

Essex Pension Fund Business Plan 2019/20

Governance

Objectives:

- Provide a high-quality service whilst maintaining value for money.
- Ensure compliance with the Local Government Pension Scheme (LGPS) regulations, other relevant legislation and the Pensions Regulator's Codes of Practice.
- 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 end June 2019
1. Further roll out of training and training needs assessments	Further roll out of training and training needs assessments; training & training needs assessments will continue in 2019/20; and a revised training strategy and training plan is to be developed	Fund officers / IGAA	In progress: Training has been revised within the Fund and Officers are completing their training as agreed with their Line Managers. Training for the Boards is in the process of being reviewed in addition to a revised training strategy.

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
2. Annual review of governance policy	<p>Annual review of governance policy;</p> <p>review governance policy to ensure it is relevant and up to date, including the governance compliance statement; and</p> <p>ToRs for all Boards/Committee to be reviewed.</p>	DfEPF, HoEPF & IGAA	<p>In progress:</p> <p>Governance policy is being reviewed in line with revised TORs. TORs were approved by PSB at their July 2019 meeting.</p>
3. Annual review of Pension Fund Board	<p>Annual review of Pension Fund Board;</p> <p>review of Pension Fund Board membership; and</p> <p>review the effectiveness of the Pension Fund Board and the services supplied to it.</p>	DfEPF, HoEPF & IGAA	<p>In progress:</p> <p>Officers and the IGAA undertook a review of the PAB and have revised their membership inline with the revised TOR.</p>

Investments

Objectives:

- To maximise the returns from investments within reasonable risk parameters.
- To ensure the Fund's investments are properly managed before, during and after pooling is implemented.
- Ensure investment issues are communicated appropriately to the Fund's stakeholders.

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
4. Review of asset allocation	<p>Review of asset allocation;</p> <p>Review of asset allocation as part of the strategy & structure deliberations at the ISC strategy meetings.</p>	DfEPF	<p>In progress:</p> <p>This is being reviewed as part of the ISS.</p>
5. Implement any review of investment allocation arrangement.	<p>Implement any review of investment allocation arrangement; and</p> <p>implement the any decisions taken by the ISC strategy in light of the Asset Liability Study.</p>	DfEPF	<p>In progress:</p> <p>This is being reviewed as part of the ISS.</p>

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
6. Review the Investment Strategy Statement (ISS)	Review the Investment Strategy Statement (ISS).	DfEPF	In Progress: Officers are in the process of reviewing the ISS.
7. Respond to the requirements of LGPS structural reform process	Respond to the requirements of LGPS structural reform process; developments in relation to LGPS structural reform will be monitored; and this will remain in the business plan until transition of assets is complete.	DfEPF	In Progress: This is continually monitored by Officers.

Funding

Objectives

- To recognise in drawing up the funding strategy the desirability of employer contribution rates that are as stable as possible.
- To prudently set levels of employer contributions that aim to achieve a fully funded ongoing position in the timescales determined in the Funding Strategy Statement.
- To manage employers' liabilities effectively, having due consideration of each employer's strength of covenant, by the adoption, where necessary, of employer specific funding objectives.
- To ensure consistency between the investment strategy and funding strategy.
- To maintain liquidity in order to meet projected net cash-flow outgoings.
- To minimise unrecoverable debt on termination of employer participation.

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
8. Actuarial Valuation as at 31 March 2019	<p>Actuarial Valuation as at 31 March 2019;</p> <p>an actuarial valuation will be commissioned from the Fund Actuary; and</p> <p>the various processes of the Valuation will take place throughout 2019/20.</p>	HoEPF & DfEPF	<p>In progress:</p> <p>Actuarial valuation is under way in consultation with the Funds actuary.</p>

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
9. Review Funding Strategy Statement	Review Funding Strategy Statement as part of 2019/20 actuarial valuation process.	HoEPF & DfEPF	Not started: This will commence on the outcome of the actuarial valuation.

Administration

Objectives:

- Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need.
- Ensure contribution income is collected from, the right people at the right time in the right amount.
- Ensure benefits are paid to the right people at the right time in the right amount.
- Data is protected to ensure security and authorised use only.
- Clearly establish the levels of performance the Fund and its employers are expected to achieve in carrying out their functions.
- Develop successful partnership working between the Fund and its employers.

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
10. Implementation of UPM (administration system)	Ongoing phased implementation of UPM (administration system); and ongoing phased implementation will continue through 2019/20	HoEPF	In progress: To date 39,500 individual scheme members have been invited to use " <i>Member online</i> " of whom 11,500 have registered. 221 Employers have registered and are using " <i>Employer online</i> ". Officers on the Systems Team are exploring " <i>Retire online</i> ".

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
11. Confirmation of GMP (Guaranteed Minimum Pension) entitlement	confirmation of GMP entitlement; confirming the GMP (Guaranteed Minimum Pension) element of all scheme members'; and will remain ongoing until the project is completed.	HoEPF	In progress: This project is still ongoing. The Team are reviewing the last few spreadsheets.

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 employ.

Action	How will this be achieved?	Officer managing action*	Progress as at end June 2019
12. Monitor Communications Policy	Monitoring of the Communications Policy; and the communications policy will be reviewed during 2019/20.	HoEPF	In Progress: Officers are in the progress of reviewing the communications policy.

*Officer Managing Action: DoEPF - Director for Essex Pension Fund; HoEPF - Head of Essex Pension Fund; and IGAA - Independent Governance & Administration Adviser.