

# TEESSIDE PENSION FUND

Administered by Middlesbrough Council

AGENDA ITEM 7

## TEESSIDE PENSION BOARD REPORT

23 APRIL 2018

STRATEGIC DIRECTOR OF FINANCE, GOVERNANCE & SUPPORT – JAMES BROMILY

### PROGRESS AGAINST THE 2017/18 ANNUAL REPORT WORK PROGRAMME

#### 1. PURPOSE OF THE REPORT

- 1.1 To propose a report format to for the Pension Board Members to review progress against the work programme as set out in the 2017/18 Annual Report.

#### 2. RECOMMENDATIONS

- 2.1 That Members review the work programme set out in Appendix A and at the Pension Board meeting discuss whether there has been sufficient progress.

#### 3. FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications for the Fund.

#### 4. BACKGROUND

- 4.1 The Teesside Pension Board agreed the Annual Report 2017-18 at the July 2017 Board meeting. As part of the Annual Report a work programme for 2017-18 was agreed.
- 4.2 The work programme is attached in Appendix A for the Board to review and discuss progress made against each activity.

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## WORK PROGRAMME 2017/18

	Work Programme Activity	Achieved ✓ / ✗	Comments
<b>Training</b>	Commission further training on investment performance & risk management, and financial markets & product knowledge.		
	Review the Board's training needs and develop a training plan.		
	Invite the Pension Regulator to provide training on the work of the Regulator, and on recent developments and priorities.		
	Receive training on current and emerging issues, including: <ul style="list-style-type: none"> <li>the requirements of the new General Data Protection Regulation (GDPR).</li> <li>the risks associated with HMRC's current reconciliation exercise on "contracting out" contributions.</li> <li>the accuracy of membership data.</li> </ul>		
	Increase the Board's practical knowledge of the work of the pension administrators		
<b>Governance &amp; Policies</b>	In consultation with the Pension Fund Committee, review governance arrangements and implement any necessary changes to ensure that the Teesside Pension Fund adheres to best practice and fully meets modern governance expectations.		
	Monitor documents required by the Regulations to ensure they are regularly reviewed and approved.		
	Assess compliance against the Pension Regulator's Code of Practice.		

	Work Programme Activity	Achieved ✓ / ✕	Comments
	Review arrangements for ensuring that the Fund is providing value for money in relation to its contractual requirements.		
	Regularly review the minutes of the Teesside Pension Fund Committee meetings and decisions taken.		
	Receive Internal Audit reports.		
	Receive the report of the External Auditors.		
	Receive, and comment upon, the Annual Report and Accounts.		
	Ensure that appropriate action is being taken to minimise any potential debt impact resulting from HMRC's reconciliation between its own records and Fund records relating to "contracting out" contributions.		
<b>Performance</b>	Review the measures used to assess performance of the Fund.		
	Examine the pension administration unit's compliance with key performance requirements agreed in the SLA.		
	Consider the timeliness of collecting employer contributions.		
	Monitor actions to improve communication with employers and members.		
<b>Risk</b>	Continue to monitor progress towards setting up the Border to Coast Pension Partnership, to ensure that the initiative is in the long-term benefit of the Teesside Pension Fund.		
	Continue to monitor staffing levels, to ensure that the Fund continues to be able to fulfil its core functions.		
	Reinvigorate the Risk Register and keep it under review.		
	Use the forthcoming review of the employer covenant process to provide assurance that risk is minimised.		

	<b>Work Programme Activity</b>	<b>Achieved</b> ✓ / ✕	<b>Comments</b>
	Keep the cost and risk implications of MiFID II under review.		
	Respond to guidance from the Pensions Regulator regarding areas considered nationally to be at greatest risk of breach (currently record keeping, internal controls and poor & ineffective communication) to ensure that these areas are monitored effectively.		
	The Board satisfies itself that all necessary steps are being taken to ensure the accuracy of membership data, and compliance with the Pension Regulator's requirements for data accuracy.		
	Ensure that a strategy is in place to manage any debt impact which might result from HMRC's current reconciliation exercise on "contracting out" contributions.		
	Monitor compliance with the requirements of the new GDPR.		