

## Essex Pension Fund Scorecard - 13 July 2016

### 1. GOVERNANCE

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

5

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

4

1.5 - Understand and monitor risk and compliance

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### 2. INVESTMENTS

2.1 - Maximise returns from investments within reasonable risk parameters

5

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

2

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

5

### 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

1

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

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3.6 - Minimise unrecoverable debt on termination of employer participation

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### 4. ADMINISTRATION

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

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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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4.4 - Compliance with Fund's governance arrangements

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### 5. COMMUNICATIONS

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

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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

**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		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
1.1.2 Number of scheme member complaints	0			G	G	5 or under	20 or under	Low	Quarterly
1.1.3 Number of scheme member compliments	16			G	G	15 or more	60 or more	High	Quarterly
1.1.4 Scheme member survey - % of positive answers	97.8%	%		G	G	95%	95%	High	Annual (Dec)
1.1.5 Employer survey - % of positive answers	95.2%	%		G	G	95%	95%	High	Annual (Dec)

## Rationale for performance status and trend

**1.1.1.** Cost per member was £16.61 in 2014/15 (£17.81 in 2013/14) compared to the CIPFA Benchmarking average of £19.17 (£20.75 in 2013/14). This Fund remains in the second quartile.

**1.1.2.** The number of complaints received in the 3 months to 31 March 2016 was 0.

**1.1.3.** The number of compliments received in the 3 months to 31 March 2016 was 16.

**1.1.4.** 500 scheme members (employees) were invited to participate in a five question survey conducted in October 2015. 119 members returned completed survey's resulting in a total of 896 answers, of which 20 were negative responses. The remaining 876 (97.8%) were positive. The previous survey has a 96.4% positive responses.

**1.1.5.** 378 employers were invited to participate in a 10 question survey conducted in October 2015. Of 147 responses 7 were negative which resulted in a 95.2% positive response rate. The previous survey has a 97.3% positive response.

## 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/Ian Colvin

Status	Value	Units	Previous Status	Current Status	Target	Annual target	Polarity	Frequency
1.2.1 Members training	Target exceeded		G	G	90%	90%	High	Quarterly
1.2.2 Board Member attendance at Board meetings	81%	%	G	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 exceeded the 90% target.

1.2.2 This represents attendance at Board meetings over the last twelve months.

1.2.3. Supporting Success objectives are in place for all staff working on the Essex Pension Fund.

## 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	9% Complete 65% in progress	A	A	15% Complete, 30% 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:

- 2 (9%) complete
- 15 (65%) in progress
- 6 (26%) 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 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.	No		G	G	Yes	High	Quarterly

### Rationale for performance status and trend

**1.4.1** Reflects performance over the previous 12 months as at 31 March 2016

**1.4.2** Reflects performance over the previous 12 months as at 31 March 2016

**1.4.3** Appointments to the PSB were finalised in In January 2016..  
Yes = green; No = red.

**1.4.4** In June 2016 Cllr Shaun Hebb succeeded Cllr Barry Johnson 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:** 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	3		G	A	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	17	%	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	%	G	G	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 2015/16 internal audit reports for both Pensions Administration and Pensions Investment received good assurance.

**1.5.2** The 2015/16 internal audit reports for Pensions Investment and Pensions Administration contained one moderate recommendation and two low recommendations respectively. These are separate items on the Board's July 2016 agenda. All recommendations have agreed deadlines for completion.

**1.5.3** The Fund currently has 83 risks in its register, of which 14 have a residual score that is classified as amber. (14 in December). Full details are at Annex B to this report. Measurement: below 20% = green; between 20%-25% = amber; above 25% = red

**1.5.4** The Fund currently has 83 risks in its register, none of which has a proposed residual score that is classified as red. (0 in December). Measurement: 0% = green; above 0% = red

**1.5.5** There are no significant recommendations for Members to note in the 2014/15 Annual Results Report from EY.

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

Data as at: 31 March 2015

**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	1st	ranking	G	G	1st	1st	High
2.1.2 Annual Return compared to Benchmark	2.2	%	G	G	-0.1%	-0.1%	High
2.1.3 Five year (annualised) return compared to Benchmark	8.0	%	G	G	6.5%	6.5%	High
2.1.4 Five year (annualised) return compared to central expected return of current investment strategy	8.0	%	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	8.0	%	G	G	7.2%	7.2%	High

### Rationale for performance status and trend

2.1.1. Based on the Local Authority performance data released by State Street in June 2016, the Essex Pension Fund with 2.2% had the highest annual return of the peer group which consists of Kent, Suffolk, Norfolk, Cambridgeshire & Bedfordshire. The lowest return within the group was -2.4%. Essex also had the highest return of this group of Funds in 2015/16.

