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## INFORMATION UPDATE

Briefing Paper by Acting Chief Financial Officer

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

22 June 2023

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#### 1 PURPOSE AND SUMMARY

- 1.1 This briefing paper is to provide members of the Committee and the Board with an update on a number of areas which are being monitored and areas where work is progressing. Full reports on the individual areas will be tabled as decisions and actions are required.

#### 2 SCOTLAND 2020 SECTION 13

- 2.1 As part of the Public Service Pensions Act 2013 a requirement was placed on Scottish Ministers to carry out an independent review of every LGPS local valuation to ensure it complies with four criteria:
- **Compliance** with the Regulations
  - A valuation that is not **inconsistent** with others
  - A funding plan that ensures **solvency** of the fund
  - A **long-term cost efficient** funding plan
- 2.2 Further to the update provide in the March 2023 meeting it has now been confirmed by Hymans Robertson that there have been no significant changes to the report issued in its draft version. Most importantly the Scottish Borders Council Pension Fund has received no amber or red flags.
- 2.3 The report and related appendices can be found at the following link: -  
[Local Government Pension Scheme \(Scotland\) Section 13 report as at 31 March 2020 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114444/Local_Government_Pension_Scheme_Scotland_Section_13_report_as_at_31_March_2020.pdf)

#### 3 ACTUARIAL VALUATION AS AT 31 MARCH 2023

- 3.1 Work continues on the Actuarial Valuation with officers having discussions with the Fund Actuary on a regular basis to ensure all is on track and decisions taken at the appropriate time. Updates will be provided on progress at future meetings with reports being presented in accordance with the outline project plan shared at the last joint meeting.

#### **4 OVERSEAS LIFE CERTIFICATE CHECK**

- 4.1 The annual process of issuing Life Certificates for overseas Pensioners has been undertaken. There were 42 issued and to date there have been 22 returned, the deadline date for return is 30 June 2023. Any not returned by this date will be issued reminders and advised that future payments will be suspended pending the receipt of the life certificate.

#### **5 RISK REGISTER REVIEW**

- 5.1 Work is underway on the refresh of the Pension Fund Risk Register, agreed by the Committee and Board at its joint meeting in March 2023, which is being supported by the Council's Chief Officer Audit & Risk and Corporate Risk Officer. The Independent Adviser's recommendations relating to Risk will be considered and implemented as part of the risk refresh process.

#### **6 STEWARDSHIP CODE & GOVERNANCE REVIEW**

- 6.1 Following on from the successful application to the Stewardship Code, and highlighted in the previous information update, we will need to take forward a number of future actions to sustain the accreditation.
- 6.2 The identified actions from the Clare Scott governance review remain a work in progress with some actions already being progressed, such as the full risk review, and others still to be commenced, some of which are included in the Business Plan previously presented.
- 6.3 In order to address both of the above points the Fund has engaged Pat Tomlin to carry out project planning and develop an action plan to address the identified priorities. Further updates will be brought back to the Committee to update on progress.

#### **7 SCHEME ADVISORY BOARD**

- 7.1 Scheme Advisory Board Bulletins from March and May of this year can be found at Appendix 1.

#### **8 TRAINING OPPORTUNITIES**

- 8.1 Training to Committee and Board members was provided on 17 May 2023 and covered Governance, Valuation, Investments, Funding and Administration.
- 8.2 Following the above training session Hyman's Robertson provided a brief guide to the LGPS, which can be found at Appendix 2.
- 8.3 Officers will continue to look at training opportunities that arise and will bring these to the attention of the Committee and Board members.

#### **9 FUTURE MEETINGS**

- 9.1 The dates of future meetings are given below for information.

Joint Pension Fund Committee and Pension Fund Board

- Thursday 14 September 2023

- Tuesday 12 December 2023
- Thursday 7 March 2024
- Thursday 20 June 2024

Pension Fund Investment and Performance Sub-Committee

- Monday 26 June 2023
- Monday 21 August 2023
- Monday 30 October 2023
- Monday 24 June 2024

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