



SURREY PENSION FUND COMMITTEE REPORT

SURREY COUNTY COUNCIL

SURREY PENSION FUND COMMITTEE

DATE: 13 September 2024

LEAD OFFICER: ANNA D'ALESSANDRO, EXECUTIVE DIRECTOR, FINANCE AND CORPORATE SERVICES

SUBJECT: SURREY PENSION TEAM OVERVIEW – QUARTER 1

SUMMARY OF ISSUE:

This paper is an overview of the entire service at a macro level in order to set the context for the following micro level reports from each area. The One Pensions Team Dashboard is the primary vehicle for providing this overview. The dashboard covers the period April - June 2024.

Please note that as the dashboard contains metrics which are rolled up to macro level there will be subtle differences within service level reports which deconstruct these metrics to baseline level.

We'd like to draw your attention to the formatting for this set of Committee papers. You may have noticed slight changes to the layout. These changes have been made following the Board and Committee Paper review last year and ensure that the template is now in line with accessibility best practice – particularly for those using e-readers. Any information posted on SCC websites must now pass accessibility checks.

RECOMMENDATIONS:

It is recommended that the Pension Fund Committee:

1. Note the content of this report.

REASON FOR RECOMMENDATIONS:

To provide an update to the Pension Fund Committee (Committee) and stakeholders on the macro Surrey Pension Team activities

DETAILS:

The dashboard can be viewed on slide 2 of Annexe 1.

1. The Fund value has increased over 3 months, 1 year and 3 years. However, individual mandates have underperformed their specific benchmarks, leading to an underperformance of the Fund overall. The growth in asset value, to £6bn, and a decline in the assumed discounted liabilities have combined to drive the funding ratio up to 143%.
2. The Legacy Reduction rate continues to perform strongly in Service Delivery. There are some fluctuations in the figures due to staff absences and vacancies. In order to be more resilient a small re-organisation has been adopted. More detail is contained within the Board papers. Please see the Chair of the Board's summary.
3. The Accounting & Governance legacy relates to identifying and allocating income and expenditure on the Debtors and Creditors accounts. These are items listed on the old accounting system, SAP which have transferred to the new ledger on MySurrey. Whilst it is not currently possible to state any percentage reduction for the purposes of the dashboard, the balance on the creditors account has reduced by £6.3m. Similarly, balances have gone down on several creditor accounts and work is continuing to identify and reduce balances as part of the work being undertaken to close the 2023/24 Pension Fund account.
4. The Audit figures have been re-set for this current financial year based on the audit schedule. There are 4 audits not yet started with 2 audits carried over from the last financial year.
5. The third pulse staff survey closed on 30 June 2024. The details in the People and Strategy section are reliant on these results and will therefore be updated for the next report so there are no changes to these figures since your last viewing.

CONSULTATION:

6. The Chair of the Pension Fund Committee has been consulted on this report.

RISK MANAGEMENT AND IMPLICATIONS:

7. Any relevant risk related implications have been considered and are contained within the report.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

8. Any relevant financial and value for money implications have been considered and are contained within the report.

EXECUTIVE DIRECTOR OF FINANCE & CORPORATE COMMENTARY:

9. The Executive Director of Finance and Corporate Services is satisfied that all material, financial and business issues and possibility of risks have been considered and addressed.

LEGAL IMPLICATIONS – MONITORING OFFICER:

10. There are no legal implications or legislative requirements.

EQUALITIES AND DIVERSITY:

11. There are no equality or diversity issues.

OTHER IMPLICATIONS:

12. There are no other implications.

NEXT STEPS:

13. The following steps are planned:
 - a) The dashboard will continue to be updated on a monthly basis.
 - b) Changes recommended at the last PFC meeting are in progress. We will be including a new metric on the dashboard to show the current vacancy rate.
 - c) We are investigating mechanisms to send the dashboard to PFC and Board members as well as post it onto our SPT website.

Contact Officer:

Neil Mason, Assistant Director - LGPS Senior Officer

Annexes:

1. Surrey Pension Team Dashboard – Annexe 1

Sources/Background papers:

1. None

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