2.1.2 The annual return of 2.2% was above the benchmark.

2.1.3 The five year return of 8.0% was above the benchmark.

2.1.4 The five year return of 8.0% was above the central expected return of the current investment strategy.

2.1.5 The five year return of 8.0% was above the expected return of the current investment strategy including investment manager outperformance.

## 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 & Ian Colvin

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

### Rationale for performance status and trend

2.2.1 . This represents attendance at ISC over the last 12 months.

2.2.2 In the measurement period, ISC Members' training credits exceeded the 90% target.



## 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	100	%	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

Measures 2.3.1 - 2.3.2 cover the quarter ending 31 December 2015, during which all arrangements in respect of the sole ISC on 25 November met the target. Arrangements for the ISC on 22 February 2016 will be included when the March quarter's arrangements are reported in the next scorecard.

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
- 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

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%

The 2016 Valuation is currently underway

## 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 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

The 2016 Valuation is currently underway

## 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	6.4	%	G	G	5.8%	5.8%	High	Annual
3.3.2 Investment strategy reviewed after Asset Liability Study	Yes		G	G	Yes	Yes	Yes	3 yearly

### Rationale for performance status and trend

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

For the 2013 Valuation the Fund Actuary's assumption for investment return was 5.8%

As part of the review of the Statement of Investment Principles, 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 31 October 2014. The result was an expectation of a 6.4% p.a. return which rose to 7.2% with the inclusion of investment managers outperformance.

#### 3.3.2 Investment Strategy reviewed

This measure highlights that the ISC on 24 February 2014 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 2013 Actuarial Valuation.

The 2016 Valuation is currently underway

### 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:** 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:** Sara Maxey & Sam 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**  
This new measure was agreed by the ISC at its meeting on 22 July 2015, and an update review was included within the 22 February 2016 ISC agenda. The Fund continues to use a combination of rental income and UK equity dividends from the passive portfolio to supplement contributions.

## 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)	0.040	%	G	R	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)	0.000	%	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

A report on this red measure is included on part 2 of the 13 July 2016 Strategy Board meeting.

#### 3.6.2 Scoring:

0% = Green.

Below 0.02% (£250,000) = Amber.

Above 0.02% = Red

There have been no confirmed unrecoverable deficits during the last quarter.

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

## 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/Joel Ellner/Daniel Chessell/Matt Mott

Status	Value AXISE	Value UPM	Previous status	Current status	AXISE Apr - Dec 2014	UPM Jan - Mar 2015	Target	CIPFA Average
4.1.1 Letter detailing transfer in quote issued within 10 working days (202 AXISE cases & 44 UPM cases) (375 2013/14 cases)	96.0%	86.0%	G		G	A	95.0%	89.6%
4.1.2 Letter detailing transfer out quote issued within 10 working days (558 AXISE cases & 107 UPM) (494 2013/14 cases)	96.5%	88.8%	G		G	A	95.0%	88.3%
4.1.3 Letter detailing process of refund and payment made within 5 working days (524 AXISE cases & 150 UPM) (237 2013/14 cases)	94.9%	95.3%	G		A	G	95.0%	91.5%
4.1.4 Letter notifying estimated retirement benefit amount within 10 working days (3,313 AXISE cases & 1,792 UPM) (2,760 2013/14 cases)	96.7%	97.9%	G		G	G	95.0%	89.2%
4.1.5 Letter notifying actual retirement benefits and payment made of lump sum retirement grant within 5 working days (2,314 AXISE case & 731 UPM) (1,887 2013/14 cases)	97.1%	99.3%	G		G	G	95.0%	90.5%
4.1.6 Letter acknowledging death of active /deferred / pensioner member within 5 working days (1,138 AXISE cases & 515 UPM) (962	99.6%	98.8%	G		G	G	95.0%	94.1%
4.1.7 Letter notifying the amount of dependent's benefits within 5 working days (1,138 AXISE cases & 515 UPM) (962 2013/14 cases)	95.9%	95.3%	G		G	G	95.0%	86.7%
4.1.8 Calculate and notify deferred benefits within 10 working days (1,571 AXISE cases & 310 UPM) (5,860 2013/14 cases)	97.2%	36.1%	G		G	R	95.0%	75.8%
4.1.9 Annual benefit statements issued to active members by 31 August.	93.0%		G	A			95.0%	95.0%
4.1.10 Annual benefit statements issued to deferred members by 30 June.	Yes		G	G			Yes	N/A
4.1.11 New IDRPs appeals during the year (per one thousand members)	0.02		G	G			Below CIPFA average	0.12
4.1.12 IDRPs appeals - number of lost cases	0.00		G	G			Below CIPFA average	0.04

