

ITEM 3

London Borough of Enfield

REPORT TO;	Local Pension Board
SUBJECT:	Pension Fund Governance Review
LEAD OFFICER	Paul Reddaway/Julie Barker

1. RECOMMENDATIONS

To note the presentation and the review report by Aon. To ask officers to prepare a plan with timelines to demonstrate the actions required to ensure the gaps identified are closed. The action plan will be added to standing items to ensure there is visibility on progress on the action plan at future Local Pension Board meetings.

2. EXECUTIVE SUMMARY

Aon Pension consultants were requested to undertake a review of the governance and effectiveness of the Enfield Pension Fund. Aon will reveal the findings of their report through a presentation at the Local Pension Board. Any issues that arise will be addressed by officers and a detailed plan will be drawn-up to close any gaps.

3. DETAIL

The Local Pension Board at its October meeting requested Aon to undertake a review of the governance arrangements of the Enfield Pension Fund and its effectiveness. The Aon was asked to include how well the Fund compares to the Pension Regulators (tPR) key performance indicators (KPIs).

The review was requested to look at the effectiveness of the governance of the Fund. This involved looking at three things

- Direction – having clear strategies and policies that also meet legislative requirements
- Delivery – having a clear plan for implementing the Fund's strategies and policies, together with appropriate monitoring as to whether they are being achieved, and good risk management ensure effective and efficient delivery
- Decisions – having an appropriate governance structure, involving the right people, with the right attitude and the appropriate skills and knowledge is key.

The report will cover the review and comments on the following strategies (or lack of strategies)

- Funding Strategy Statement (FSS)
- Investment Strategy Statement (ISS)
- Governance Policy and Compliance Statement

- Communications Policy
- Administering Authority Discretionary Policy
- Administration Strategy
- Risk Management Policy & Strategy
- Annual report and accounts
- Knowledge and Skills/Training Policy
- Conflicts of Interest Policy
- Breaches of the Law Procedure
- Employer (admission / cessation / bulk transfer) Policy

The review will provide observations and recommendations – highlighting and good and bad that have been identified by the review.

The presentation will include analysis of the progress the Fund has made on achieving the Pension Regulators and areas where further progress is required.

The Aon report is attached in Appendix 1.