to pursue new investment opportunities
 - ◆ To develop collaboration opportunities with other funds for sharing of services collaborate
- 3.5 The four year business plan with progress to May 2014 is attached as Appendix A. Members are asked to consider and note progress made and undertake a review of the plan for any amendments.

4. Implications

4.1 Financial implications:

- 4.1.1 It is envisaged that a good business plan with effective actions as a whole will lead to efficiencies in running the fund and cost savings.

4.2 Legal Implications:

- 4.2.1 Elected members have fiduciary duty to the Fund, scheme members and local council tax payers in relation to the LGPS.

4.3 Equality Impact Assessment:

- 4.3.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.”

- 4.3.2 An equalities impact assessment has not been conducted because this report is not considering any policy changes.

4.4 Environmental Implications

- 4.4.1 None specific to this report

5. Conclusion and reasons for recommendations

- 5.1 It is good practice to have a business plan to formulate actions and enable members to make effective decisions. Members are therefore asked to note progress made and review the business plan to agree the required amendments.

Appendix A -4 year business plan to 2015

Background papers: none

Final report clearance:

Signed by:

Received by: Corporate Director of Finance and Resources Date

Head of Democratic Services Date

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