

Essex Pension Fund Scorecard - January to March 2020

1. GOVERNANCE

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

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4

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

3

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

1.4 - Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based

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1.5 - Understand and monitor risk and compliance

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4

2. INVESTMENTS

2.1 - Maximise returns from investments within reasonable risk parameters

2

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2

2.2 - Ensure the Pension Fund is properly managed (ISC attendance, skills and governance arrangements)

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

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4

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

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

2

3.3 - To have consistency between Investment and Funding strategies

2

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.

1

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

1

3.6 - Minimise unrecoverable debt on termination of employer participation

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4. ADMINISTRATION

4.1A - Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need.

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2

4.1Q - Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and employers at the point of need.

2

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

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4.3 - Ensure proper administration of financial affairs

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1

4.4 - Compliance with Fund's governance arrangements

2

3

5. COMMUNICATIONS

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

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3

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

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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.

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Key

G

= on or exceeding target

Gy

= data not currently available / work in progress

A

= missing target but within agreed tolerance

R

= missing target by more than agreed tolerance

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, Kelly Armstrong and Amanda Crawford

Status

	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
1.1.1 Cost per scheme member	2nd	quartile	G	G	2nd/3rd quartile	2nd/3rd quartile	Low	Annual (Dec)
1.1.2 Number of scheme member complaints	3	number	G	G	5 or under	20 or under	Low	Quarterly
1.1.3 Number of scheme member compliments	18	number	G	G	15 or more	60 or more	High	Quarterly
1.1.4 Scheme member survey - % of positive answers	95%	%	G	G	95%	95%	High	Annual (Mar)
1.1.5 Employer survey - % of positive answers	90%	%	A	A	95%	95%	High	Annual (Mar)

Rationale for performance status and trend

- 1.1.1. Cost per member was £16.94 in 2018/19 (£16.41 in 2017/18) compared to the CIPFA Benchmarking average of £21.34. (The CIPFA Benchmarking average for 2017/18 was £21.85).
- 1.1.2. The number of complaints received in the quarter leading up to 31 March 2020 was 3. The total for 2019/20 was 10.
- 1.1.3. The number of compliments received in the quarter leading up to 31 March 2020 was 18. The total for 2019/20 was 68.
- 1.1.4. In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 130 members responded to the survey (128 in November 2018). 1067 responses were received from a total of 1120 individual answers resulting in a 95% positive response rate. The previous survey was 97%. The Fund will carry out an extensive review of the questions asked in preparation for the 2020/21 Survey.
- 1.1.5. In October 2019 an Employer Survey was issued to 684 Employers (654 in 2018) who were invited to participate. 53 Employers responses were received (51 in November 2018). 611 responses were received from a total of 681 individual answers resulting in a 90% positive response rate. The previous survey result for positive answers was 94.7%. The Fund will carry out an extensive review of the questions asked in preparation for the 2020/21 Survey.

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: Jody Evans

Data lead: Amanda Crawford

Status

	Value	Units	Previous Status	Current Status	Target	Annual target	Polarity	Frequency
1.2.1 Members training	98%	%	G	G	90%	90%	High	Quarterly
1.2.2 Board Member attendance at Board meetings	100%	%	A	G	80%	80%	High	Quarterly
1.2.3 Officer training plans and Supporting Success objectives in place	100%	%	G	G	100%	100%	High	Ongoing

Rationale for performance status and trend

1.2.1 In the measurement period Board Members' training credits equated to 98%. The revised Training Strategy has been drafted by Officers and will be provided to the Fund's Independent Governance & Administration Adviser (IGAA) for consultation.

1.2.2 During the quarter leading up to 31 March 2020 there was one PSB meeting on 04 March 2020 achieving 100% attendance from Members. In addition, the annual target has also been surpassed with the Board Members achieving 89% attendance for 2019/20.

1.2.3. Yearly plans are in place for all staff working within the Essex Pension Fund. The Compliance Team monitor and record all Officer training.

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: Jody Evans

Data lead: Jody Evans & Amanda Crawford

Status	Value	Previous status	Current status	Target	Annual target	Polarity	Frequency
1.3.1 Fund Business Plan quarterly review - actions on track	83% complete 17% in progress	A	A	100% complete	100% complete	High	Quarterly

Rationale for performance status and trend

1.3.1 Against a total of 12 objectives or projects for the year:

10 (83%) has been completed;
2 (17%) were in progress and will be carried forward into 2020/21:
0 (0%) not started.

