

**COUNCIL**  
**13 FEBRUARY 2020****REPORTS OF COMMITTEES - SUMMARY OF DECISIONS  
TAKEN BY THE PENSIONS COMMITTEE**

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**Guaranteed Minimum Pension (GMP) Rectification**

1. The Council's provider ITM have advised that the final report on the GMP expected from HMRC was not released in December 2019 and is now due by the end of February 2020. ITM have produced a range of tests in preparation for a dry run of the identified cases (approximately 1,000) which, subject to receipt of the HMRC data, they are planning to undertake in March 2020. The results of the dry run will be issued by ITM during April 2020 and will include details of all members impacted by the reconciliation process which will require rectification.
2. To enable the Fund to commence implementation of the rectification, the Committee has supported a series of GMP rectification proposals and granted delegated authority to the Chief Financial Officer to undertake the final implementation with a net limit of up to £500,000. A further report containing the rectification statistics will be presented to the Committee meeting on 26 June 2020.

**Business Plan**

3. The Business Plan is reviewed and updated quarterly to deliver an extra management / governance tool to: help officers to manage the Fund's activities; and assist the Pensions Committee to ensure the ongoing management and development of the Fund is in line with longer term policy, objectives and strategy. The Committee has noted the Worcestershire Pension Fund (WPF) Business Plan as at 10 January 2020 and the general update from the Administering Authority.

**Local Government Pension Scheme Central (LGPSC) Budget and Strategic Business Plan 2020/21**

4. Each year LGPSC is required to produce an updated budget and Strategic Business Plan. The intention of the Company and Practitioners Advisory Forum (PAF) which has key representation from lead officers for each of the Partner funds is to take an agreed set of papers to the Shareholder Forum. Given the importance and financial implications for Worcestershire's Pension Fund, it was felt that the 2020/21 LGPSC budget and strategic business plan should come to the Pensions Committee for consideration before it went to the Shareholders Forum meeting.
5. The Committee was informed that the Shareholders Forum meeting due to take place on 11 February had been postponed due to concerns expressed by a number of shareholders about the proposed budget. The date for the re-arranged Shareholder Forum meeting had yet to be arranged. To ensure that there is no further delay of the Stakeholder Forum meeting beyond this financial year, the

Committee has granted delegated authority to the Chief Financial Officer, in consultation with the Chairman of the Committee to agree to waive the required 30 days notice period for the convening of the Shareholder Forum meeting, should it be necessary.

6. In light of the fact that the Shareholders Forum meeting is likely to take place in advance of the next scheduled meeting of the Pensions Committee and to avoid any unnecessary delay, the Committee has granted delegated authority to the Chief Financial Officer, in consultation with the Chairman of the Committee to carry out due diligence on the LGPS Central budget updated proposals and the Chairman as Shareholder to agree the proposed 2020/21 LGPSC budget unless the updated budget extended the break-even position of the Worcestershire Pension Fund beyond 2038 thereby impacting on the original cost-sharing agreement.

7. The Committee also noted the LGPSC latest version of the LGPS Central Budget 2020/21 presentation and the LGPS Central Strategic Business Plan.

**Mr P Middlebrough**  
**Chairman**

### **Contact Points**

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### **Background Papers**

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Pensions Committee held on 31 January 2020.