

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM : 9

BUSINESS PLAN FOR 2022/23

Reason for this Report

1. To present to the Committee the Fund's Business Plan for 2022/23.

Background

2. The day-to-day administration of the Pension Fund is carried out by the Pensions Section based in County Hall. The Section carries out a range of functions including maintaining member records held on the Altair system, providing information to Fund members, calculating and paying benefits to Fund members and giving advice to Fund employers.

Business Plan

3. A copy of the 2022/23 Business Plan is attached as Appendix 1. The Business Plan was presented to the 29 April 2022 meeting of the Local Pension Board for review. The purpose of the Business Plan is to set out the key action points for the administration of the Fund over the next financial year in the context of the Fund's goals and objectives over the longer term. The Plan also includes membership statistics for the current and previous three years.
4. The Plan outlines the key work priorities for the Fund over the next twelve months as well as the achievements over the last financial year.
5. The Plan includes a summary budget for 2022/23, where:

The Fund's sources of income are:

- the contributions from employers and employees
- investment returns in the form of income and capital growth

The Fund's expenditure comprises:

- payment of pension benefits
- investment management expenses

- administration and governance expenses

The budget assumes a “cashflow neutral” position in which contributions received match benefits paid and administration expenses.

Legal Implications

6. Various legislation, regulation, and government guidance impose obligations on administering authorities in relation to the administration of the LGPS, including in relation to requirements to prepare and maintain prescribed strategy statements. The recommendations refer to the fund’s Business Plan for 2022/23 and approval of the same is being sought from the Committee. The Business Plan is a technical document/and or contains technical objectives/priorities for the fund in the forthcoming year. These may require expert advice which may be outside the expertise of the in house Legal Service. The Committee should ensure that it has full and proper advice on such matters before proceeding to make a decision. It is understood by Legal Services that the service area has taken assistance and advice from appropriate external advisors before presenting the recommendations for approval.

General Legal Advice

Any decision must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council eg. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council’s fiduciary duty to its tax payers; and (h) be reasonable and proper in all the circumstances and comply with any equalities legislation.

The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.

The Well-Being of Future Generations (Wales) Act 2015 (“the Act”) places a ‘well-being duty’ on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving

the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2022-25 : <https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Pages/Corporate-Plan.aspx>

The well-being duty also requires the Council to act in accordance with 'sustainable development principle'. This principle requires the Council to act in a way, which seeks to ensure that the needs of the present are met without comprising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrates approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

Financial Implications

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

Recommendations

8. That the Committee approve the Business Plan for 2022/23.

CHRISTOPHER LEE
CORPORATE DIRECTOR RESOURCES

Appendices:

Appendix 1 – Business Plan 2022-23