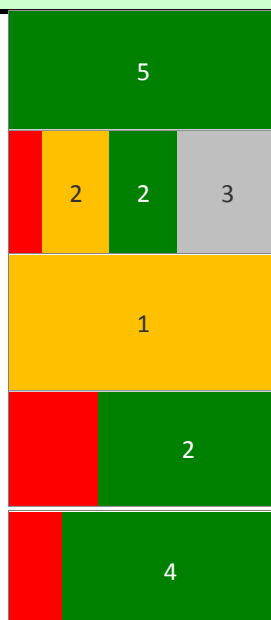


## Essex Pension Fund Scorecard - 9 JULY 2014

**Guidance:** Measures are grouped around key objectives identified by the Board. For some objectives there are several indicators monitoring progress. The number of measures which are red, amber and green for each objective are displayed on the scorecard. Details of individual measures, including performance, targets, contextual commentary, definition and scope are given in the attached drill down pack.

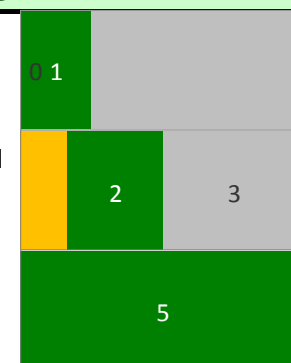
### 1. GOVERNANCE

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



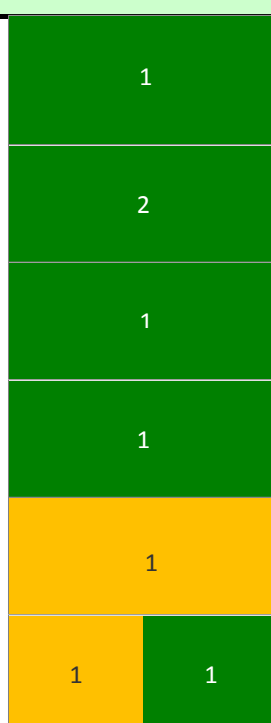
### 2. INVESTMENTS

- 2.1 - Maximise returns from investments within reasonable risk parameters
- 2.2 - Ensure the Pension Fund is properly managed (ISC attendance, skills and governance arrangements)
- 2.3 - Ensure investment issues are communicated appropriately to the Fund's stakeholders



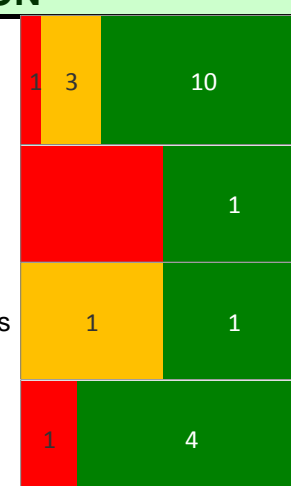
### 3. FUNDING

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



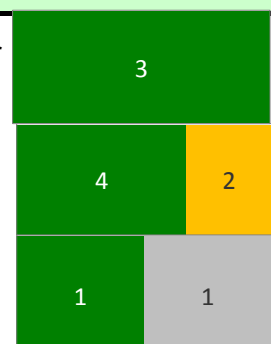
### 4. ADMINISTRATION

- 4.1 - Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need.
- 4.2 - Data is protected to ensure security and authorised use only
- 4.3 - Ensure proper administration of financial affairs
- 4.4 - Compliance with Fund's governance arrangements



### 5. COMMUNICATIONS

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



### Key

- G** = on or exceeding target
- A** = missing target but within agreed tolerance
- R** = missing target by more than agreed tolerance
- Gy** = data not currently available / work in progress

## 1.1 - Provide a high quality service whilst maintaining value for money

**Measure Purpose:** To provide a high quality service whilst maintaining value for money

**Scope:** Cost, scheme member satisfaction and scheme member complaints and compliments

**Measure Owner:** Jody Evans

**Data lead:** David Tucker/Matt Mott

Status	Value		Previous status	Current status	Target	Annual target	Polarity	Frequency
		Units						
1.1.1 Cost per scheme member	2nd	quartile	G	G	2nd/3rd quartile	2nd/3rd quartile	Low	Annual (Aug)
1.1.2 Number of scheme member complaints	1		G	G	5	20	Low	Quarterly
1.1.3 Number of scheme member compliments	15		G	G	15	60	High	Quarterly
1.1.4 Scheme member survey - % of positive answers	96.4%	%	G	G	95%	95%	High	Annual (Mar)
1.1.5 Employer survey - % of positive answers	97.3%	%	G	G	95%	95%	High	Annual (Mar)

### Rationale for performance status and trend

**1.1.1.** Cost per member was £17.80 in 2012/13 (£18.57 in 2011/12 ) compared to the CIPFA Benchmarking average of £20.87 (£21.54 in 2011/12). This Fund remains in the second quartile.