The 2019/20 Business Plan progress report is detailed in Appendix 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 PSB 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: Jody Evans

Data lead: Amanda Crawford

Status	Value	Units	Previous status	Current status	Target	Polarity	Frequency
1.4.1 Number of complaints made	0	number	G	G	0	Low	On-going
1.4.2 Number of complaints upheld	0	number	G	G	0	Low	On-going
1.4.3 The Pension Strategy Board has provision for representatives of employers and scheme members. Appointees are currently in place.	Yes		G	G	Yes	High	Quarterly
1.4.4 The Pension Advisory Board has provision for representatives of both employers and scheme members. Appointees are currently in place.	Yes		G	G	Yes	High	Quarterly

Rationale for performance status and trend

1.4.1 Reflects performance over the last 12 months.

1.4.2 Reflects performance over the last 12 months.

1.4.3 As of 31 March the Other Employing Bodies Representative ceased their position and a recruitment process had commenced to fill the position. A formal update has been provided at Agenda Item 04 of this Agenda Pack.
Yes = green; No = red.

1.4.4 Within the quarter leading up to 31 March 2020 there were no vacancies on the PAB.

Yes = green; No = red.

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: Jody Evans & Amanda Crawford

Data lead: Amanda Crawford

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	number	G	G	0	0	Low	Annual
1.5.2 Number of internal audit recommendations outstanding	0	number	G	G	0	0	Low	On-going
1.5.3 Percentage of risks on the risk register with a residual score that is classified as amber	17	%	R	G	<20%	<20%	High	Quarterly
1.5.4 Percentage of risks on the risk register with a residual score that is classified as red	6.5	%	R	R	0%	0%	High	Quarterly
1.5.5 Number of matters raised by external auditors relating to the Essex Pension Fund	0	number	G	G	0	N/A	Low	Annually (Sep)

Rationale for performance status and trend

1.5.1 This includes the 2018/19 internal audit reports that were reported to the PSB at the 3 July 2019 PSB meeting. Good assurance (green) was rated with 0 recommendations made.

1.5.2 The 2018/19 internal audit reports made no recommendations for implementation.

1.5.3 As at 31 March 2020, the Fund had 46 risks in its register, of which 8 had a residual score that was classified as amber. A further 9 which were previously classified as amber are now classified as yellow, due to ECC introducing a fourth colour (yellow) into the risk matrix as detailed at the 04 March 2020 meeting. An updated position in regard to Risk is provided at Agenda Item 06 of this Agenda Pack. Measurement: below 20% = green; between 20%-25% = amber; above 25% = red

1.5.4 As at 31 March 2020, the Fund had 46 risks in its register, 3 of which had a residual score that was classified as red. These included: G9: Failure to carry out Business As Usual due to Covid-19; G14: Regulatory Risks i.e. McCloud; and A3: Failure to pay benefits due to the BACS Cloud Procurement. An updated position in regard to Risk has been provided at Agenda Item 06 of this Agenda Pack. Measurement: 0% = green; above 0% = red

1.5.5 There were no significant recommendations for Members to note in the 2018/19 Annual External Audit Results Report from BDO which was presented to the Board at their September 2019 meeting.

2.1 - Maximise returns from investments within reasonable risk parameters (Annual)

Data as at: 31 March 2020

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: Jody Evans

Data lead: Samantha Andrews

Status

	Value	Units	Previous Status	Current Status	Target	Annual target	Polarity
2.1.1 Annual return compared to Peer Group	-4.8	3rd	G	A	1st	1st	High
2.1.2 Annual Return compared to Benchmark	-4.8	%	G	R	-3.8%	-3.8%	High
2.1.3 Five year (annualised) return compared to Benchmark	6.4	%	G	G	4.7%	4.7%	High
2.1.4 Five year (annualised) return compared to central expected return of current investment strategy	6.4	%	G	G	6.4%	6.4%	High
2.1.5 Five year (annualised) return compared to central expected return of current investment strategy including manager outperformance	6.4	%	G	R	7.2%	7.2%	High

Rationale for performance status and trend

As of 31 March 2020 the Fund's results were:

2.1.1 The Essex Pension Fund with -4.8% was ranked 3rd out of 6 of the peer group which consists of Cambridgeshire, Kent, Norfolk, Northamptonshire and Suffolk. The lowest return within the group was -7.5%. The Fund equalled the Pirc Local Authority Universe average of -4.8%.

