



City of Westminster

# Committee Report

<b>Decision Maker:</b>	<b>Pension Fund Committee</b>
<b>Date:</b>	<b>16 November 2015</b>
<b>Classification:</b>	<b>Public</b>
<b>Title:</b>	<b>National LGPS Key performance Indicators</b>
<b>Wards Affected:</b>	<b>All</b>
<b>Policy Context:</b>	<b>Effective control over Council Activities</b>
<b>Financial Summary:</b>	<b>There are no immediate financial implications arising from this report.</b>
<b>Report of:</b>	<b>Steven Mair</b> <i>City Treasurer</i>
	<a href="mailto:smair@westminster.gov.uk">smair@westminster.gov.uk</a> <b>020 7641 2904</b>

## 1. Executive Summary

- 1.1 This report brings to the attention of the Committee the National LGPS Benchmarking exercise led by the Scheme Advisory Board and the specific response from Westminster.

## 2. Recommendations

- 2.1 That the Committee note the Westminster response to the KPI exercise and note that the national results will be available in the New Year.

## 3. Scheme Advisory Board KPI's

- 1.2 As part of its work over the last two years the LGPS Scheme Advisory Board (in shadow for prior to April 2015) has sought to improve the quality and comparability of data associated with the LGPS following criticism from the Hutton Commission Final Report in 2012.
- 1.3 This has involved work to consolidate the 89 separate Annual Reports into a single scheme document and this can be found on the Scheme

Advisory Board website:

<http://www.lgpsboard.org/index.php/schemedata/scheme-annual-report>

- 1.4 There has also been considerable discussion around the ability to identify and compare the financial health of individual LGPS Funds. This led to the establishment of a working party which was tasked with creating a range of meaningful performance indicators to show those funds who were in a stronger or weaker position. This assessment is not necessarily a reflection of the current governance and administration arrangements but will highlight where improvements are required following decisions made over a number of years.
- 1.5 Attached at Appendix 1 is the Guidance issued by Scheme Advisory Board which sets out the rationale for the exercise and explains the range of KPI's to be completed by each Fund. These are split into 4 core KPI's and 14 supplementary KPI's where the core KPI's are classed as "alarm bells" to identify under-performing funds.
- 1.6 Officers have completed the KPI Proforma attached at Appendix 2 based upon data as at 31st March 2015 and a review of the current position of the Fund in respect of these indicators.
- 1.7 As explained in the Guidance this is a voluntary exercise and should be viewed as a self-assessment tool to identify areas for improvement. The exercise itself is considered to be a pilot and feedback has been requested which officers of the Fund will provide to enhance the relevance of some of the indicators.
- 1.8 A summary of all responses is expected in early 2016 and those funds identified with significant issues are likely to be contacted directly regarding establishing an action plan to make the necessary improvements.

**If you have any questions about this report, or wish to inspect one of the background papers, please contact the report author:**

**Neil Sellstrom [nsellstrom@westminster.gov.uk](mailto:nsellstrom@westminster.gov.uk) or 020 7641 1152**

**BACKGROUND PAPERS:** None

**APPENDICES:**

Appendix 1 – Guidance on completing KPI return  
Appendix 2 – Westminster KPI Submission