**1.1.2.** The number of complaints received in the 3 months to 31 March 2014 was 1. (Previous quarter 5)

**1.1.3.** The number of compliments received in the 3 months to 31 March 2014 was 15. (Previous quarter 16)

**1.1.4.** 500 scheme members (employees) were invited to participate in a five question survey conducted in November 2013. 118 members returned completed survey's resulting in a total of 810 answers. Of which 29 were negative responses. The remainder 781 (96.4%) were positive. The 2012 scheme member survey was 97.3% positive.

**1.1.5.** 378 employers were invited to participate in a 10 question survey conducted in November 2013. Of 112 responses 3 were negative which resulted in a 97.3% positive response rate. The 2012 employer survey was 97.7% positive.

## 1.2 - Ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise

**Measure Purpose:** To ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise

**Scope:** Training needs analysis, attendance of training. Progress against training plans and My Performance objectives.

**Measure Owner:** Kevin McDonald

**Data lead:** Ian Myers/Jody Evans/Barry Mack

Status	Value	Units	Previous Status	Current Status	Target	Annual target	Polarity	Frequency
1.2.1 Board Member attendance at training	75%	%	A	A	80%	80%	High	Quarterly
1.2.2 Board Members completing training needs analysis (TNA)	72%	%	Gy	G	65%	65%	High	Quarterly
1.2.3 Board Members with adequate skills - average scores for comprehensive training need analysis (TNA)	40%	%	Gy	R	90%	90%	High	Quarterly
1.2.4 Board Member attendance at Board meetings	75%	%	A	A	80%	80%	High	Quarterly
1.2.5 Officer training plans and My performance Objectives in place	100	%	G	G	100%	100%	High	Annual (May)

### Rationale for performance status and trend

1.2.1. This measure reflects attendance by Board Members at training prior to the March, July, September, December 2013, the training session on 22 January 2014 and the 5 March 2014 Board, ISC Members at training prior to the June & July ISC meeting and ISC members attendance at the Baillie Gifford Investment Conference in October.

1.2.2. This represents the completion rate of TNA by board members.

1.2.3. This represent the score of the completed TNA forms.

1.2.4. This represents attendance at Board meetings in March 2013 July 2013, September 2013 and December 2013.

1.2.5. My Performance objectives have been agreed for all Pension Administration & Pension Investment officers.

### 1.3 - Evolve and look for new opportunities, ensuring efficiency at all times

**Measure Purpose:** To evolve and look for new opportunities, ensuring efficiency at all times

**Scope:** Actions listed in Business Plan

**Measure Owner:** Kevin McDonald & Jody Evans

**Data lead:** Kevin McDonald & Jody Evans

Status	Value	Previous status	Current status	Target	Annual target	Polarity	Frequency
1.3.1 Fund Business Plan quarterly review - actions on track	4% Complete 61 % in progress 35% yet to start	A	A	15% Complete, 10% in progress	100% complete	High	Quarterly

#### Rationale for performance status and trend

1.3.1 Against a total of 23 actions or projects for the year:

- 1 (4%) complete
- 14 (61%) in progress
- 8 (35%) scheduled to commence later in the year

The business plan is detailed in Annex A of this report.

## 1.4 - Act with integrity and be accountable to our stakeholders

**Measure Purpose:** To act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based

**Scope:** Formal complaints against Board Members relating to their role as member of the EPFB or ISC, with reference to Essex County Council's Code of Conduct. Formal complaints are those made to Standards Committee. The same complaint may be referred onto the Local Government Ombudsman or a third party may seek judicial review. Measure also includes annual review of key decisions and accountability and contract management measures currently in development

**Measure Owner:** Ian Myers

**Data lead:** Ian Myers

Status	Value	Units	Previous status	Current status	Target	Polarity	Frequency
1.4.1 Number of complaints made	0		G	G	0	Low	On-going
1.4.2 Number of complaints upheld	0		G	G	0	Low	On-going
1.4.3 The Board has provision for representatives of employers and scheme members. Appointees are currently in place.	No		G	R	Yes	High	Quarterly

### Rationale for performance status and trend

1.4.1 Reflects performance over the previous 12 months as at 30 June 2014.

1.4.2 Reflects performance over the previous 12 months as at 30 June 2014.

1.4.3 This is measured on an on-going basis. Yes = green; No = red.

At the time the papers were finalised, nominations for representatives of Thurrock Council and the Essex Leader & Chief Executives Group were awaited.

