

# Croydon Council

<b>REPORT TO:</b>	<b>Pension Committee</b> <b>5 December 2017</b>
<b>SUBJECT:</b>	<b>Forward Plan</b>
<b>LEAD OFFICER:</b>	<b>Nigel Cook Head of Pensions and Treasury</b>
<b>CABINET MEMBER</b>	<b>Councillor Simon Hall</b> <b>Cabinet Member for Finance and Treasury</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT:</b> Sound Financial Management: Ensuring that the pension fund is being given appropriate guidance and direction through the governance of the Pension Committee.	
<b>FINANCIAL SUMMARY:</b> There are no direct financial consequences to this report. However the implications of decisions taken by this Committee can be significant for the Revenue Account of the Council.	
<b>FORWARD PLAN KEY DECISION REFERENCE NO.: N/A</b>	

## 1. RECOMMENDATIONS

- 1.1 That the Committee note the business plan for the next year.

## 2. EXECUTIVE SUMMARY

- 2.1 It is recommended best practice for the Pension Committee (the Committee) to regularly review the forward plan. This report proposes a revised 2017/2018 forward plan which forms a business plan for the Committee and a draft for the year 2018/2019.

## 3. DETAIL

- 3.1 The forward plan below sets out an agenda for each quarterly meeting to be held in 2017/2018 and 2018/2019; however, further items may be added as required by senior officers in consultation with the Chair. There may be a need to add items in response to changing circumstances, such as any issues thrown up by the government's decision to require funds to pool assets, changes to the investment regulations or if there are further global market events requiring actions from the Committee.

3.2 As a separate matter, the Committee has decided to visit each of the portfolio's fund managers over a twelve to fifteen month cycle. This schedule will be refreshed and reported to this Committee; the list below represents the visits that have been arranged.

Wellington (Fixed interest)	29th November, 2017
Schroders (Commercial property)	14th December, 2017
Pantheon (Private Equity)	24th January, 2018
Equitix (Infrastructure)	21st February, 2018
Knightsbridge (Private Equity)	21st March, 2019

3.3 The Committee has committed to a programme of training and in part, this can be delivered by sessions following on from or preceding the business part of the meeting. The content of training will be informed by the direction of future legislation; and the choice of investment vehicles.

3.4 With the introduction of the Local Pensions Board, some issues that previously were considered by the Committee are also being addressed by that body. This includes:

- Review of strategy and policy documents such as the Funding Strategy Statement and Investment Strategy Statement;
- Key Performance Indicators;
- Engagement with stakeholders;
- ESG (Ethical, Social and Governance) and voting matters;
- Assessment of the performance of professional advisors;
- Consideration of Myners principles;
- Matters relating to fees; and
- Other matters of topical interest.

3.5 Matters relating to admission agreements, schools converting to academies and other scheme employers will be reported to the Committee on an ad hoc basis.

### **3.6 The Pension Committee 2017-2018 Business Plan**

#### **3.6.1 13 March 2018**

- Progress report quarter ending December 2018 performance
- KPIs
- Award of contracts under the National LGPS Framework for legal services and investment advice consultancy services
- Report back from Pensions Board

### **3.7 The Pension Committee 2018 – 2019 Business Plan**

#### **3.7.1 5 June 2018**

- Progress report quarter ending March 2018 performance
- Risk Register review
- Forward Plan review
- Review of the Investment Strategy Statement

- Review and adopt:
  - Discretion's policy for the Council;
  - Training policy for the Committee, Board and officers;
  - Communications Policy; and
  - Terms of Reference for the Committee.
- To consider the Pension Fund Audit Plan

### **3.7.2 18 September 2018**

- Progress report quarter ending June 2018 performance
- KPIs
- Draft Annual Report
- External Auditors Report
- Local Pension Board Annual Report
- Report back from Pensions Board
- Review and adopt:
  - Policy for Employers leaving the Fund;
  - Internal Disputes Resolution Policy;
  - Breaches of the Law policy;
  - Administration Strategy;
  - Conflicts of Interest Policy (for the Pensions Board); and
  - Local Pension Board Annual Review.

### **3.7.3 4 December 2018**

- Progress report quarter ending September 2018 performance
- Risk Register review
- Forward Plan review
- Review London CIV against Investment Strategy Statement (ISS) guidance (regulation (7) (2) d)
- Review of ESG investment principles for inclusion in ISS

### **3.7.4 12 March 2019**

- Progress report quarter ending December 2018 performance
- Risk Register review
- Forward Plan review
- Report back from Pensions Board
- Review the ISS

3.8 This forward plan forms the business plan for the Committee. The Committee are asked to consider any changes necessary to the forward plan and subject to these, agree its adoption.

## **4 FINANCIAL CONSIDERATIONS**

4.1 There are no further financial considerations flowing from this report.

## **5. OTHER CONSIDERATIONS**

- 5.1 Other than the considerations referred to above, there are no customer Focus, Equalities, Environment and Design, Crime and Disorder or Human Rights considerations arising from this report

## **6. COMMENTS OF THE SOLICITOR TO THE COUNCIL**

- 6.1 The Solicitor to the Council comments the Council is an Administering Authority under the Local Government Pension Scheme Regulations 2013 (the Regulations) for the London Borough of Croydon's Pension Fund.
- 6.2 The Pension Committee act as Trustee of the Pension Fund and is responsible for (1) ensuring that the Pension Fund is properly operated in accordance with the Regulations and all other relevant legislation and best practice as advised by the Pensions Regulator (2) adopting Fund specific policies concerning the administration of the Pension Fund and (3) discharging its fiduciary responsibility in the best interest of the Pension Fund.
- 6.3 The proposed Forward Plan accords with best practice and will assist the Committee with its statutory responsibilities.
- 6.4 When exercising its functions in relation to the Pension Fund the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the Public Sector Equality Duty).

**Approved by:** Sandra Herbert Head of Litigation and Corporate Law on behalf of Jacqueline Harris-Baker the Director of Law and Monitoring Officer.

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### **CONTACT OFFICER:**

Nigel Cook, Head of Pensions Investment and Treasury,  
Resources department, ext. 62552.

**BACKGROUND DOCUMENTS:** None