2.1.2 The annual return of -4.8% was below the benchmark of -3.8%.

2.1.3 The five year return of 6.4% was above the benchmark of 4.7%.

2.1.4 The five year return of 6.4% was equal to the central expected return of the current Investment Strategy.

2.1.5 The five year return of 6.4% was below the expected return of the current Investment Strategy including investment manager outperformance of 7.2%.

The Fund recorded a negative annual performance for the year, the first time since the financial crisis of 2008/09. The performance was largely driven by the stock markets reacting sharply to the Covid 19 crisis with daily double figure decreases experienced in March as the news of the pandemic and its severity broke. The Fund value has since recovered back to pre Covid-19 levels. The five year performance figure was also impacted.

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: Jody Evans

Data lead: Amanda Crawford

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
2.2.1 ISC Member attendance at ISC meetings	78	%	G	A	80%	80%	High	Quarterly
2.2.2 ISC Members training	114	%	G	G	90%	90%	High	Quarterly

Rationale for performance status and trend

2.2.1 This represents attendance at ISC meetings in the quarter leading up to 31 March 2020 equating to 78%. There was one ISC meeting during this period on 19 February 2020. However it should be noted that the annual target has been surpassed with the Committee achieving 86% attendance for 2019/20.

The ISC meeting on 25 March 2020 was cancelled due to the Covid-19 Pandemic.

2.2.2 In the measurement period, ISC Members' training credits equated to over 100%.

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: Jody Evans

Data lead: Amanda Crawford & Samantha Andrews

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%	100%	Quarterly
2.3.2 % of ISC Committee items sent out 5 working days before meetings	100	%	G	G	100%	100%	Quarterly
2.3.3 % of draft ISC minutes sent out 7 working days after meetings	75	%	G	A	100%	100%	Quarterly
2.3.4 % of draft ISC minutes uploaded to internet 12 working days after meetings	100	%	G	G	100%	100%	Quarterly
2.3.5 Number of communication and governance arrangements for the ISC not in place	0	number	G	G	0	0	On-going

Rationale for performance status and trend

Measures 2.3.1 - 2.3.4 Covers the quarter leading up to 31 March 2020, during which the draft ISC minutes for the 19 February were issued 9 working days after the meeting.

The ISC meeting on 25 March 2020 was cancelled due to the Covid-19 Pandemic.

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;
- ISS to be reviewed and published annually however this is currently pending for the end of this financial year. This is due to the changes that Pooling will require;
- Annual Report & Accounts published by 1 December;
- One independent adviser and one institutional investment consultant attended or were available to attend the last ISC meeting;
- Briefing report provided to PSB 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 in place.

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

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: Jody Evans

Data leads: Sara Maxey

Status

	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.1.1 Probability of hitting funding target	75	%	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 considered by the Investment Steering Committee at its meeting on 12 October 2017.

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 25 years time as 75%.

Following the 2019 Actuarial Valuation, the Asset Liability Study will be undertaken during 2020/21.

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: Jody Evans

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 (FSS) is reviewed at least every three years as part of the Valuation process to include suitable stability mechanisms. The FSS was approved by the Board at their 04 March 2020 meeting and was published by the statutory deadline of 31 March 2020.

3.2.2 During consultation on the 2020 Funding Strategy, each of the 17 major precepting bodies were consulted and agreed options for payment of employer contributions. Rates and adjustment certificates have been issued. The 17 major precepting bodies are listed below:

- Essex County Council
- Basildon District Council
- Braintree District Council
- Brentwood Borough Council
- Castle Point Borough 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: Jody Evans

Data leads: Samantha Andrews & Sara Maxey

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.3.1 Expected return of investment strategy	6.4	%	G	G	5.8%	5.8%	High	3 yearly
3.3.2 Investment strategy reviewed after Asset Liability Study	Yes		G	G	Yes	Yes	High	3 yearly

Rationale for performance status and trend

3.3.1 Long term return assumed by Funding Strategy

For the 2016 Valuation the Fund Actuary's assumption for investment return was 5.1%. As part of the 2017 Asset Liability Study, Investment Consultants Hymans Robertson conducted a review of the Fund's investment structure using their Asset Model (HRAM), the stochastic scenario generator developed by Hymans Robertson LLP, calibrated using market data as at 30 September 2017. The result was an expectation of a 6.4% p.a. return which rose to 7.8% with the inclusion of investment managers outperformance.