## 1.5 - Understand and monitor risk and compliance

**Measure Purpose:** Understand and monitor risk and compliance

**Scope:** On-going reporting and discussion of key risks to the Fund. Output from internal audit reviews.

**Measure Owner:** Kevin McDonald & Jody Evans

**Data lead:** Kevin McDonald & Jody Evans

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
1.5.1 Number of internal audit reviews finding limited/no assurance	0		G	G	0	0	Low	On-going
1.5.2 Number of internal audit recommendations outstanding	0		G	G	0	N/A	Low	On-going
1.5.3 Percentage of risks on the risk register with a residual score that is classified as amber	11.9	%	G	G	<20%	<20%	High	Quarterly
1.5.4 Percentage of risks on the risk register with a residual score that is classified as red	0.1	%	R	R	0%	0%	High	Quarterly
1.5.5 Number of matters raised by external auditors relating to Pensions Services	0		G	G	0	N/A	Low	Annually (Sep)

### Rationale for performance status and trend

**1.5.1** This includes all internal audits conducted in the last 12 months. The 2012/13 internal audit reports for both Pensions Administration and Pensions Investment received full assurance.

**1.5.2** The 2012/13 internal audit reports for both Pensions Administration and Pensions Investment contained a total of three "advice & best practice" recommendations, all of which have been completed.

**1.5.3** The Fund currently has 84 risks in its register, of which 10 have a residual score that is classified as amber. These are detailed at Annex B to this report. The previous quarter's score was 11 amber risks. Measurement: below 20% = green; between 20%-25% = amber; above 25% = red

**1.5.4** The Fund currently has 81 risks in its register, one of which have a residual score that is classified as red. This relates to the delayed release of transitional regulations for the new Career Average benefit scheme which will apply to the LGPS w.e.f. 1 April 2014. The risk is detailed in Annex B to this report. There were no red risks in the previous quarter. Measurement: 0% = green; under 2% = amber; above 2% = red

**1.5.5** There were no recommendations for Members to note in the 2012/13 Annual Governance Report from EY.

## 2.1 - Maximise returns from investments within reasonable risk parameters

Data as at: 31 March 2013

**Measure Purpose:** To maximise the returns from investments within reasonable risk parameters

**Scope:** All investments made by Pensions Fund: asset returns, liquidity and volatility risk

**Measure Owner:** Kevin McDonald

**Data lead:** Samantha Andrews

Status	Value	Units	Previous Status	Current Status	Target	Annual target	Polarity
2.1.1 Annual return compared to Peer Group	tbc	ranking	A	Gy	1st	1st	High
2.1.2 Annual Return compared to Benchmark	tbc	%	G	Gy	tbc	tbc	High
2.1.3 Five year (annualised) return compared to Benchmark	tbc	%	G	Gy	tbc	tbc	High
2.1.4 Five year (annualised) return compared to central expected return of current investment strategy	13.1	%	R	G	6.1%	6.1%	High

### Rationale for performance status and trend

Benchmark and comparison peer group data is awaited - when available, a full data set will be brought to the September 2014 Board.

## 2.2 - Ensure the Fund is properly managed

**Measure Purpose:** To ensure that the Fund is properly managed

**Scope:** Attendance at ISC and ISC member skills and knowledge

**Measure Owner:** Kevin McDonald

**Data lead:** Samantha Andrews & Barry Mack

### Status

	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
2.2.1 ISC Member attendance at ISC meetings	90.0	%	G	G	80%	80%	High	On-going
2.2.2 ISC Members completing training needs analysis (TNA)	88.0	%	Gy	G	65%	65%	High	Quarterly
2.2.3 ISC Members with adequate skills - average scores for comprehensive training need analysis (TNA)	55.0	%	Gy	A	90%	90%	High	Quarterly

### Rationale for performance status and trend

2.2.1 . This represents attendance at ISC meetings in July 2013, November 2013., February 2014 , March 2014 & June 2014.

2.2.2 . This represents the completion rate of TNA by ISC members.

