

Appendix 1

Summary of recommendations

Set out below are a summary of all the recommendations made as part of this governance review.

Clarity of objectives

Recommendation 1

We recommend that consideration be given to agree a set of objectives for the Fund, which are in line with legislative requirements and any related professional guidance. These objectives will then drive future business of both the Pension Committee and Pension Board.

Business planning

Recommendation 2

A formal business plan should be developed for the fund in accordance with CIPFA requirements.

Once the content is agreed this plan should form part of regular updates to both the Pension Committee and Pension Board, giving opportunities for the plan to develop and evolve as circumstances dictate. This review of the business plan should be supported by relevant performance management information.

Delivery

Recommendation 3

Consideration should be given to the provision of additional support to the role of Technical Finance Manager, freeing up her time to focus on key strategic priorities within the Fund's business plan while at the same time spreading the load across a larger pool of staff.

Recommendation 4

We recommend that the Council review the current structure around the pensions administration team and the Technical Finance Manager, to ensure that appropriate reporting lines are in place and that senior managers are adequately aware of their own responsibilities in relation to the management and administration of the fund.

Risk Management

Recommendation 5

The fund should create a risk management policy, setting out:

- its risk philosophy for the management of the fund;
- its appetite for risk;
- how risk management is implemented;
- roles and responsibilities for the management of risk;
- key controls to be operated by those with responsibility for managing the Fund's.

Following on from the creation of its risk policy the current issues log should be developed into a full risk register.

This revised risk register, or alternatively a highlight version, should then become a standing item at future Committee and Board meetings.

Decision making

Recommendation 6

Consideration be given to putting in place an investment sub-Committee, to support the work of the Pension Committee and to ensure the Administering Authority is more able to exploit the wider opportunities and strategies the Fund will be exposed to as part of the ACCESS pool.

Recommendation 7

Ensure that the Fund puts in place and publishes an Administration Strategy, in accordance with the requirements of the LGPS Regulations, to include all of the matters set out in regulation 59(2) of those Regulations.

An approach should also be agreed to launch the Administration Strategy and to ensure Administering Authority and employer compliance with the requirements of the Strategy.

Recommendation 8

We recommend that the Fund's Communication Policy be reviewed, to ensure that it more accurately meets the requirements of the LGPS Regulations and articulates the manner in which the Administering Authority will communicate with members, prospective members, their representatives and scheme employers.

Recommendation 9

Consideration should be given to putting in place a formal Training Policy, setting out the Administering Authorities approach to training for members of the Pension Committee, Pension Board and Officers involved in the management and administration of the Fund.

Pooling

Recommendation 10

Review the terms of reference and scheme of delegation for the Fund's pension Committee and Pension Board to ensure they are appropriate post pooling. If an investment sub-committee is being set up, consider its terms of reference in the context of pooling.

Recommendation 11

Ensure the fund receives regular reporting from ACCESS on both manager selection and performance, holding ACCESS to account and ensuring that the best interests of the Isle of Wight Council Pension Fund's interests are satisfactorily met.