For the 2019 Valuation the Fund Actuary's assumption for investment return was 4.5%. However, the Asset Liability Study following the completion of the 2019 Actuarial Valuation will be undertaken during 2020/21.

3.3.2 Investment Strategy reviewed

This measure highlights that the ISC on 12 October 2017 reviewed 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 2016 Actuarial Valuation.

The Asset Liability Study following the completion of the 2019 Actuarial Valuation will be undertaken during 2020/21.

3.4 - Manage employers’ liabilities effectively

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

Scope: All employers contributing to the scheme

Measure Owner: Jody Evans

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 Funding Strategy Statement (FSS) was agreed by the Board at their 04 March 2020 meeting.

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: Jody Evans

Data lead: Sara Maxey & Samantha Andrews

Status

	Value	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.5.1 Sufficient investment income is available to supplement contribution income to meet benefit payments.	Yes	G	G	Yes	Yes	High	Ongoing

Rationale for performance status and trend

3.5.1 The Fund uses a combination of rental income and UK equity dividends from the passive portfolio to supplement contributions in meeting benefit payments.

The ISC reviewed its Treasury Management Strategy including cash flow at its March 2019 meeting. The review that was due to take place in March 2020 was deferred due to Covid-19.

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: Jody Evans

Data leads: Sara Maxey

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
3.6.1 Potentially unrecoverable deficit due to employers leaving scheme (as a percentage of Total Fund deficit)	0.001	%	A	A	0.00%	0.00%	Low	Quarterly
3.6.2 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

For the previous valuation period April 2017 to 31 March 2019, 2 employers went into liquidation representing less than 0.001% of the £6.6bn Fund as at March 2020.

3.6.2 Scoring:

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

4.1 (Annual) - 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 and Chris Pickford

Status

	Previous value	Current value	Previous status	Current status	Target	CIPFA Average
4.1.1 Letter detailing transfer in quote issued within 10 working days (151 cases) (392 in 2017/18)	89.3%	88.7%	A	A	95.0%	83.8%
4.1.2 Letter detailing transfer out quote issued within 10 working days (899 cases) (820 in 2017/18)	90.0%	88.9%	A	A	95.0%	84.4%
4.1.3 Letter detailing process of refund and payment made within 5 working days (1,976 cases) (963 in 2017/18)	95.1%	96.2%	G	G	95.0%	94.1%
4.1.4 Letter notifying estimated retirement benefit amount within 10 working days (2412 cases) (8,143 in 2017/18)	98.2%	98.3%	G	G	95.0%	79.3%
4.1.5 Letter notifying actual retirement benefits and payment made of lump sum retirement grant within 5 working days (2972 cases) (2,780 in 2017/18)	99.2%	99.2%	G	G	95.0%	87.0%
4.1.6 Letter acknowledging death of active /deferred / pensioner member within 5 working days (1,264 cases) (1,334 in 2017/18)	99.7%	99.8%	G	G	95.0%	87.8%
4.1.7 Letter notifying the amount of dependent's benefits within 5 working days (1,264 cases) (1,334 in 2017/18)	96.4%	97.6%	G	G	95.0%	84.8%
4.1.8 Calculate and notify deferred benefits within 10 working days (6,581 cases) (2,111 in 2017/18)	87.9%	90.0%	A	A	95.0%	75.3%
4.1.9 Annual benefit statements issued to active members of LGPS (Career Average) by 31 August.	100.0%	100.0%	G	G	100.0%	n/a
4.1.10 Annual benefit statements issued to deferred members by 30 June.	100.0%	100.0%	G	G	100.0%	n/a
4.1.11 New IDRPs appeals during the year (per one thousand members)	0.01	N/A	G	Gy	Below CIPFA average	n/a
4.1.12 IDRPs appeals - number of lost cases	0.00	N/A	G	Gy	Below CIPFA average	n/a

4.1.1 & 4.1.2 Transfer factors were changed during 2018-19 which meant that the Fund had to stop processing transfers in and out while the new factors were finalised and published. Thus resulting in the 10 working day turnaround time not being met.

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.

4.1.9 Annual Benefit Statements were issued to all active members by 31 August 2019. No CIPFA average results appear in the benchmarking report.