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. These are updated annually in September 16.

The release of the 2014/15 data by CIPFA has been delayed, and will therefore now feature in the December 2015 scorecard.

4.1.9 As highlighted in the cover report to this item, Annual Benefit Statements were issued to 93% of active members by 31 August 2015.

4.1.10 The last dispatch of these statements to Deferred members was in June 2016. The previous dispatch was in June 2015.

4.1.11 The CIPFA benchmarking statistics disclose the average number of stage 1 IDRPs appeals per one thousand LGPS members. With one completed, and one in progress appeal the Fund was below the average for 2014/15. The Fund had no stage 2 IDRPs appeals.

4.1.12 The CIPFA benchmarking statistics disclose the average successful stage 1 IDRPs appeals per one thousand LGPS members. With no successful appeals the Fund remained below the average for 2014/15.



## 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/Joel Ellner/Daniel Chessell/Matt Mott

Status	Value	Units	Previous status	Current status	Target	CIPFA Average	Polarity	Frequency
4.1.13 Number of payments errors	0	number	G	G	<9	N/A	Low	Quarterly
4.1.14 Payment of death grant not made in line with nomination or next of kin.	0		G	G	0	N/A	High	Quarterly

**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 '15 quarter	Mar '16 quarter
A: Notifications of Scheme Member deaths received	34	58
B: Number within A with death grant nomination	18	34
C: Number within B paid in line with nomination held	16	29
D: Number within A paid to next of kin (in instances of predeceased nominee)	1	3
E: Number within A paid to the Estate (in instances of predeceased nominee)	1	2
F: Number within A without death grant nomination	16	24
G: Number within D paid to next of kin	16	24
H: Other	0	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:** Kevin McDonald

**Data lead:** Jody Evans

Status	Value	Units	Previous status	Current status	Target	Annual target	Polarity	Frequency
4.2.1 Number of information security breaches	0		G	G	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 There were no data breaches in the quarter.

Green = 0 breaches

Amber = 1 or more medium or minor breaches

Red = 1 or more major or critical breaches

4.2.2 No actions were required 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	%	A	G	100%	100%	High	Quarterly
<b>4.3.2</b> % of contributing employers submitting timely payments	97.4	%	A	A	100%	100%	High	Quarterly

### Rationale for performance status and trend

**4.3.1** In the quarter up to March 2016 **100%** of reconciliations were completed on time compared to the target of 100%.

**4.3.2** For the quarter ending March 2016 **97.4%** of employers submitted timely payments. In cash terms this equated to **99.9%** of a total employer contribution of £31.3m.

## 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	100	%	G	G	100%	100%	High	Quarterly
4.4.3 % of draft Board minutes available 7 working days after meetings	0	%	G	R	100%	100%	High	Quarterly
4.4.4 % of Board minutes uploaded to internet 12 working days after meetings	0	%	G	R	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

**4.4.3 & 4.4.4** These red measures are due to delays in the drafting and uploading of the minutes of the March 2016 Board 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
- 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 stake holders 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 (Dec)
5.1.2. % of positive responses from the Employer Survey. - <i>Expertise of Pensions Teams.</i>	99.3	%	G	G	95%	95%	High	Annual (Dec)
5.1.3. % of positive responses from the Employer Survey. - <i>Pensions Teams are friendly and Informative.</i>	98.6	%	G	G	95%	95%	High	Annual (Dec)
5.1.4. A Communication Policy is in place for the current year.	In progress		A	A	Yes	Yes	High	Annual (Dec)

### Rationale for performance status and trend

**5.1.1** In October 2015 a scheme member survey was issued, 500 scheme members were invited to participate and 116 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. The previous survey result for this question was also 99.1%.

