

**Report for:** Pensions Committee 20<sup>th</sup> September 2016

**Item number:** 14

**Title:** Scheme Advisory Board (SAB) Compliance

**Report authorised by:** Tracie Evans, Chief Operating Officer (COO)

**Lead Officer:** Oladapo Shonola, Head of Finance - Treasury & Pensions  
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**Ward(s) affected:** N/A

**Report for Key/  
Non Key Decision:** Non Key decision

**1. Describe the issue under consideration**

1.1. The purpose of the paper is provide an update to Committee on progress toward compliance with Scheme Advisory Board key performance indicators and to highlight areas where improvement is still needed in order to achieve full compliance.

**2. Cabinet Member Introduction**

2.1. Not applicable.

**3. Recommendations**

3.1. The Committee should note progress since the last report to Committee on performance against Scheme Advisory Board's key indicators.

**4. Reason for Decision**

4.1. None.

**5. Other options considered**

5.1. The Committee has asked for regular updates on progress toward full compliance with key performance indicators. Therefore, no other alternative was considered.

**6. Background information**

- 6.1. The SAB was set up by Government to advise the DCLG on LGPS matters and provide guidance to administering authorities on good pensions practice. The SAB is not a regulator such as The Pensions Regulator and has no powers to direct or intervene in the affairs of the pension fund. However, it will publicise poor practice and it has the ability to notify DCLG or TPR when it believes action is necessary.
- 6.2. The Scheme Advisory Board (SAB) has developed a number of key performance indicators to assist pension funds identify areas of weakness and how to improve fund's management and administration across all LGPS.
- 6.3. The 11<sup>th</sup> April Committee received an initial report on the Fund's compliance with SAB KPIs. The Haringey Pension Fund was measured against all KPIs identified in the SAB best practice model.
- 6.4. The Fund scored 25 out of a possible maximum of 59 when assessed against SAB key performance indicators in April. Some of the easy wins that were identified in the April report have been implemented to the extent that the latest score for the Fund is 37 – a significant improvement.
- 6.5. The following areas have seen the most improvements:
  - Risk Register;
  - Funding Level;
  - Pension Committee Member Competence;
  - Historical Investment Returns;
- 6.6. It is anticipated the Fund will continue to make progress toward meeting the KPIs outlined in the SAB model.

## **7. Contribution to Strategic Outcomes**

7.1. Not applicable

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### Finance and Procurement

8.1. There are no financial implications arising from this report.

### Legal Services Comments

8.2. The Assistant Director of Governance has been consulted on the content of this report. There are no specific legal implications arising from this report.

### Equalities

8.3. None applicable.

## **9. Use of Appendices**

9.1. Appendix 1: Scheme Advisory Board Performance Indicators

## **10. Local Government (Access to Information) Act 1985**

10.1. Not applicable.