4.1.10 Deferred members statements were issued in June 2019. No CIPFA average results appear in the benchmarking report.

4.1.11 & 4.1.12 The CIPFA benchmarking statistics for 2018/19 no longer include IDRPs measures.

4.1(Quarterly) - 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 and Holly Gipson

Status

	Value	Units	Previous status	Current status	Target
4.1.13 Number of payments errors	0	number	G	G	<9
4.1.14 Payment of death grant not made in line with nomination, next of kin, estate or Treasury Solicitor	0	number	G	G	0

Rationale for performance status and trend

4.1.13

This 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. Quarterly target Green = <9; Amber = <16, Red = >16.

4.1.14

Details of the payment of death grants are set out below:

Payment of Death Grants detailed analysis	Dec'19 quarter	Mar'20 quarter
A: Notifications of Scheme Member deaths received	56	59
B: Number within A with death grant nomination	21	28
C: Number within B paid in line with nomination held	20	26
D: Number within B paid to next of kin (in instances of predeceased nominee)	1	2
E: Number within A paid to the Estate (in instances of predeceased nominee)	0	0
F: Number within A without death grant nomination	35	31
G: Number within F paid to next of kin	34	30
H: Number within F paid to the Estate	0	0
I: Number paid to holding account as no details of NOK at present	0	1
J: Number within F paid to the Treasury Solicitor	1	0

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: Jody Evans

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

Rationale for performance status and trend

<p>4.2.1 In the quarter to 31 March 2020, there was a minor breach caused by an error in a bulk update which resulted in a number of letters (equivalent to 0.03% of Membership) being sent to incorrect addresses.</p> <p>Green = 0 breaches Amber = 1 or more medium or minor breaches Red = 1 or more major or critical breaches</p> <p>4.2.2 The action taken was:</p> <ul style="list-style-type: none">- letters re-issued to correct addresses;- letters sent advising members of the breach;- letters sent to those who received an incorrect letter requesting that they return it to us or destroy it;- bulk processes updated with new checking report to prevent error reoccurring; and- details of the breach entered in the Fund's Breaches Log.
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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: Jody Evans

Data leads: Samantha Andrews & Sara Maxey

Status

	Value	Units	Previous status	Current status	Current target	Annual target	Polarity	Frequency
4.3.1 % of monthly reconciliations of equity and bond investment mandates which are timely	100.0	%	G	G	100%	100%	High	Quarterly
4.3.2 % of contributing employers submitting timely payments	97.6	%	A	A	100%	100%	High	Quarterly

Rationale for performance status and trend

4.3.1 In the quarter up to the end of March 2020, 100% of monthly reconciliations of equity and bond investment mandates were carried out in timely manner against a 100% target for this quarter. (100%: quarter ended 31 December 2019).

4.3.2 For the quarter ending March 2020, 97.6% of Employers submitted timely payments. In cash terms this equated to 97.6% of Employer contributions of £43,019m.

The delay in payments was due to the Covid-19 lock down implementation however all payments were received by the end of the month. The Fund will not charge for late payments for this period while new working procedures were being implemented.

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: Jody Evans/Amanda Crawford **Data lead:** Amanda Crawford

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	100	%	G	G	100%	100%	High	Quarterly
4.4.3 % of draft Board minutes available 7 working days after meetings	75	%	G	A	100%	100%	High	Quarterly
4.4.4 % of Board minutes uploaded to internet 12 working days after meetings	75	%	G	A	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

4.4.1 - 4.4.4 Covers PSB meetings during the quarter leading up to 31 March 2020. Only two out of four targets were met with the draft minutes issued 8 working days after the meeting and uploaded onto CMIS 13 working days after the meeting.

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

- Pension Fund Business Plan in place and renewed at the beginning of the financial year;
- PSB Terms of Reference in place and noted at the beginning of the municipal year.

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 stake holders equally.
Scope: All scheme members and employers
Measure Owner: David Tucker **Data lead:** David Tucker and Amanda Crawford

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>	98	%	G	G	95%	95%	High	Annual (Qtr 4)
5.1.2. % of positive responses from the Employer Survey. - <i>Expertise of Pensions Teams.</i>	94	%	G	A	95%	95%	High	Annual (Qtr 4)
5.1.3. % of positive responses from the Employer Survey. - <i>Friendliness.</i>	96	%	A	G	95%	95%	High	Annual (Qtr 4)
5.1.4. A Communication Policy is in place for the current year.	Yes		G	G	Yes	Yes	High	Annual (Qtr 4)

Rationale for performance status and trend

5.1.1 In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 112 responses were received to the question 'How would you rate the EPF Team on helpfulness of staff?' There were 110 positive responses resulting in a 98% positive response rate. The previous survey result for this question was 100%.

