

CHANGES TO EMPLOYERS

1. The purpose of this paper is to provide the Pension Fund Committee with an update on bodies that have joined and exited the Fund during the period 1 June 2019 to 31 August 2019 (inclusive).

Background

2. The Committee are aware, from previous papers discussing the changes to the membership profile of the Fund and the wider public sector (for example a significant increase in the number of outsourcings and the conversion of maintained schools to Academy status); that the number of new bodies admitted to the Fund has increased markedly over the last couple of years.
3. Likewise, the Committee are also aware that the impact of the different characteristics of newly admitted bodies to the Fund's risk profile was identified as one of the key drivers in developing the employer monitoring work stream. Changes in the risk characteristics to the Fund provided by the new admitted bodies and differences in key risk metrics such as covenant, cash flows, maturity of membership profile, lifespan in the LGPS etc have been identified as a key strategic risk to the Fund and its investment and contribution strategies.
4. In recognising the increased volume and potential impact of these drivers, it was resolved that a report on new admitted bodies to the Fund and employers who have left the scheme will be a standing item on the Committee's agenda.

Summary of Findings

5. Appendix A to this Report provides the following details for employers who joined the Cheshire Pension Fund during the period 1 June 2019 to 31 August 2019 (inclusive):
 - The nature of the organisations access to the LGPS e.g. as a Community Admitted Body or Transferor Admitted Body
 - A brief summary of the services provided by the new body (joiners only)
 - The ceding authority or employer (both joiners and leavers)
 - Date joined/left the scheme
 - The number of members who have transferred to the new body (joiners only)
 - The value of the pension indemnification bond (joiners only)
 - Contract length (joiners only)
 - Open or closed to new members (joiners only)
 - Cessation basis (ongoing or gilts)
 - Payment due (leavers only)
 - Reason for leaving (leavers only)

6. Should the Committee consider that they need more or less information than the proposed standing item provides, Officers will revise the report accordingly.
7. The main issues and themes are summarised in the bullet points below:
 - In total 144 members were transferred to new employers over the period 1st June 2019 to 31st August 2019.
 - 136 members transferred to 4 new Academies who remain open to new LGPS membership
 - 8 members were transferred to private sector contractors providing a service on behalf of the local authority.
 - 1 employer left the scheme as a result of the service being returned to the Cheshire East.

Recommendation:**The Committee is requested to:**

- ***Note and comment on the update on admitted bodies that have entered and exited the Cheshire Pension Fund over the period 1 June 2019 to 31 August 2019.***

New Admitted Body	Date of Entry	Type of Entry	Letting / Ceding Employer / Guarantor	Service	Bond Details	Contract Length	Members at point of entry	Open / Closed
Ditton Primary	01/07/2019	Academy	Warrington BC	Academy	N/A	N/A	38	Open
Daven Primary	01/07/2019	Academy	Warrington BC	Academy	N/A	N/A	17	Open
St Michael with St Thomas Primary	01/08/2019	Academy	Halton BC	Academy	N/A	N/A	11	Open
Bexton Primary	01/08/2019	Academy	Cheshire East	Academy	N/A	N/A	70	Open
Brandalls Ltd	01/07/2019	TAB	CW&C	Cleaning	TBC	1 year (with option to extend)	3	Closed
Crossroads Care Services	29/07/2019	TAB	Cheshire East	Adult Social Care	£41,000	2 years (with option to extend)	5	Closed
TOTAL							144	

Employers exiting the Cheshire Pension Fund: 01/06/2019 – 31/08/2019

Employer	Type of Employer	Date of Cessation	Cessation Amount Due	Cessation Basis	Service	Reason	Letting / Ceding Employer / Guarantor	Payment Arrangements
Skills & Growth Company	ASDV	31/07/2019	N/A	N/A	Encourage growth within Cheshire East	Service moved back in-house	Cheshire East Council	N/A

COMPLIANCE UPDATE

Introduction

1. This paper provides the Committee with a cumulative summary of the Breaches Log for the period 1 April 2015 to 31 July 2019.
2. The Committee will also receive an update on a RED breach relating to the Annual Benefit Statements which is being reported to the Pensions Regulator.

Breaches Log

3. In accordance with the Breaches Policy, both the Committee and the Local Pension Board review the entire Log on a quarterly basis, in order to identify any trends that may require further action.
4. A summary of the breaches included on the log between 1 April 2015 and 31 July 2019 is shown in Table 1 below. The table includes the 12 month periods for 2015/16, 2016/17, 2017/18, 2018/19 and the 4 month period to 31 July 2019. The table also includes the details of the number of breaches which have been categorised between Red, Amber or Green in each of the four years.
5. Red breaches are those which require reporting to the Pensions Regulator. Amber breaches are where the Fund has highlighted an issue with the Employer which requires further monitoring. Green breaches are those where following investigation, no further action is deemed necessary.

