



Pensions Committee

24 September 2014

Report title	Service plan monitoring 2014/15	
Originating service	Pension Services	
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Recommendation(s) for noting:

The Committee is asked to:

1. Note the financial monitoring along with the Fund's key performance indicators.

1.0 Purpose

- 1.1 At the March 2014 meeting, Members approved the 2014-19 Service Plan, together with the Financial Plan and 2014/15 Operating Budget. This report provides an update to the Fund's financial and service plan monitoring.

2.0 Performance against medium term plan

- 2.1 The eight key priorities in the Service Plan are detailed in Appendix 1, which represents a summarised update of activities. The Pensions Committee received a detailed report on the individual priorities in the 'Assurance Framework – Supporting The Annual Governance Statement' in March 2014.
- 2.2 The plan provides the supporting medium term financing statement to the Fund's Service Plan which was approved at the Committee meeting on 26 March 2014, a full copy of which is available on the Fund's website www.wmpfonline.com.
- 2.3 Activities against the plan continue in line with objectives. An abridged summary of performance against KPI's is included in Appendix 2 where it can be seen that performance has remained stable or improved in most criteria during the period.
- 2.4 Performance against pension administration targets deteriorated due to the large increase in manual calculations required while LGPS 2014 system upgrades were being developed by our software provider. We expect performance to improve to former levels once the upgrades have been completed.

3.0 Operating budget 2014/2015

3.1 The summary operating budget for pension services and current projected outturn as at 30 June 2014 are shown below:

	2014/15 Budget	2014/15 Projection	2014/15 Over/(Under)
	£	£	
Employees	4,512,565	4,250,421	(262,144)
Premises-related	343,767	343,767	-
Transport-related	68,516	68,516	-
Supplies and Services			-
- Communications & Computing	740,007	740,007	-
- Investment Management & Advice	11,397,590	11,397,590	-
- Other Services (including Actuarial Fees)	2,077,891	2,077,891	-
Operating Costs	19,140,337	18,878,193	(262,144)
Support Services (including Computing)	507,420	507,420	-
Service Development	350,000	350,000	-
Total Expenditure	19,997,757	19,735,613	(262,144)
Miscellaneous Income	(530,025)	(530,025)	-
Net Expenditure	19,467,732	19,205,588	(262,144)

- 3.2 The projected underspend of £0.26 million is based on income and expenditure to date, however it is too early in the financial year to provide detailed variances and projections will be more certain as the year progresses.
- 3.3 The underspend in employee costs is due to a number of posts being held or remaining vacant and is likely to increase as many of the vacancies continue to remain unfilled during the year.
- 3.4 The Fund continues to review its operating costs and procedures, with many key operational processes having been reviewed under the LEAN programme and efficiency gains made.

4.0 Financial implications

4.1 The projected financial outturn is as detailed in paragraph 2 above.

5.0 Legal implications

5.1 This report contains no direct legal implications for the Authority.

6.0 Equalities implications

6.1 This report has no implications for the Council's equalities policies.

7.0 Environmental implications

7.1 This report has no implications for the Council's environmental policies.

8.0 Human resources implications

8.1 The report contains no direct human resource implications for the Authority

9.0 Corporate landlord implications

9.1 This report has no implications for the Council's corporate landlord.

10.0 Schedule of background papers

10.1 There were no additional preceding background papers except those listed in the report.

11.0 Appendices

11.1 Appendix 1 – Review of service plan objectives

11.2 Appendix 2 – KPI detailed actions, timescale and reporting requirements June 2014