5.1.2 In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 53 responses were received to the question to 'How would you rate EPF on the level of their expertise and knowledge?'. There were 50 positive responses received resulting in a 94% positive response rate. The previous survey result for this question was 98%.

5.1.3 In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 51 responses were received to the question to 'How would you rate EPF staff on friendliness?'. 51 positive responses were received resulting in a 96% positive response rate. The previous survey result for this question was 94%.

5.1.4 The Communications Policy was agreed at the 04 March 2020 PSB meeting and was subsequently published on the Essex Pension Fund website.

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: David Tucker and Amanda Crawford

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>	91.8%	%	A	A	95.0%	95.0%	High	Annual (Qtr 4)
5.2.2. % of positive responses from the Scheme Member Survey - <i>Understandable Annual Benefit Statements.</i>	91.8%	%	A	A	95.0%	95.0%	High	Annual (Qtr 4)
5.2.3. % of positive responses from the Scheme Member Survey - <i>Communications that suit needs, easy to understand and relevant.</i>	95.9%	%	G	G	95.0%	95.0%	High	Annual (Qtr 4)
5.2.4. % of positive responses from the Employer Survey - <i>Clarity of Website information.</i>	76%	%	A	R	95.0%	95.0%	High	Annual (Qtr 4)
5.2.5. Increase in response of the Scheme Member Survey compared to last year.	0.4%	%	G	G	Increase	Increase	High	Annual (Qtr 4)
5.2.6. Increase in response rate of the Employer Survey compared to last year.	-0.05%	%	R	A	Increase	Increase	High	Annual (Qtr 4)
5.2.7 Employer survey - feedback on training and educational materials - % of positive responses	87%	%	A	R	95.0%	95.0%	High	Annual (Qtr 4)

Rationale for performance status and trend

5.2.1 - In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 130 members responded to the survey. 61 responses were received to the question 'How clear was the information available on the EPF website?' 56 positive responses were received resulting in a 91.8% positive response rate. The previous survey result to this question was 92.5%.

5.2.2 - In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 86 responses were received to the question 'How easy was the information in your Annual Benefit Statement to understand?' 79 positive responses were received resulting in a 91.8% positive response rate. The previous survey result to this question was 82%.

5.2.3 - In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 97 responses were received to the question 'How would you rate EPF on providing relevant and easy to understand information?' 93 positive responses were received resulting in a 95.9% positive response rate. The previous survey result to this question was 100%.

5.2.4 - In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 46 responses were received to the question to 'How would you rate the clarity of website information?'. 35 positive responses were received resulting in a 76% positive response rate. The previous survey result for this question 94%.

5.2.5 - In October 2019 a scheme member survey was issued to 500 scheme members (500 in November 2018) who were invited to participate. In addition, the survey was also made available online via the Essex Pension Fund website. 130 members responded to the survey (128 in November 2018). This is an increase in 2 respondents (0.4%).

5.2.6 - In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 53 Employers completed the survey (51 in November 2018). This is a decrease of -0.05%. Although there was an increase of 2 respondents there was also an increase in number of employers.

5.2.7 - In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 31 responses were received on the usefulness the Fund's training events. 27 positive responses were received resulting in an 87% positive response rate. The previous survey result for this question was 92.7%.

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 and employers
Scope: All scheme members and employers
Measure Owner: David Tucker **Data lead:** David Tucker and Amanda Crawford

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	3 yearly
5.3.2. % of positive responses from the Employer Survey - <i>Information available is helpful in employers understanding their responsibilities</i>	96%	%	G	G	95%	95%	High	Annual (4th Qtr)

Rationale for performance status and trend

5.3.1 This measure has been removed as is it is out of the Fund's control.

5.3.2 In October 2019 an Employer Survey was issued to 684 Employers (654 in November 2018) who were invited to participate. 51 responses were received in relation to the Employer understanding their responsibilities. 51 positive responses were received resulting in a 96% positive response rate. In the previous survey the response to this question was 98%.