Table 1 – Summary of the Breaches Log

	2015/16	2016/17	2017/18	2018/19	2019/20	Total	Status		
							Red	Amber	Green
Contributions	43	40	60	64	25	232	1	36	195
Year-End Returns	5	1	0	0	0	6	0	1	4
Overpayments	4	1	0	0	0	5	0	0	4
ABS	1	1	0	1	0	3	0	0	3
Disclosure	0	0	0	0	1	1	0	0	1
Administration	1	1	26	20	4	52	0	0	54
Sub-totals	54	44	86	85	30	299	1	37	261

6. As can be seen from Table 1, the majority of breaches on the log relate to late payment of contributions. The majority of these cases relate to Employers who have joined the Fund in year and are in the process of setting up their payment systems, and/or Employers who have small numbers of staff and so are easily affected by unexpected staff absences. These are not considered to be a major risk.
7. Aside from contributions, the Fund has also identified 4 breaches relating to administration casework during the year. These breaches relate to historic cases caught up in the Fund's backlogs which can only be identified once the case is completed. The breaches relate to cases where a member was not notified of their options within the requisite 2 months of the relevant trigger, as set out in regulations. Fund processes were changed in 2016 to ensure that the Fund complies with Regulations.

Amber Breaches

8. All Amber breaches identified above relate to late payment of contributions.
9. Four out of the eleven Amber breaches, identified in Table 1, relate to the same Employer. In the third quarter of 2017/18 the Fund reported a Red breach for this Employer (who is a contractor body) to the Pensions Regulator as they had failed to pay contributions since April 2017 and had not implemented an indemnity bond.
10. Members of the Committee will recall that this Employer has one part time Employee and so the monetary value of the contributions due to the Fund is relatively small.
11. The Fund is raising regular invoices to this employer for the outstanding contribution payments, interest and penalties for late payment in accordance with the Fund's contribution policy. A total of £2.8k is due to the Fund from the employer in relation to contributions, penalties and interest which have accumulated from July 2018 to July 2019. Of this outstanding balance, invoices totalling £1.6k have now been passed to a debt collection agency for recovery.
12. Three amber breaches in the 2019/20 relate to another Employer (who is also a contractor body) who had been experiencing difficulties in meeting contribution payments to the Fund. This employer has now agreed a payment plan with the Fund for outstanding contributions. The Fund will continue to monitor and liaise with the employer.
13. The remaining 4 amber breaches in the 4 month period relate to an employer who has not paid pension contributions to the Fund for the period March 2018 to July 2019.
14. The employer has not signed the Admission Agreement so no formal contract is in place however the employer did make a payment to the Fund in April 2018 for outstanding pension contributions to February 2018. Legal advice is that by making this payment the employer has acknowledged their responsibility to contribute to the Fund.
15. The Council's legal team have written to the employer regarding this matter to remind them of their responsibilities. If the employer continues to fail to make contributions to the Fund it will be reported as a red breach to the Pensions Regulator.

Disclosure Breach

16. The disclosure breach is a technical breach due to a 'late' communication of amendments to the regulations that were issued on 10 January 2019. Funds are required to communicate material changes to its entire membership within 3 months (i.e. by 10 April 2019) and on this specific amendment the Fund did not technically meet the deadline.
17. Two amendments were introduced in January that affected only a handful of the Fund's members.
18. The first amendment removed unintended consequences from a previous amendment to the regulations. Firstly that deferred members of the 1995 scheme who left active membership of the LGPS prior to 1 April 1998 and who were aged between 55 and 60 lost the option to elect for early payment of benefits.
19. And secondly, that a group of deferred members of the 1995 scheme were only allowed to draw their pension early at aged 55. But unintentionally, as a single, one-off point when this could be exercised i.e. only at age 55, not at any age between 55 and 60.
20. The amendment also equalised survivor benefits payable to same sex married and civil partners with those paid to widows of a male member. These changes were implemented in the LGPS as though they had applied from the date civil partnerships and same-sex marriages were respectively first implemented into the LGPS.
21. Due to the low number of members impacted by these amendments (less than thirty across the 1995 scheme amendments), Officers concluded that it did not merit a specific communication to all members and communicated directly with all the affected members.
22. Four members have been impacted retrospectively by the change in survivor benefits and they will be contacted directly by the Fund and, where they have been financially impacted, their benefit payments will be recalculated and corrected.
23. The change to survivor benefits was subsequently communicated to deferred and active members in the newsletter that accompanied their annual benefits statements. These were delivered in June and August respectively. As both of these dates were after 10 April 2019 technically the Fund has breached the disclosure requirements. The change will automatically be taken into account in survivor benefits paid to civil partners and same sex spouses in the future. The amendment should not impact the decision making of current members and only affects civil partners/same sex spouses.

Annual Benefit Statement (ABS) Breach

24. The enclosed breaches log covers the period to July 2019. However, included on the log in August will be a breach relating to the Annual Benefit Statements (ABS). In accordance with LGPS Regulations the Fund is required to send an ABS to all active and deferred members by the 31 August each year. Due to a combination of data issues on the member's records that the Fund was not able to resolve in time, plus a high number of lost contact addresses, particularly of deferred members, the Fund was not able to send 100% of ABS's on time.

