

Essex Pension Fund Business Plan 2017/18 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 September 2017
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
2. Further roll out of training and training needs assessments	<p>Training & training needs assessments will continue in 2017/18.</p> <p>Specific provision will be made for any new Board Members.</p>	IGAA	<p>Induction, investment and governance training took place at meetings in May, June & July 2017 respectively.</p> <p>The 13 September PSB agenda includes training on scheme benefits & annual accounts.</p> <p>Assessment of training will continue throughout 2017/18.</p>

Action	How will this be achieved?	Officer managing action*	Progress as at September 2017
3. Board members' knowledge centre	A web based facility for Members is in place.	HoEPF	Training on infoBOARD is scheduled at the conclusion of the 13 September PSB.
4. Annual review of governance policy	Review governance policy to ensure it is relevant and up to date, including the governance compliance statement.	DfEPF, HoEPF & IGAA	During 2017/18 a review of the Governance Policy and Compliance statement will be undertaken.
5. Annual review of Pension Fund Board	Review the effectiveness of the Pension Fund Board and the services supplied to it	SCO & IGAA	A review is planned for 2018.

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 September 2017
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	A review is scheduled for in autumn 2017.
7. Implement any review of investment allocation arrangement.	Implement the decisions taken at the ISC strategy meeting.	DfEPF	Any asset allocation decisions made by the ISC will be implemented as required during 2017/2018
8. To review investment management fees	Ensure that fee monitoring arrangements form part of the annual review of performance.	DfEPF	A review is scheduled for autumn 2017.

Action	How will this be achieved?	Officer managing action*	Progress as at September 2017
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.
10. Respond to the requirements of LGPS structural reform process	Developments in relation to LGPS structural reform will be monitored	DfEPF	Progress reports on the Fund's involvement with the ACCESS pool will feature throughout 2017/18.

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 September 2017
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	The review will be considered in December 2017.
12. Review Funding Strategy Statement	A revised Funding Strategy Statement will be drafted, consulted upon and finalised in conjunction with the triennial valuation.	HoEPF & DfEPF	The Funding Strategy will be reviewed in light of the Asset/Liability Study and the 31 March 2017 interim review
13. Employer participation	Employer participation and membership of the Essex Pension Fund will be monitored on an on-going basis.	HoEPF & DfEPF	Employer participation will continue to be reviewed during 2017/2018.

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 September 2017
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 Further detail is provided in agenda item 13 of the 13 September 2017 PSB agenda.
15. Administration Strategy	The Administration Strategy will be monitored annually.	HoEPF	The Administration Strategy will be monitored and reviewed during 2017/2018.
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 March 2017)	HoEPF	Monitoring underway.

Action	How will this be achieved	Officer managing action*	Progress as at September 2017
17. Implementation of UPM (administration system)	Ongoing phase implementation will continue through 2017/2018.	HoEPF	<p>The second phase will continue throughout 2017/2018</p> <p>In addition the digital platform for members to view their benefits on line will launch during 2017/2018. A phased release is currently being planned.</p>
18. Review of staffing structure	A review is scheduled to take place during 2016/17.	DfEPF & HoEPF	The review will finalise during 2017/2018
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	<p>This project will continue throughout 2017/18.</p> <p>The "rectification of records" stage will commence in 2017/2018.</p> <p>The current deadline for the completion of this project is 31 December 2018.</p>

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 September 2017
20. Monitor Communications Policy	The communications policy will be reviewed during 2017/2018	HoEPF &CM	The communications policy will be kept under review during 2017/18
21. Communication GMP entitlement	All Employees involved will be communicated with confirming the GMP (Guaranteed Minimum Pension) element of their Pension entitlement.	HoEPF &CM	The current deadline for the completion of this project is 31 December 2018