**5.1.2** In October 2015 an employer survey was issued, 378 employers were invited to participate and 147 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 **99.3%** positive response. The previous survey result for this question was 99.1% positive.

**5.1.3** In October 2015 an employer survey was issued, 378 employers were invited to participate and 147 responses were received to the question to 'How would you rate Essex Pension Fund staff on being friendly and informative?'. Two negative responses were received resulting in a **98.6%** positive response. The previous survey result for this question was 100% positive.

**5.1.4** An update on the Communications Policy forms part of the 13 July 2016 PSB agenda.

## 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>	93.7%	%	G	A	95.0%	95.0%	High	Annual (Dec)
5.2.2. % of positive responses from the Scheme Member Survey - <i>Understandable Annual Benefit Statements.</i>	92.0%	%	A	A	95.0%	95.0%	High	Annual (Dec)
5.2.3. % of positive responses from the Scheme Member Survey - <i>Communications that suit needs, easy to understand and relevant.</i>	99.2%	%	G	G	95.0%	95.0%	High	Annual (Dec)
5.2.4. % of positive responses from the Employer Survey - <i>Clarity of Website information.</i>	95.2%	%	A	G	95.0%	95.0%	High	Annual (Dec)
5.2.5. Increase in response of the Scheme Member Survey compared to last year.	0.8%	%	G	G	Increase	Increase	High	Annual (Dec)
5.2.6. Increase in response rate of the Employer Survey compared to last year.	24.6%	%	G	G	Increase	Increase	High	Annual (Dec)
5.2.7 Employer survey - feedback on training and educational materials - % of positive responses	96.6%	%	G	G	95.0%	95.0%	Low	Annual (Dec)

5.2.1 - In October 2015 a scheme member survey was issued, 500 scheme members were invited to participate and 95 responses were received to the question to 'How clear is the information available on the Essex Pension Fund website?'. Seven negative response were received resulting in a 93.7% positive response. The response to this question in the previous survey was 97.1%.

5.2.2 - In October 2015 a scheme member survey was issued, 500 scheme members were invited to participate and 113 responses were received to the question to 'How easy was the information in your annual benefit statement to understand?'. 9 negative response was received resulting in a 92% positive response. The response to this question in the previous survey was 82% positive.

5.2.3 - In October 2015 a scheme member survey was issued, 500 scheme members were invited to participate and 122 responses were received. Only one negative response was received resulting in a 99.2% positive response. The response to this question in the previous survey was 99.1%.

5.2.4 - In October 2015 an employer survey was issued, 378 employers were invited to participate and 147 responses were received to the question to 'How clear is the information available on the Essex Pension Fund website?'. Seven negative responses was received resulting in a **95.2%** positive response. The previous survey result for this question was 92.4% positive.

5.2.5 - In October 2015 2013 a scheme member survey was issued, 500 scheme members were invited to participate and 119 responses were received. In 2013 118 responses were received. This is an increase in respondents of 1 (0.8%). The previous survey result for this question was an increase of 43.9%.

5.2.6 - In October 2015 an employer survey was issued, 378 scheme members were invited to participate and 147 responses were received. In the previous survey 118 in 2013 responses were received. This is an increase in respondents of 29 (**24.6%**). The 2012 survey had a response from 43 employers.

5.2.7 - In October 2015 an employer survey was issued, 378 employers were invited to participate and 147 responses were received. When asked about feedback on training materials and educational materials five negative responses were received resulting in a **96.6%** positive response. The previous survey result for this question was 99.1% positive.

## 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

**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	3 yearly
5.3.2. % of positive responses from the Employer Survey - <i>Information available is helpful in employers understanding their responsibilities</i>	100.0%	%	G	G	95%	95%		Annual (Dec)

### Rationale for performance status and trend

5.3.1 This measure will be reviewed in light of the 2016 Valuation data..

5.3.2 In October 2015 an employer survey was issued, 378 employers were invited to participate and 147 responses were received. When asked about feedback on information available is helpful to employers understanding their responsibilities no negative response were received resulting in a **100.0%** positive response. In the previous survey the response to this question 97.3%.