2.2.3. This represent the score of the completed TNA forms.



## 2.3 - Ensure investment issues are communicated appropriately to the Fund's stakeholders

**Measure Purpose:** To ensure all significant Fund investment issues are communicated properly to all interested parties

**Scope:** Publication of meeting minutes and agendas, communication governance arrangements agreed by Board and ISC

**Measure Owner:** Kevin McDonald

**Data lead:** Kevin McDonald

Status	Value	Units	Previous status	Current status	Target	Annual target	Frequency
2.3.1 % of ISC agendas sent out 5 working days before meetings	100	%	G	G	100%	High	Quarterly
2.3.2 % of ISC committee items sent out 5 working days before meetings	100	%	G	G	100%	High	Quarterly
2.3.3 % of draft ISC minutes sent out 7 working days after meetings	100	%	G	G	100%	High	Quarterly
2.3.4 % of draft ISC minutes uploaded to internet 12 working days after meetings	0	%	G	G	100%	High	Quarterly
2.3.5 Number of communication and governance arrangements for the ISC not in place	0		G	G	0	High	On-going

### Rationale for performance status and trend

2.3.5 Measure will flag as red if one of the following communications arrangements is not in place:

- ISC Terms of Reference in place and noted at the beginning of the municipal year
- Pension Fund Business Plan in place and renewed at the beginning of the financial year
- SIP to be reviewed and published annually
- Annual Report & Accounts published by 30 November
- One independent adviser and one institutional investment consultant attended or were available to attend the last ISC meeting
- Briefing report provided to EPFB on the matters dealt with at the preceding ISC meeting
- Complete management information including asset values and returns made available for consideration at last ISC meeting

All arrangements are in place.

### 3.1 - Achieve and then maintain assets equal to 100% of liabilities within reasonable risk parameters and Funding Strategy timescales

Data as at: February 2014

**Measure Purposes:** To achieve and then maintain assets equal to 100% of liabilities within reasonable risk parameters.

**Scope:** Sources of funding: employer contributions and investments

**Measure Owner:** Kevin McDonald

**Data leads:** Kevin McDonald

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.1.1 Probability of hitting funding target	61	%	G	G	50%	50%	High	Three yearly

#### Rationale for performance status and trend

3.1.1 . Following the Actuarial Valuation, an asset liability study was undertaken by the Fund's Institutional Investment Consultants , Hymans Robertson. This was to be considered by the Investment Steering Committee at its meeting on 24 February 2014.

Based on the assumptions and methodology in the investment consultant's long term stochastic projection model, they have reported that the probability of being fully funded in 21 years' time is 61%

## 3.2 - To recognise in drawing up its Funding Strategy the desirability of employer contributions that are as stable as possible

**Measure Purposes:** To recognise the desirability of employer contributions that are as stable as possible

**Scope:** Fund Employers

**Measure Owner:** Kevin McDonald

**Data lead:** Sara Maxey

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.2.1 Stability mechanisms are included within the current Funding Strategy	Yes		G	G	Yes	Yes	High	3 yearly
3.2.2 Each of the 17 major precept raising bodies are were offered contributions which increased by no more than 1% per year or 3% per valuation.	Yes		G	G	Yes	Yes	High	3 yearly

### Rationale for performance status and trend

3.2.1 The Funding Strategy Statement is reviewed at least every three years as part of the Valuation process to include suitable stability mechanisms.

3.2.2 During consultation on the 2013/14 Funding Strategy, each of the 17 major presenting bodies were offered five options for employer contributions. These included an option which would increase employer contributions by no more than 1% (of pensionable pay) in the first year and 3% (of pensionable pay) over the three year Valuation cycle. The 17 major precepting bodies are listed below:

Essex County Council  
 Basildon District Council  
 Braintree District Council  
 Brentwood Borough Council  
 Castle Point District Council  
 Chelmsford City Council  
 Colchester Borough Council  
 Epping Forest District Council  
 Harlow District Council  
 Maldon District Council  
 Rochford District Council  
 Southend-on-Sea Borough Council  
 Tendring District Council  
 Thurrock Borough Council  
 Uttlesford District Council  
 Essex Police Authority  
 Essex Fire Authority

### 3.3 - Consistency between the Investment and Funding strategies

**Measure Purpose:** To have consistency between the investment strategy and funding strategy

**Scope:** Long term investment return assumed by funding strategy and average expected return on investment portfolio

**Measure Owner:** Kevin McDonald

**Data leads:** Samantha Andrews

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.3.1 Expected return of investment strategy	6.1	%	A	G	5.8%	5.8%	High	Annual
3.3.2 Investment strategy reviewed after Asset Liability Study	Yes		Gy	G	Yes	Yes	Yes	3 yearly

