

Essex Pension Fund Business Plan 2017/18 Proposed actions for Business Plan 2018/19

Governance

Objectives:

- Provide a high quality service whilst maintaining value for money
- Ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise
- Evolve and look for new opportunities that may be beneficial for our stakeholders, particularly the Fund's beneficiaries, ensuring efficiency at all times
- Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- Understand and monitor risk and compliance
- Continually measure and monitor success against our objectives

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
1. Annual business plan will be put in place.	Proposed actions for 2017/18 business plan actions were approved at March 2017 Board.	DfEPF & HoEPF	Complete.	Draft 2018/19 Business plan actions set out below are presented to 7 March 2018 Board for approval.
2. Further roll out of training and training needs assessments	Training & training needs assessments will continue in 2017/18. Specific provision will be made for any new Board Members.	Fund officers IGAA	In progress – 2017/18's PSB training concludes with a governance presentation at March meeting.	Training & training needs assessments will continue in 2018/19.

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
3. Board members' knowledge centre	A web based facility for Members is in place.	HoEPF	Complete.	Incorporated into the wider assessment of training needs for 2018/19 (Action 2).
4. Annual review of governance policy	Review governance policy to ensure it is relevant and up to date, including the governance compliance statement.	DfEPF, HoE PF & IGAA	In progress – A separate item on this matter appears elsewhere on the agenda.	During 2018/19 the PSB will review the Annual Governance Policy and Compliance statement.
5. Annual review of Pension Fund Board	Review the effectiveness of the Pension Fund Board and the services supplied to it	DfEPF, HoEPF & IGAA	Deferred until 2018/19.	Members will be canvassed for their views on the PSB's effectiveness during 2018/19.

Investments

Objectives:

- To maximise the returns from investments within reasonable risk parameters
- To ensure the Fund is properly managed
- Ensure investment issues are communicated appropriately to the Fund's stakeholders

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
6. Review of asset allocation	A review will form part of the Asset Liability Study undertaken after the completion of the 2016/17 Actuarial Valuation process.	DfEPF	Complete.	Reviews to take place in July 2018 and February 2019.
7. Implement any review of investment allocation arrangement.	Implement the any decisions taken by the ISC strategy in light of the Asset Liability Study.	DfEPF	In progress – The agenda for the 7 March PSB includes an item on this matter.	Any asset allocation decisions made by the ISC will be implemented as required during 2018/2019.
8. To review investment management fees	Ensure that fee monitoring arrangements form part of the annual review of performance.	DfEPF	Complete – A report was brought to the February meeting of the ISC.	A review is scheduled for 2018/19.

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
9. Review the Investment Strategy Statement (ISS)	<p>A draft ISS was published in late March 2017 and a stakeholder consultation launched between late April and 22 June.</p> <p>The responses to the stakeholder consultation were considered at the 19 July meeting of the ISC.</p> <p>The final agreed ISS has now been published at: http://www.essexpensionfund.co.uk/media/2970/investment-strategy-statement-2017.pdf</p>	DfEPF	Complete for 2017/18.	The ISS will be kept under review.
10. Respond to the requirements of LGPS structural reform process	Developments in relation to LGPS structural reform will be monitored	DfEPF	<p>In progress –</p> <p>The agenda for the 7 March PSB includes an item on this matter.</p>	Progress reports on the Fund's involvement with the ACCESS pool will feature throughout 2018/19.

Funding

Objectives

- Within reasonable risk parameters, to achieve and then maintain assets equal to 100% of liabilities in the timescales determined in the Funding Strategy Statement
- To recognise in drawing up its funding strategy the desirability of employer contribution rates that are as stable as possible
- To have consistency between the investment strategy and funding strategy
- To manage employers' liabilities effectively, having due consideration of each employer's strength of covenant, by the adoption of employer specific funding objectives
- Maintain liquidity in order to meet projected net cash-flow outgoings
- Minimise unrecoverable debt on termination of employer participation

