

TEESSIDE PENSION FUND

Administered by Middlesbrough Council

AGENDA ITEM 8

TEESSIDE PENSION BOARD REPORT

20 FEBRUARY 2023

DIRECTOR OF FINANCE – HELEN SEECHURN

Update on Work Plan Items

1. PURPOSE OF THE REPORT

- 1.1 To present Members of the Teesside Pension Board (the Board) with information on items scheduled in the work plan for consideration at the current meeting.

2. RECOMMENDATION

- 2.1 That Board Members note this report.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no specific financial implications arising from this report.

4. BACKGROUND

- 4.1 At its meeting on 19 July 2021 the Board agreed an updated work plan for the coming months and years which set out areas for the Board to discuss or consider at subsequent meetings (see Appendix A). These were typically areas that the Pensions Regulator and/or the Scheme Advisory Board (SAB) had identified as important for Local Pension Boards to consider.

5. REVIEW THE OUTCOME OF ACTUARIAL REPORTING AND VALUATIONS

- 5.1 As Members will be aware, the latest triennial valuation of the Fund (as at 31 March 2022) is currently in progress. Reports were brought to the last two Board meetings outlining progress – these have been in the private agenda owing to commercial sensitivity around draft information and the intellectual capital contained in the reports. The Board will continue to be kept informed throughout the valuation process, with the final report due to be published by the end of March 2023.
- 5.2 At present almost all Pension Fund employers have been provided with details of their draft valuation outcome, setting out the employer contribution rates they will be required to pay over the three year period commencing 1 April 2023. Although these are presented as ‘draft’ results, the outcome is unlikely to change unless some material discrepancy is identified in the data used to prepare the report, or if the

employer proposes a realistic alternative contribution pattern that is acceptable to the Pension Fund and will achieve the same funding objective.

- 5.3 An example draft valuation outcome report together with a Briefing Note from the actuary which was also sent to employers is enclosed at Appendix B.
- 5.4 As part of the communication process around the valuation, all employers were invited to an on-line Employer Forum held on 10 February 2023 where the actuary gave a presentation explaining more about the valuation process and outcomes and also took questions from attendees. A copy of the slides used at this presentation is enclosed at Appendix C. Employers are also encouraged to contact the Head of Pensions Governance and Investments if they want to discuss their valuation outcome.
- 5.5 The Board will have the opportunity to discuss the final valuation outcome and report at its April 2023 meeting.

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Teesside Pension Board Work Plan		
Date of Board meeting and any standard items scheduled	Suggested areas of focus (from the Pensions Regulator's list)	Suggested activities (from the Scheme Advisory Board guidance)
July 2021 Draft Report and Accounts		
November 2021 Annual Review of Board Training	Pension board conflict of interest	Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme
February 2022	Reporting breaches Maintaining contributions Reporting duties	Review procurements carried out by Fund
April 2022 Annual Board Report	Internal controls and managing risks	Review the complete and proper exercise of employer and administering authority discretions.
July 2022 Draft Report and Accounts	Record keeping Resolving internal disputes	Review performance and outcome statistics Review handling of any cases referred to Pensions Ombudsman
November 2022 Annual Review of Board Training	Regulator Code of Practice Gap Analysis	Review the outcome of actuarial reporting and valuations.
February 2023		Review the outcome of actuarial reporting and valuations.
April 2023 Annual Board Report	Communicating to members Publishing scheme information	Review standard employer and scheme member communications
July 2023 Draft Report and Accounts		