#### Rationale for performance status and trend

##### 3.3.1 Long term return assumed by Funding Strategy

The 2013 Actuarial Valuation is currently underway.  
For the 2013 Valuation the Fund Actuary's assumption for investment return was 5.8%

**Included within the draft Statement of Investment Principles approved by the ISC on 27 March 2013 was a central expectation, from the end December 2012, for the absolute return on the Fund assets of 6.1% p.a.**

##### 3.3.2 Investment Strategy reviewed

This new measure highlights that the ISC on 24 February 2014 was to review the Investment Strategy and its consistency with the Funding Strategy as part of its consideration of the Asset Liability Study, conducted by Hymans Robertson after the 2013 Actuarial Valuation.

### 3.4 - Manage employers' liabilities effectively

**Measure Purpose:** To manage employers' liabilities effectively by the adoption of employer specific funding objectives

**Scope:** All employers contributing to the scheme

**Measure Owner:** Kevin McDonald

**Data leads:** Sara Maxey

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.4.1 Does the Funding Strategy incorporate different funding objectives for different groups of employers ?	Yes	%	G	G	Yes	Yes	High	3 Yearly

#### Rationale for performance status and trend

3.4.1 The draft Funding Strategy, agreed by the Board in September 2013 included different funding objectives for different groups of employers. This was also the case for the Funding Strategy that accompanied the previous Actuarial Valuation in 2010.

### 3.5 - Maintain liquidity in order to meet projected net cash flow outgoings

**Measure Purpose:** Maintain liquidity in order to meet projected net cash-flow outgoings

**Measure Owner:** Kevin McDonald

**Data lead:** Kevin McDonald

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.5.1 Contribution income adequate to meet benefit payments.	Yes		A	A	Yes	Yes	High	On-going

#### Rationale for performance status and trend

**3.5.1** This measure captures the most recent comparison of fund income (excluding investment income) and fund expenditure. Fund expenditure is currently forecast to exceed fund income (excluding investment income) in 2015/16. In that instance investment income would be used to fund part of the payment of Fund benefits.

Score criteria is based on the contribution income adequate to meet benefit payments for the following time periods

- Green = more than two years
- Amber = between one and two years
- Red = less than one year

**The next review of cash flow will take place in 2014/15.**

## 3.6 - Minimise unrecoverable debt on termination of employer participation

**Measure Purpose:** To highlight unrecoverable, or potentially unrecoverable, deficit due to employers leaving the Fund

**Scope:** All employers contributing to the scheme

**Measure Owner:** Kevin McDonald

**Data leads:** Sara Maxey

### Status

	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
<b>3.6.1</b> Potentially unrecoverable deficit due to employers leaving scheme (as a percentage of Total Fund deficit)	0.010	%	A	A	0.00%	0.00%	Low	Quarterly
<b>3.6.2</b> Deficit unrecoverable due to employers leaving scheme (as a proportion of Total Fund deficit)	0	%	G	G	0.00%	0.00%	Low	Quarterly

### Rationale for performance status and trend

#### 3.6.1 Scoring:

0% = Green.  
Below 0.02% (£250,000) = Amber.  
Above 0.02% = Red

The Fund has been notified that an admitted body, Harlow Welfare Rights & Advice (HWRA) has been placed into liquidation. The Actuary's calculation of the termination deficit on a least risk basis is £95,000.

#### 3.6.2 Scoring:

0% = Green.  
Below 0.02% (£250,000) = Amber.  
Above 0.02% = Red

There have been no unrecoverable deficits since the last Board meeting. The score is therefore green.

The Fund's total deficit as at 31 March 2013 Actuarial Valuation was £953m.

