

North Yorkshire Pension Fund



Business Plan 2023/24 – 2025/26



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This business plan explains how the North Yorkshire Pension Fund (NYPF) intends to develop and improve its services.

It enables the fund to focus on achieving agreed targets and helps staff see how they contribute to the overall success of the NYPF.

1. About the NYPF

The NYPF is one of 90 funds that make up the Local Government Pension Scheme (LGPS).

North Yorkshire Council (NYC) is the statutory administering authority for the NYPF; it administers the benefits and invests the assets of the Fund.

The purpose of the Fund is to provide retirement benefits specified by the LGPS regulations for staff working for local authority employers, and other employers admitted by agreement, in the North Yorkshire area.

Scheme membership as at 31 March 2022

Active Members (Contributors)	32,155
Deferred Members	38,672
Pensioners	27,206
Total Membership	98,033

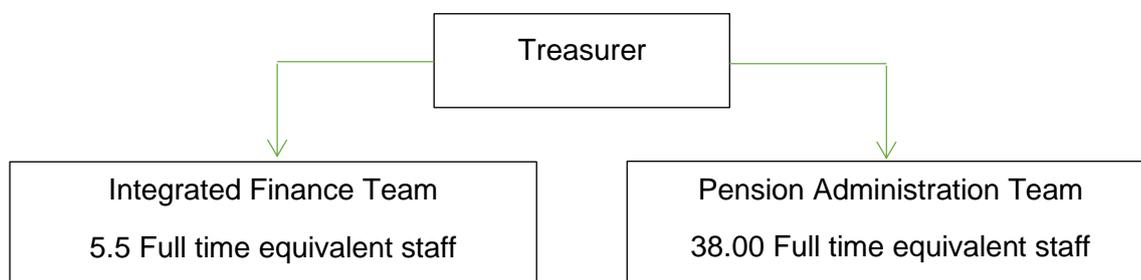
2. How the fund is run

All aspects of the Fund's management and administration, including investment matters, are overseen by the Pension Fund Committee (PFC), which is a committee of the NYC.

The day to day running of the Fund is delegated to the Treasurer who is the Corporate Director – Strategic Resources of the NYC and is responsible for implementing the decisions made by the PFC.

Supporting him is a team of staff split into two sections. The Pension Administration team administers all aspects of member records, pension benefits etc. and the Integrated Finance team looks after the accounting and management information requirements of the Fund. All aspects of the day-to-day management of investment funds are undertaken by external fund managers.

Current structure:



The local Pension Board was established on 1 April 2015 under the requirements of the Public Service Pensions Act 2013. It has an oversight/assisting role with NYC to ensure compliance with regulations and ensuring effective and efficient governance and administration of the NYPF.

The Scheme is governed by the Public Service Pensions Act 2013 and is administered in accordance with the following secondary legislation:

- the LGPS Regulations 2013 (as amended)
- the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended)
- the LGPS (Management and Investment of Funds) Regulations 2016

The main systems used in the running of the Fund are Oracle, a third party finance and accounting system provided by the Oracle Corporation, Altair a third party pensions administration system provided by Heywood and i-Connect a third party online employer portal, also provided by Heywood.

This business plan should be read in conjunction with the Administration Strategy and the Investment Strategy Statement; these are the key documents that set out the principles of the running of the Fund.

These can be found on our website at <https://www.nypf.org.uk/nypf/policiesandstrategies.shtml>

3. Principal responsibilities

These responsibilities include:

- Meeting all statutory requirements in the running and operation of the Fund.
- Pension administration services including calculating and paying benefits.
- To ensure the accuracy of the member database in partnership with all stakeholders.
- Providing information and guidance on pension issues to members, employers and others.
- Implementation of the funding strategy to ensure the fund assets are sufficient to meet the pension liabilities as they fall due.
- Investing fund assets, implementing investment strategy and managing external investment managers.
- Internal management of assets and promoting responsible investment.
- Safekeeping and accounting of fund assets.
- Preparing the fund's annual report and accounts.

4. Purpose of the business plan

As part of its programme of improving the standards of governance across all pension schemes, the Pensions Regulator recommends that each scheme should have a business plan in place which sets out a clear purpose and strategy.