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
11. Interim Review as at 31 March 2017.	An interim review of the Fund as at 31 March 2017 will be commissioned from the Actuary.	HoEPF & DfEPF	Complete.	Interim review as at 31 March 2018.
12. Review Funding Strategy Statement	Consideration will be given to whether the Funding Strategy requires review in the light of the results of the Interim Review.	HoEPF & DfEPF	In progress – A separate item on this matter appears elsewhere on the agenda.	The Funding Strategy will be reviewed in light of the 31 March 2018 interim review.
13. Employer participation	Employer participation and membership of the Essex Pension Fund will be monitored on an on-going basis.	HoEPF & DfEPF	Complete for 2017/18.	Employer participation will continue to be reviewed during 2018/2019.

Administration

Objectives:

- Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need
- Ensure benefits are paid to, and income collected from, the right people at the right time in the right amount
- Data is protected to ensure security and authorised use only

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
14. Complete the annual end of year data exercise as at 31 March	Complete year end accounting, gather information from employer and update UPM, and produce annual benefit statements.	HoEPF	Complete for 2017/18.	Complete year end accounting, gather information from employers and update UPM, and produce annual benefit statements.
15. Administration Strategy	The Administration Strategy will be monitored annually.	HoEPF	In Progress – A separate report on this matter appears elsewhere on the 7 March 2018 agenda	A review of the Administration Strategy will be completed during 2018/2019.

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
16. Auto Enrolment – Work based Pensions	Monitor developments and maintain dialogue with Pension Fund employers throughout the process of auto enrolment implementation. (Staggered staging dates apply to all employers – depending on size – between January 2012 and October 2017.	HoEPF	Complete – The initial cycle of staging dates and the Implementation of the transitional arrangements in October 2017 is now finalised. The ongoing arrangements for Auto Enrolment are now BAU.	Action ceased in 2017/2018 Not an Action for 2018/2019.
17. Implementation of UPM (administration system)	Ongoing phased implementation will continue through 2017/2018.	HoEPF	Complete for 2017/18.	To date 15,000 Members have been invited to use “Member on line” and 4925 have registered. 221 Employers have also registered and are using “Employer on line”
18. Review of staffing structure	A review is scheduled to take place during 2017/18.	DfEPF & HoEPF	In progress – A staff consultation on a revised structure is scheduled to begin in early 2018.	The new structure will formally commence in 2018/19.

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
19. Confirmation of GMP entitlement	Confirming the GMP (Guaranteed Minimum Pension) element of all scheme members' entitlement is required to be completed by 2017/18	HoEPF	Complete for 2017/18.	<p>The project will continue in 2018/19.</p> <p>Updates on the project's completion date will be brought to future PSB meetings.</p>
20. Implementation of GDPR NEW action for 2018/19	Review of our systems and data handling to ensure compliance with the new GDPR regime which supersedes the Data Protection Act requirements on 25 May 2018	HoEPF	<p>Action commencing in 2018/19.</p> <p>Not an action in 2017/18.</p>	Review systems and data handling to ensure compliance with GDPR

Communications

Objectives:

- Communicate in a friendly, expert and direct way to our stakeholders, treating all our stakeholders equally
- Ensure our communications are simple, relevant and have impact
- Deliver information in a way that suits all types of stakeholder
- Aim for full appreciation of the pension scheme benefits and changes to the scheme by all scheme members, prospective scheme members and employers

Action	How will this be achieved?	Officer managing action*	Progress as at March 2018	2018/19 Business Plan
21. Monitor Communications Policy	The communications policy will be reviewed during 2017/2018	HoEPF &CM	Deferred until 2018/19.	A review of the communications policy will be held in 2018/19 after the new staffing structure has commenced.
22. Communication GMP entitlement	All Employees involved will be communicated with confirming the GMP (Guaranteed Minimum Pension) element of their Pension entitlement.	HoEPF &CM	In progress – The project will continue in 2018/19. Specific communications are planned for the end of 2018 in line with HMRC.	The project will continue in 2018/19. Specific communications are planned for the end of 2018 in line with HMRC.