## 4.1 - Deliver a high quality, friendly and informative service

**Measure Purpose:** Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need

**Scope:** Communication and administration turnaround times, scheme member appeals, payment errors

**Measure Owner:** Jody Evans

**Data lead:** David Tucker/Joel Ellner/Daniel Chessell/Matt Mott

Status	Value	Units	Previous status	Current status	Annual Target	CIPFA Average	Polarity	Frequency
4.1.1 Letter detailing transfer in quote issued within 10 working days (394 cases)	90.4%	%	A	A	95.0%	87.9%	High	Annual (Aug)
4.1.2 Letter detailing transfer out quote issued within 10 working days (285 cases)	90.0%	%	A	A	95.0%	89.8%	High	Annual (Aug)
4.1.3 Letter detailing process of refund and payment made within 5 working days (359 cases)	85.8%	%	A	A	95.0%	87.6%	High	Annual (Aug)
4.1.4 Letter notifying estimated retirement benefit amount within 10 working days (6499 cases)	95.7%	%	G	G	95.0%	90.8%	High	Annual (Aug)
4.1.5 Letter notifying actual retirement benefits and payment made of lump sum retirement grant within 5 working days (1802 cases)	95.4%	%	G	G	95.0%	89.5%	High	Annual (Aug)
4.1.6 Letter acknowledging death of active /deferred / pensioner member within 5 working days (942 cases)	99.1%	%	G	G	95.0%	92.4%	High	Annual (Aug)
4.1.7 Letter notifying the amount of dependent's benefits within 5 working days (914 cases)	95.9%	%	G	G	95.0%	87.5%	High	Annual (Aug)
4.1.8 Calculate and notify deferred benefits within 10 working days (4908 cases)	83.3%	%	R	R	95.0%	81.9%	High	Annual (Aug)
4.1.9 Annual benefit statements issued to active members by 30 September.	Yes		G	G	Yes	N/A	High	Annual (Sep)
4.1.10 Annual benefit statements issued to deferred members by 30 June.	Yes		G	G	Yes	N/A	High	Annual (Jun)
4.1.11 Number of payments errors	0	number	G	G	0	N/A	Low	Quarterly
4.1.12 New IDRPs during the year	2		G	G	Below CIPFA average	Pending	Low	Annual (Aug)
4.1.13 IDRPs - number of lost cases	0		G	G	Below CIPFA average	Pending	Low	Annual (Aug)
4.1.14 Employer survey - feedback on training and educational materials - % of positive responses	99.1%		G	G	95.00%	N/A	Low	Annual (Mar)

**4.1.1 - 4.1.8** The Fund is aiming for a target of 95%. Above 95% = green, above 85% = amber, below 85% equals red. It should be noted that the Fund already compares favourably with other funds and is aiming even higher. A new column showing draft 2012/2013 CIPFA Benchmarking averages has been included for the first time.

**4.1.1 & 4.1.2** Changes to regulations and to factors required to calculate transfers were subject to a delay by the Government Actuarial Department this led officers to postpone processing and therefore impacted the turnaround times. Transfers is an area that is effected by regular factor amendments and have been subject to regular minor changes within the regulations over the last 2 years.

**4.1.3** Turnaround times for processing and paying of refunds increased slightly from 85.5% (2011/12) to 85.8% (2012/2013) . However the numbers of refund cases has more than doubled from the previous year, due to more people claiming refunds.

**4.1.4** Estimates of retirement benefits processed during 2011/2012 more than doubled to 4634 cases from the previous figure in 2010/2011 of 2233 cases. During 2012/2013 we have seen another significant increase to 6499.

**4.1.8** Turnaround times for this measure improved from 78% (2010/11) to 82.6% (2011/12) to 83.3% (2012/2013) This is an area of high demand due to levels of employee turnover within our many employers. A new procedure is in place from 1 April 2013 and this is mention in a report on the September Board.

**4.1.9** The 2012/13 Annual benefits statements for Active members were dispatched in late August 2013. The previous dispatch was in August 2012.

**4.1.10** The last dispatch of these statements to Deferred members was in June 2014. The previous dispatch was in June 2013

**4.1.11** Measure captures the number of errors made by Pensioner Payroll which have resulted in scheme members being paid the wrong amount. During last 3 months, 0 payments errors to scheme members. Procedural checks are in place to measure this on a quarterly basis.

**4.1.14** In November 2013 an employer survey was issued, 378 employers were invited to participate and 112 responses were received when asked about feedback on training materials and educational materials. Only one negative response was received resulting in a 99.1% positive response. In 2012 the result showed a 95.3% positive response. 116 survey responses that were received 4 respondents chose not to answer this question.



