



Report of: Corporate Director of Resources

Meeting of:	Date	Agenda item	Ward(s)
Pensions Sub-Committee	12 September 2018		n/a

Delete as appropriate		Non-exempt	
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SUBJECT: ANNUAL REVIEW AND PROGRESS ON THE 2016-2020 PENSION BUSINESS PLAN

1. Synopsis

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

2. Recommendation

- 2.1 To consider and note Appendix A attached.
- 2.2 To review the business plan objectives and agree the required changes if any for the next 4 years

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 five- year business plan to April 2020 and to review the plan annually.

- 3.4 The key objectives of the five- year business plan agreed at the June 2017 Pensions sub-committee:
- To achieve best practice in managing our investments in order to ensure good long-term performance, sustainability of the Fund value for money and a reduction in managers' fees wherever possible 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 engage with companies as an active and responsible investor with a focus on good corporate governance and environmental sustainability, whilst achieving a financial return for the fund and addressing societal impact
 - 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 and pooling
- 3.5 The five- year business plan with progress to June 2018 is attached as Appendix A. Members are asked to consider and note progress made and undertake a review of the plan's objectives for any amendments for the next 4 years.

4. Implications

4.1 Financial implications

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

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

4.3 Environmental Implications

None applicable to this report.

4.4 Equality Impact Assessment

None applicable to this report. 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

5. Conclusion and reasons for recommendation

- 5.1 To note progress made and review the agreed objectives the business plan make amendments if necessary.

Background papers:

None

Final report clearance:

Signed by:

Received by: Corporate Director of Finance & Resources Date

Head of Democratic Services Date

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