

Proposed Governance, Funding and Administration Measures for the New Scorecard

Governance

New Scorecard – PROPOSALS	Measures
1.1 Provide a high quality service whilst maintaining value for money	
1.1.1 Fund's cost per member is within 2 nd /3 rd quartile of LGPS funds	Target: Annual 2 nd /3 rd quartile = green (any other score = red)
1.1.2 Number of Scheme Member / Employer / Other Stakeholder complaints	Target: 5 or under per reporting period = green; 6-10 per reporting period = amber; >10 = red
1.1.3 Number of Scheme Member / Employer / Other Stakeholder compliments (aim is to ensure the Fund receives more compliments than complaints)	Target: 15 or more per reporting period = green; 10-14 per reporting period = amber; <10 = red
1.1.4 Number if IDRP appeals against the Administering Authority upheld	Target: 0 = green; >0 = red
1.2 Ensure compliance with the Local Government Pension Scheme (LGPS) regulations, other relevant legislation and the Pensions Regulator's Codes of Practice	
1.2.1 Number of material breaches identified and reported to tPR	Target: 0 = green; >0 = red
1.2.2 % of tPR individual requirements that EPF is compliant in	Target: 90% = green; 85% = amber; <85% = red
1.2.3 % of Board/Committee agendas sent out 5 working days before meetings	Target: 100% = green, 99%-90% = amber; <90% = red
1.2.4 % of draft Board/Committee minutes uploaded to internet 12 working days after meetings	Target: 100% = green, 99%-75% = amber; <75% = red
1.2.5 EPF Policies and Publications are reviewed in line with the Business Plan and approved by the PSB/ISC where applicable	Target: yes = green; no = red
1.3 (A) Ensure the Fund is managed and its services delivered by people who have the appropriate knowledge and expertise	
1.3.1 Board/Committee Members Training Strategy and Training plan in place	Target: yes = green; no = red
1.3.2 Individual Training Needs Analysis carried out for all Board/Committee Members in last 24 months	Target: yes = green; no = red
1.3.3 All new PSB, ISC, PAB members have internal induction training, and Training Needs Analysis, carried out	Target: yes = green; no = red

New Scorecard – PROPOSALS	Measures
within 3 months of confirmed appointment	
1.3.4 All desirable external events identified covering the period since the last scorecard have been attended by at least one member of the Management Team or relevant Officer / Board Member representative	Target: 95% = green; 85% = amber; <85% = red
1.3.5 PSB Members achieved required training credits within a rolling 2-year period	Target: 90% = green; 75% = amber; <75% = red
1.3.6 % attendance at meetings by PSB	Target: 80% = green; 70% = amber; <70% = red
1.3.7 ISC Members achieved required training credits within a rolling 2-year period	Target: 90% = green; 75% = amber; <75% = red
1.3.8 % attendance at meetings by ISC	Target: 80% = green; 70% = amber; <70% = red
1.3.9 PAB Members achieved required training credits within a rolling 2-year period	Target: 90% = green; 75% = amber; <75% = red
1.3.10 % attendance at meetings by PAB	Target: 80% = green; 70% = amber; <70% = red
1.4 Evolve and look for new opportunities, ensuring efficiency at all times	
1.4.1 Fund 3-year Business Plan and budget prepared and presented for approval prior to each new financial year, following consultation with the Fund's advisers/consultants	Target: yes = green; no = red
1.4.2 Progress against the Fund's Annual Business Plan reported to each PSB meeting	Target: yes = green; no = red
1.5 Act with integrity and be accountable to our stakeholders	
1.5.1 Number of complaints made against Board/Committee Members in relation to the work of the Fund	Target: 0 = green; >0 = red
1.5.2 Number of complaints upheld against Board/Committee Members in relation to the work of the Fund	Target: 0 = green; >0 = red
1.5.3 EPF Declaration forms completed or reaffirmed by PSB/ISC and PAB Members with Third Party Transactions completed to fulfil the statutory requirements for the production of the Fund's Financial Statements on an annual basis	Target: yes = green; no = red

New Scorecard – PROPOSALS	Measures
1.5.4 ECC Declaration forms completed or reaffirmed by Management Team Officers in with ECC Policy	Target: yes = green; no = red
1.5.5 PSB has provision for representatives of employers and scheme members. Appointees are currently in place	Target: yes = green; no = red
1.5.6 PAB has provision for representatives of employers and scheme members. Appointees are currently in place	Target: yes = green; no = red
1.6 Understand and monitor risk and compliance	
1.6.1 % of risks currently equal to or better than target risk rating	Target: 90% = green; 85% = amber, <85% = red
1.6.2 EPF have been subject to audit by ECC Internal Audit	Target: yes = green; no = red
1.6.3 Number of internal audit reviews finding satisfactory / good assurance	Target: 2+ = green; 1 = amber; 0 = red
1.6.4 Number of internal audit recommendations outstanding	Target: 0 = green; 1-3 = amber; >3 = red
1.6.5 EPF have been subject to audit by External Auditors	Target: yes = green; no = red
1.6.6 External Audit providing an unqualified opinion	Target: yes = green; no = red
1.7 Continually measure and monitor success against our objectives	
1.7.1 % priorities within current business plan on target for completion	Target: 90% = green; 85% = amber; <85% = red
1.7.2 Up to date scorecard provided to PSB and PAB for each meeting	Target: yes = green; no = red
1.8 Ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved	
1.8.1 EPF Business Continuity Plan in place and reviewed in last 12 months	Target: yes = green; no = red
1.8.2 Business Continuity Testing Schedule (including cyber risk testing) in place for EPF and being tested regularly by the agreed dates	Target: yes = green; no = red
1.8.3 Number of material data security breaches by EPF	Target: 0 = green; >0 = red

