
BUSINESS PLAN 2022/23 – 2024/25

Report by Director Finance & Corporate Governance

**JOINT MEETING OF PENSION FUND COMMITTEE AND
PENSION BOARD**

29 June 2022

1 PURPOSE AND SUMMARY

- 1.1 **This report presents the draft Pension Fund Business Plan 2022/23 – 2024/25 for approval by Committee.**
- 1.2 Best practice suggests that having a business plan for the pension fund is a good way of demonstrating compliance with the “Myners Principle” relating to effective decision making. Appendix 1 contains the first Pension Fund Business Plan, covering the period 2022/23 – 2024/25.
- 1.3 The Business Plan 2022/23 – 2024/25 identifies an Action Plan that will be delivered during the next three years to support the aims and objectives of the Fund.

2 RECOMMENDATIONS

- 2.1 **It is recommended that the Pension Fund Business Plan 2022/23 – 2024/25 as set out in Appendix 1 is approved.**

3 BACKGROUND

- 3.1 Local Government Pension Scheme (LGPS) administering authorities are required to prepare, publish and maintain statements of compliance against a set of six principles for pension fund investment, scheme governance, disclosure and consultation. These are referred to as the “Myners Principles” which are set out in the Statement of investment principles elsewhere on the committee agenda.
- 3.2 Best practice suggests that having a business plan for the Pension Fund is a good way of demonstrating compliance with the Myners Principle that relates to effective decision making.

4 PENSION FUND BUSINESS PLAN 2022/23- 2024/25

- 4.1 Appendix 1 contains the proposed Pension Fund Business Plan 2022/23 – 2024/25 (the Business Plan).
- 4.2 The Business Plan has been developed by officers in Human Resources and Finance and uses the template developed for the Council, with some adjustments to meet the specific needs of the Pension Fund.
- 4.3 The sections of the Business Plan are:
- (a) Overview of the Pension Fund;
 - (b) A summary of what must be done;
 - (c) The Fund’s aims and objectives;
 - (d) A summary of successes and areas for improvement; including the actions completed in 2021/22 from the previous Business Plan.
 - (e) Management of Risk Summary;
 - (f) Key stakeholders;
 - (g) An overview of the Fund’s resources;
 - (h) How Performance is managed;
 - (i) The Fund’s Action Plan, including performance indicators for 2022/23 – 2024/25.
- 4.4 The Action Plan is split into three objectives which support the Strategic Aims of the Fund. These are:
- (a) Set levels of employer contributions that will build up a fund of assets that will be sufficient to meet all future benefit payments from the Fund, and invest in assets that grows the Fund’s assets in such a way that produces levels of employer contribution that are as stable as possible.
 - (b) Deliver a High Quality Pension Service to Members.
 - (c) Ensure that Scottish Borders Pension Fund is managed effectively, transparently and in compliance with legal requirements.

5 IMPLICATIONS

5.1 Financial

There are no direct financial implications arising from this report, The actions required by the Business Plan may however have financial implications and these will be reported as they arise.

5.2 Risk and Mitigations

This report is part of the governance framework to manage the operation of the Pension Fund and ensure effective decision making. A full risk register is maintained and monitored regularly in line CIPFA Pension Fund Risk Management guidance.

5.3 Integrated Impact Assessment

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine good governance required under the Local Government Pension Scheme (Governance) (Scotland) Regulations 2014. Nevertheless, a light touch assessment has been conducted and this will be published on SBC's Equality and Diversity Pages of the website as in doing so, signifies that equality, diversity and socio – economic factors have duly been considered when preparing this report.

5.4 Sustainable Development Goals

There are no direct impacts from this report on the sustainable development goals of the Council.

5.5 Climate Change

There are no direct climate change impacts as a result of this report.

5.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

5.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.8 Changes to Scheme of Administration or Scheme of Delegation

No changes are required as a result of this report.

6 CONSULTATION

- 6.1 The Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

David Robertson

Director - Finance & Corporate Governance

Signature

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Background Papers:

Previous Minute Reference: Joint Pension Fund Committee and Pension Board, 14 December 2021

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