## 4.2 - Data is protected to ensure security and authorised use only

**Measure Purpose:** Data is protected to ensure security and authorised use only

**Scope:** All service area budgets within the directorate

**Measure Owner:** Jody Evans

**Data lead:** Anna Casbolt

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
4.2.1 Number of information security breaches	1		G	R	0	0	Low	Quarterly
4.2.2 Actions in place for all breaches	0		G	G	Actions in place for all	Actions in place for all	N/A	Quarterly

### Rationale for performance status and trend

4.2.1 One breach occurred this quarter. An investigation is ongoing and any actions will be implemented.

Green = 0 breaches

Amber = 1 or more medium or minor breaches

Red = 1 or more major or critical breaches

4.2.2 There were no required actions this quarter.

## 4.3 - Ensure proper administration of financial affairs

**Measure Purpose:** To ensure proper administration of the Fund's financial affairs

**Scope:** Investments and Contributions

**Measure Owner:** Kevin McDonald

**Data leads:** Samantha Andrews & Sara Maxey

### Status

	Value	Units	Previous status	Current status	Current target	Annual target	Polarity	Frequency
<b>4.3.1</b> % of monthly reconciliations of equity and bond investment mandates which are timely	100	%	G	G	0%	100%	High	Quarterly
<b>4.3.2</b> % of contributing employers submitting timely payments	95.7	%	A	A	100%	100%	High	Quarterly

### Rationale for performance status and trend

**4.3.1** Performance over quarter ending March 2014 was 100%:(Green).

The investment team's focus in the quarter ending June, is closing the accounts.

Quarter ending March 100%

Quarter ending June 0% (The work of the Investment Team at this time is focussed on year end closure)

**4.3.2** For the quarter ending March 2014 the performance was amber as payments from **95.7%** of the 434 contributing employers were received within the month they fell due. In cash terms this equated to **99.4%** of a total employer contribution of £36.6m.

## 4.4 - Compliance with the Fund's governance arrangements

**Measure Purpose:** To ensure compliance with the Fund's governance arrangements agreed by the Council

**Scope:** Publication of Essex Pensions Funding Board agendas and minutes. Governance arrangements agreed by Board

**Measure Owner:** Ian Myers/Jody Evans/Kevin McDonald

**Data lead:** Ian Myers/Jody Evans/Kevin McDonald

### Status

	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
4.4.1 % of Board agendas sent out 5 working days before meetings	100	%	G	G	100%	100%	High	Quarterly
4.4.2 % of Board items sent out 5 working days before meetings	89	%	R	R	100%	100%	High	Quarterly
4.4.3 % of draft Board minutes sent out 7 working days after meetings	100	%	G	G	100%	100%	High	Quarterly
4.4.4 % of Board minutes uploaded to internet 12 working days after meetings	100	%	G	G	100%	100%	High	Quarterly
4.4.5 Compliance with governance arrangements - number of governance arrangements not in place	0	number	G	G	0	0	High	On-going

### Rationale for performance status and trend

4.4.2 The ISC quarterly update for the 5 March Board (in respect of the 24 February ISC meeting) was a to follow item. The procurement frameworks paper for the Board meeting on 9 December 2013 was a to follow item.

4.4.5 Measure will flag as red if one of the following governance arrangements is not in place:

- An Employer Forum has taken place during the last year - Fund is compliant
- The last Employer Forum received reports and representation from the ISC and EPFB - Fund is compliant

NB: Compliance with Board Membership arrangements is covered at measure 1.4.4

## 5.1 - Communicate in a friendly, expert and direct way to our stakeholders, treating all our stakeholders equally.

**Measure Purpose:** Communicate in a friendly, expert and direct way to our stakeholders, treating all our stakeholders equally.

**Scope:** All scheme members and employers

**Measure Owner:** David Tucker

**Data lead:** Matt Mott

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
5.1.1. % of positive responses from the scheme member survey. - <i>Helpfulness of the Pensions Teams.</i>	99.1	%	G	G	95%	95%	High	Annual (Mar)
5.1.2. % of positive responses from the Employer Survey. - <i>Expertness of Pensions Teams.</i>	99.1	%	G	G	95%	95%	High	Annual (Mar)
5.1.3. % of positive responses from the Employer Survey. - <i>Pensions Teams are friendly and Informative.</i>	100	%	G	G	90%	90%	High	Annual (Mar)
5.1.4. A Communication Plan is in place for the current year.			G	GY	Yes	Yes	High	Annual (Sep)

### Rationale for performance status and trend

**5.1.1** In November 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 111 responses were received to the question to 'How would you rate the Essex Pension Fund on helpfulness of staff?'. Only one negative response was received resulting in a 99.1% positive response. In 2012 the result showed a 100% positive response. 118 survey responses that were received 7 respondents chose not to answer this question

**5.1.2** In November 2013 an employer survey was issued, 378 employers were invited to participate and 110 responses were received to the question to 'How would you rate Essex Pension Fund staff on their level of expertise?'. Only one negative response was received resulting in a 99.1% positive response. In 2012 the result showed a 100% positive response. 116 survey responses that were received 6 respondents chose not to answer this question.