Funding

New Scorecard – PROPOSALS		Measures
2.1 To recognise in drawing up its Funding Strategy the desirability of employer contributions that are as stable as possible		
2.1.1 Stability mechanisms are included within the current Funding Strategy	Target: yes = green; no = red	
2.1.2 Employers are consulted during the Valuation process in consultation with the Funds Actuary	Target: yes = green; no = red	
2.2 To prudently set levels of employer contributions that aim to achieve a fully funded position in the timescales determined in the Funding Strategy Statement		
2.2.1 Funds probability of reaching 100% funding target in the current valuation cycle	Target: >50% = green; 49% - 45% amber; <44% red	
2.3 Manage employers' liabilities effectively, having due consideration of each employer's strength of covenant, by the adoption, where necessary, of employer specific funding objectives		
2.3.1 The Funding Strategy incorporates different funding objectives for different groups of employers	Target: yes = green; no = red	
2.4 To ensure consistency between Investment Strategy and Funding Strategy		
2.4.1 Investment Strategy reviewed after Asset Liability Study is carried out using liability information from the latest actuarial valuation	Target: yes = green; no = red	
2.6 Adopt appropriate measures and approaches to reduce the risk, as far as possible, to the Fund, or other employers and ultimately the tax payer from an employer defaulting on its pension obligations to minimise unrecoverable debt on termination of employer participation		
2.6.1 Potentially unrecoverable deficit due to employers leaving scheme (as a percentage of Total Fund deficit)	Target: 0.00% = green, 0.001% - 0.004% = amber, 0.005%+ = red	
2.6.2 Deficit unrecoverable due to employers leaving scheme (as a proportion of Total Fund deficit)	Target: 0.00% = green, 0.001% - 0.004% = amber, 0.005%+ = red	

Administration

New Scorecard – PROPOSALS	Comments
4.1 Deliver a high quality friendly and informative service to all beneficiaries and employers at the point of need	
4.1.1 Meeting Fund's agreed timescales - Annual Benefit Statements issued to active members of LGPS (Career Average) by 31 August each year	Target: 100% = green; 99% = amber; <99% = red
4.1.2 Meeting Fund's agreed timescales - Annual Benefit Statement issued to deferred members by 30 June each year	Target: 95% = green; 85% = amber; <85% = red
4.1.3 Meeting Fund's agreed timescales - Letter detailing transfer in quote issued within 10 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.4 Meeting Fund's agreed timescales - Letter detailing transfer out quote issued within 10 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.5 Meeting Fund's agreed timescales - Process and pay a refund with 10 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.6 Meeting Fund's agreed timescales - Letter notifying estimated retirement benefits within 15 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.7 Meeting Fund's agreed timescales - Letter notifying actual retirement benefits within 15 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.8 Meeting Fund's agreed timescales - Process and pay lump sum retirement grant within 15 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.9 Meeting Fund's agreed timescales - Process and pay lump sum deferred into pay retirement grant within 15 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.10 Meeting Fund's agreed timescales - Letter acknowledging death of active / deferred / pensioner member within 5 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.11 Meeting Fund's agreed timescales - Letter notifying the amount of dependent's benefits within 10 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)

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4.1.12 Meeting Fund's agreed timescales - Calculate and notify deferred benefits within 30 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.13 Meeting Fund's agreed timescales - Letter detailing divorce quote cash equivalent value and other benefits within 45 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.14 Meeting Fund's agreed timescales – Once Fund is in receipt of all required data, letter detailing implementation of divorce settlement cash equivalent value and application of pension sharing order within 15 working days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.1.15 Meeting Fund's agreed timescales - Send notification of joining the LGPS to scheme member within 40 days	Target: 95% = green; 85% = amber; <85% = red (also measure against CIPFA average)
4.2 Ensure contribution income is collected from the right people at the right time in the right amount	
4.2.1 % of contributing employers submitting timely payments	Target: 100% = green; 99%-75% = amber; <75% = red
4.2.2 % of employers submitting employer contribution amounts in accordance with rates and adjustments certificate	Target: 100% = green; 99%-75% = amber; <75% = red
4.3 Ensure benefits are paid to the right people at the right time in the right amount	
4.3.1 Number of matches against NFI data which resulted in 'genuine fraud'	Target: 0 = green; >0 = red
4.3.2 Meeting Fund's agreed measure for the common data score (in line with what is provided to TPR annually)	Target: 95% = green; 90% = amber; <90% = red
4.3.3 Meeting legally required agreed timescales - Annual Benefit Statements issued to active members of LGPS (Career Average) by 31 August each year	Target: 100% = green; 99% Amber; <99% = red
4.3.4 Meeting legally required agreed timescales - Annual Benefit Statement issued to deferred members by 31 August each year	Target: 100% = green; 99% Amber; <99% = red

New Scorecard – PROPOSALS	Comments
4.4 Ensure the Fund employers are aware of and understand their roles and responsibilities, and carry out their functions in line with legislation, guidance and the Fund's agreed policies and procedures	
4.4.1 % of annual returns (year-end) submitted on time by employers	Target: 90% = green; 85% amber; <85% red
4.4.2 % of annual returns (year-end) which passed validation first time	Target: 90% = green; 85% amber; <85% red