



Haringey Council

Pensions Committee

On 12 April 2011

Report Title. **Myners Principles compliance – assessment of effectiveness 2010/11**

Report of **Director of Corporate Resources**

Signed : *J. Pava* 11/4/11

Contact Officer : **Nicola Webb – Corporate Finance**
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Wards(s) affected: **All**

Report for: **Non Key Decision**

1. Purpose of the report

- 1.1. To present to the Committee the results of the formal assessment of effectiveness to enable full compliance with the Myners Principles.

2. Introduction by Cabinet Member

- 2.1 Not applicable.

3. State link(s) with Council Plan Priorities and actions and / or other Strategies:

- 3.1. Not applicable.

4. Recommendations

- 4.1 That the Committee approve the proposed wording of the disclosure for the Pension Fund Annual Report regarding the assessment of effectiveness set out in paragraph 15.3.

5. Reason for recommendations

- 5.1. To ensure that the Committee is able to record the result of its assessment in the 2010/11 Annual Report and report full compliance with the Myners Principles on investment.

6. Other options considered

- 6.1. Not applicable.

7. Summary

- 7.1 A self-assessment of effectiveness has been undertaken by members of the Pensions Committee using the framework agreed at the previous meeting. This assessment has resulted in an average score of "Good".
- 7.2 A number of areas for development have been identified including more and better focused training, a review of quarterly data provided and a review of business plan setting process.

8. Head of Legal Services Comments

- 8.1 The Head of Legal Services has been consulted on the content of this report. Approval of the wording as recommended will assist the Council in complying with its duty to prepare a pension fund annual report in relation to the detailed provisions of Regulation 34 of the LGPS (Administration) Regulations 2008.

9. Equalities & Community Cohesion Comments

- 9.1. There are no equalities issues arising from this report.

10. Consultation

- 10.1. Not applicable.

11. Service Financial Comments

- 11.1 Completion of a formal assessment on an annual basis is considered to be good practice and will ensure the Pension Fund complies with the Myners Principles.

12. Use of appendices

- 12.1 None

13. Local Government (Access to Information) Act 1985

- 13.1 Statement of Investment Principles report to Pensions Committee 21st June 2010
- 13.2 Myners Principles compliance – assessment of effectiveness report to Pensions Committee 22nd February 2011

14. Background

- 14.1 At the Pensions Committee meeting on 22nd February 2011, the Committee approved a framework for members of the Committee to use to self-assess their effectiveness during 2010/11. This assessment would enable the Pension Fund to be fully compliant with all of the Myners Principles on investment.
- 14.2 It was agreed at the meeting that the Committee would undertake the assessments individually and a report summarising the assessments and recommending the wording for the 2010/11 annual report be presented to the 12th April 2011 meeting.

15. Results of the Assessments

- 15.1 The framework required each area to be scored according to the following scale:
 - 5 excellent
 - 4 good
 - 3 average
 - 2 below average
 - 1 poor.Comments on areas for future development were also requested.
- 15.2 Seven assessments have been received from members of the Committee at the time of writing. A summary of the average scores awarded and the comments made on possible development areas in each area identified in the framework is shown below:
 - 1. Attendance statistics
Average Score: 4.2
Comments: Setting dates early and not changing them will help improve the 84% attendance rate.
 - 2. Training undertaken
Average Score: 3.6
Comments: More and better focused training on investment strategy is required in advance of considering these matters.

3. Achievement of the business plan

Average Score: 4.0

Comments: Review how the business plan is set to ensure members' views are considered.

4. Monitoring of decisions

Average Score: 3.9

Comments: Review of quarterly information provided required in areas of responsible investment, investment performance and fees.

5. Compliance with best practice and statutory guidance

Average Score: 4.3

Comments: Once this assessment is complete, will be fully compliant.

Overall Average Score: 4.0

- 15.3 From the results of these assessments the following wording is proposed for the 2010/11 Pension Fund Annual Report:

"The Pensions Committee members have undertaken a self-assessment of their effectiveness during 2010/11 and have assessed that it was "Good". They identified a number of areas to develop to improve this rating including undertaking more and better focused training, reviewing the quarterly data provided to the Committee and reviewing the business plan setting process."