**5.1.3** In November 2013 an employer survey was issued, 378 employers were invited to participate and 111 responses were received to the question to 'How would you rate Essex Pension Fund staff on being friendly and informative?'. No negative response was received resulting in a 100% positive response. In 2012 the result showed a 100% positive response. 116 survey responses that were received 5 respondents chose not to answer this question.

**5.1.4** The existing Communication Plan is currently subject to review in light of the new LGPS 2014 benefits structure.

## 5.2 - Ensure our communications are simple, relevant and have impact. To deliver information in a way that suits all types of stakeholder

**Measure Purpose:** Ensure our communications are simple, relevant and have impact. To deliver information in a way that suits all types of stakeholder

**Scope:** All Scheme members and employers

**Measure Owner:** David Tucker

**Data lead:** Matt Mott

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
5.2.1. % of positive responses from the Scheme member Survey - <i>Clarity of website information.</i>	97.1%	%	G	G	95.0%	95.0%	High	Annual (Mar)
5.2.2. % of positive responses from the Scheme Member Survey - <i>Understandable Annual Benefit Statements.</i>	82.0%	%	A	A	95.0%	95.0%	High	Annual (Mar)
5.2.3. % of positive responses from the Scheme Member Survey - <i>Communications that suit needs, easy to understand and relevant.</i>	99.1%	%	A	G	95.0%	95.0%	High	Annual (Mar)
5.2.4. % of positive responses from the Employer Survey - <i>Clarity of Website information.</i>	92.4%	%	G	A	95.0%	95.0%	High	Annual (Mar)
5.2.5. Increase in response of the Scheme Member Survey compared to last year.	143.9%	%	G	G	Increase	Increase	High	Annual (Mar)
5.2.6. Increase in response rate of the Employer Survey compared to last year.	269.8%	%	G	G	Increase	Increase	High	Annual (Mar)

**5.2.1** - In November 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 68 responses were received to the question to 'How clear is the information available on the Essex Pension Fund website?'. Only two negative response was received resulting in a 97.1% positive response. In 2012 the result showed a 95.1% positive response. 118 survey responses that were received 50 respondents chose not to answer this question.

**5.2.2** - In November 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 111 responses were received to the question to 'How easy was the information in your annual benefit statement to understand?'. 20 negative response was received resulting in a 82% positive response. In 2012 the result showed a 86.6% positive response. 118 survey responses that were received 7 respondents chose not to answer this question.

**5.2.3** - In November 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 114 responses were received. Only one negative response was received resulting in a 99.1% positive response. In 2012 the result showed a 91.4% positive response. 118 survey responses that were received 4 respondents chose not to answer this question.

**5.2.4** - In November 2013 an employer survey was issued, 378 employers were invited to participate and 105 responses were received to the question to 'How clear is the information available on the Essex Pension Fund website?'. Eight negative responses was received resulting in a 92.4% positive response. In 2012 the result showed a 95.3% positive response. 116 survey responses that were received 11 respondents chose not to answer this question.

**5.2.5** - In November 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 118 responses were received. In 2012 82 responses were received. This is an increase in respondents of 36 (43.9%).

**5.2.6** - In November 2013 an employer survey was issued, 378 scheme members were invited to participate and 116 responses were received. In 2012 43 responses were received. This is an increase in respondents of 73 (169.8%).

## 5.3 - Aim for a full appreciation of the pension scheme benefits and changes to the Scheme by all scheme members, prospective scheme members and employers

**Measure Purpose:** Aim for a full appreciation of the pension scheme benefits and changes to the Scheme by all scheme members, prospective scheme members

**Scope:** All scheme members and employers

**Measure Owner:** David Tucker

**Data lead:** Matt Mott

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
5.3.1. % of opt outs is within reasonable parameters		%	Gy	Gy	0.10%	0.10%	N/A	Quarterly
5.3.2. % of positive responses from the Employer Survey - <i>Information available is helpful in employers understanding their responsibilities</i>	97.3%	%	G	G	95%	95%		Annual(Mar)

### Rationale for performance status and trend

5.3.1 This measure is under development.

5.3.2 In November 2013 an employer survey was issued, 378 employers were invited to participate and 112 responses were received when asked about feedback on information available is helpful to employers understanding their responsibilities. Only three negative response were received resulting in a 97.3% positive response. In 2012 the result showed a 95.3% positive response. 116 survey responses that were received 4 respondents chose not to answer this question.