

NORTHUMBERLAND COUNTY COUNCIL PENSION FUND
Approved at the Pension Fund Panel Meeting 23 February 2018

NORTHUMBERLAND COUNTY COUNCIL PENSION FUND
Objectives
23 February 2018

Governance

- To ensure robust governance arrangements are in place to facilitate informed decision making supported by appropriate advice, policies and strategies, which do not unreasonably favour one group of stakeholders over another;
- To ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise;
- To ensure compliance with all appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance; and
- To identify and manage potential and actual conflicts of interest.

Funding and Investment

- To comply with Regulation 62 of the 2013 Regulations and specifically to set employer contributions at an appropriate level to ensure the Fund's solvency while taking account of the desirability of maintaining as nearly a constant contribution rate as possible and the long-term cost-efficiency of the Fund;
- To ensure that the Fund has sufficient resources available to meet all liabilities as they fall due;
- To manage employers' liabilities effectively and minimise any unrecoverable deficit from an employer exit. (This means ensuring that the Fund is not exposed to undue risk in relation to individual employers by setting appropriate funding targets and recovery plans relative to the features of each employer);
- To aspire to a funding ratio for the Fund, as measured at triennial valuations, remaining within the middle range of LGPS Funds in terms of its relative position on a standardised funding basis or other measure as set out by the Scheme Advisory Board / MHCLG. To ensure that, should the Fund's relative position fall towards the bottom quartile, action is taken with the aim of restoring the position but also to ensure it does not fall below that level;
- To achieve a long term return on the Fund's assets which:
 - ensures that, together with employer and member contributions, the Fund can meet its long term liabilities;
 - aims to maximise returns within acceptable risk parameters;
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- To ensure that the degree of funding and investment risk for individual employers takes into account:
- the Administering Authority's view of the likelihood of their exit leaving unmet liabilities; and
 - affordability constraints.

Communications

- To provide user friendly, relevant and informative communications in a clear, concise manner with well-presented information;
- To provide communications that are valued by stakeholders;
- To provide access to the appropriate means of communication for stakeholders with alternative needs;
- To look for efficiencies in delivering communications.

Administration

- To treat all stakeholders fairly and with dignity and sensitivity;
- To provide a high standard of service, which is valued by customers, easy to access, timely and of high quality, with errors being extremely rare;
- To provide services from a team which has a good understanding and knowledge of pension matters, a willing and helpful attitude, and which comprises individuals who are readily available;
- To ensure the Fund's employers are aware of and understand their roles and responsibilities and are provided with information that is relevant, timely and easy to understand;
- To administer the Fund in a cost effective and efficient manner to obtain value for money;
- To maintain accurate records and ensure data is protected and has authorised use only.

February 2018 version

First adopted by the Pension Fund Panel on 26 February 2016.

Revised 23 February 2018.

To be reviewed periodically, including when any of the related policy statements or strategy documents are revised.