This plan will be used to manage the delivery of the key activities that have been identified to deliver continuous service improvement, whilst ensuring due regard is given to the delivery of the day to day business as usual activities. Having a business plan helps the PFC to plan ahead and enables them to comply with legal requirements.

This plan will be reviewed annually, and objectives and key actions revised accordingly. Progress reviews will be undertaken every six months and will be reported to the PFC.

5. Overall goal

To continuously develop and improve our services to ensure sufficient assets and resources are available to pay the right pension benefits at the right time.

6. Objectives

The objectives set out below will enable the Fund to achieve its long term vision.

The Fund will aim to:

- Maximise investment returns
- Manage scheme funding
- Provide excellent customer care
- Ensure effective fund governance

7. Resources

The following resources have been identified as key to ensuring delivery of the objectives identified:

- Systems and technology which are fit for purpose
- People
 - Focussed on customers' needs
 - Highly skilled and knowledgeable
- The right information and data
 - Financial
 - Performance
 - Benchmarking
 - Membership data
- Third party service providers
 - Actuary
 - Legal Advisers
 - Custodian
 - Fund Managers
 - Investment Consultants
 - Software provider
 - Borders to Coast Pensions Partnership (BCPP)

These key activities are recorded and scheduled to ensure that the appropriate actions are taken to deliver the business plan.

8. Key Activities

The following key activities have been identified:

			2023/2024				2024/2025				2025/2026				
Key Activity	Responsible Officer	Action Plan	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Funding															
Funding Strategy Statement	Head of Investments / Head of Pensions Administration / Senior Accountant	Review and update the Funding Strategy Statement alongside the 2025 triennial valuation													●
Income Monitoring		Expand the use of employer online portal for monthly contribution returns				●									
Investment															
Investment strategy review	Head of Investments	Detailed review alongside the 2025 triennial valuation													●
Responsible Investment		Commence TCFD (Task Force for Climate related Financial Disclosures) reporting							●						
		Obtain FRC approval of the new Stewardship Code report				●									
Pooling and implementation of investment strategy		Consider the suitability of opportunities including UK property, green bonds, UK opportunities fund, income generation				●				●					●

			2023/2024				2024/2025				2025/2026			
Key Activity	Responsible Officer	Action Plan	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Governance														
SAB Good governance project	Head of Investments / Head of Pensions Administration	Await DLUHC's response to SAB's Action Plan Gap analysis of the Action Plan against existing policies and procedures Draft new policies and procedures Await the outcome of formal consultation on new statutory guidance Implement the new requirements				●								
TPR Single Code of Practice		Gap analysis of the draft New Code (specific to the LGPS) against existing policies and procedures Create a checklist of policies, practices and procedures required by the New Code Draft new policies and procedures Ensure compliance against the New Code				●								

			2023/2024				2024/2025				2025/2026			
Key Activity	Responsible Officer	Action Plan	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Administration														
McCloud remedy	Head of Pensions Administration	Load data received, check and resolve issues Recalculate benefits for affected members Implement uplifts across all affected members Implement an industry recommended solution where data not obtained Communicate changes to affected members			●									
Pensions Dashboard		Engage with pensions dashboard process Ensure data requirements are met Ensure data ready for on-boarding							●					
Data quality improvement		Undertake program of data quality improvement to ensure data is dashboard ready Identify sources of data issues and develop solutions to prevent issues recurring				●								
Backlogs		Reduce backlog to be within last 6 months Develop strategies to ensure backlogs remain controlled		●										

			2023/2024				2024/2025				2025/2026			
Key Activity	Responsible Officer	Action Plan	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Business Improvement														
Business process review		Undertake full member administration process review Start process review project Deliver process improvements fully utilising system capabilities					●							
Complete rollout of employer portal		On-board all outstanding employers to portal for monthly returns Improve data controls and validations Implement new functionality as it's released by the supplier Provide training and support to employers				●								
Improve self-service functionality		Implement new functionality as it's released by the supplier Issue targeted communications to promote take up					●							
Complete website redevelopment		Complete rebranding of website Complete migration of content to new platform Complete development of employer area Complete member content review, rebrand and development				●								