Active Members

25. The table below summarises the number of members who were eligible to receive an ABS and those that received it on time. As the Committee will note, the Fund was able to send c85% of active ABS on time.

	2019	%	2018	%
Active Members Eligible to receive an ABS	32,677		31,402	
Members who received an ABS on time	(27,633)	85	(24,136)	77
Members who did not received an ABS on time	5,044		7,266	

26. As at 31 March 2019 the Fund had 32,677 active members who were eligible to receive an ABS by 31 August 2019. Out of that number 27,633 or 85% (compared to c77% in 2018) received their ABS on time.

27. Therefore 5,044 active members did not receive their ABS by the deadline. There are 158 members whom the Fund cannot write to due to missing addresses. That leaves 4,886 members have other issues with their record which need to be resolved.

28. The reasons why the 4,886 members have not received their ABS include:

- The data provided to the Fund via our annual 'per member' data collection process or other documentation is inconsistent or contains errors.
- Missing information that we will need to work with our employers to obtain.

29. In addition to the 32,677 members outlined above there are a further 3,794 members whom the Fund believes has left employment, as contributions have ceased. These members have not been included within the calculations above.

30. The members who have not received an ABS, but we believe should have, have received a letter explaining the position and informing them that the Fund is working to resolve any outstanding queries so that they can receive an ABS by November 2019.

31. A further letter has also been sent to the members who appear to have stopped contributing to the Fund altogether. Again we are liaising with employers in order to obtain the required leaving details.

32. The Fund has also informed employers in the Fund about the position on the ABS and requested that they treat any requests for information over the coming weeks as urgent.

Deferred Members

33. The table below summarises the number of deferred members who were eligible to receive an ABS and those that received it on time. As the Committee will note, the Fund was able to send c89% of deferred ABS on time.

	2019	%	2018	%
Deferred Members Eligible to receive an ABS	26,917		26,699	
Members who received an ABS on time	(23,948)	89	(23,656)	89
Members who did not received an ABS on time	2,969		3,043	

34. As at 31 March 2019 the Fund had 26,917 deferred members who were eligible to receive an ABS by 31 August 2019. Out of that number 23,948 or 88.97% (compared to 88.60% in 2018) received their ABS on time.
35. Therefore 2,969 members have not received their ABS by the deadline and have issues with their record which needs to be resolved before an ABS can be issued.
36. Many of these members (2,932) are those where the fund no longer holds a current address and a tracing company would need to be used to see if the correct address can be located. Current practice is that the Fund does not trace a deferred member until they are due to retire.
37. There is a cost involved in tracing a member and the Fund may not be kept informed of further changes of addresses throughout the deferred member's lifetime and so may need to trace them multiple times. The Fund is seeking guidance from the Pensions Regulator on its responsibilities to tracing deferred members.
38. In addition to the 26,917 members outlined above there are a further 2,002 members whom the Fund believes has left employment, as contributions have an existing process in progress (e.g. a concurrency, leaver, deferred or death), and so would not be eligible for an ABS.
39. In previous years the Fund has logged the ABS issue on the Breaches Log but has not reported itself to the Regulator as the majority of members had received a statement and so it was not deemed to be a material breach. However, the Regulator has made it clear (at a number of conferences and seminars during the past year) that where 100% of the ABS' have not been issued on time Fund's must report themselves and outline the improvement plan to issue any outstanding ABS's in a reasonable timeframe.
40. Therefore the Fund has reported itself to the Pensions Regulator for failing to achieve sending 100% of active and deferred Annual Benefit Statements by 31 August. An improvement plan has been produced, including details of the actions the Fund will take and by when, in order to send ABS' to the remaining members.

41. The improvement plan outlines the intention to send all remaining active ABS' by November 2019. The timeframe for the deferred ABS' is less certain as it will be dependent upon the success of being able to trace the members current address.
42. Following the Fund's usual process, the ABS breach report was approved by the Local Pension Board and also the Director of Governance before being issued to the Regulator.
43. The Fund has undertaken a series of actions throughout the past 12-18 months in order to improve the quality of data held. This has resulted in an improvement in the number of ABS's that the Fund has been able to issue by the 31 August deadline compared to 2018.
44. The Fund is also phasing in the introduction of monthly reporting in 2019, and so will receive monthly 'per member' information from employers rather than annually. This will allow the Fund to identify and resolve and data issues throughout the year and ultimately will result in an increase in the number of active ABS' which can be issued on time.
45. The Committee are requested to note and comment on the summary of the Breaches Log.

Recommendation

The Committee are requested to:

- **Note and comment on the cumulative summary of the Breaches Log for 1 April 2015 to 31 July 2019.**
- **Note the position on the ABS which will be reported to the Pensions Regulator as a RED breach.**

BUSINESS PLAN 2019/2023

Introduction

1. This paper provides the Committee with an update on progress in meeting the specific delivery milestones outlined in the 2019/20 Action Plan Tracker, which are aligned with the target outcomes identified in the 2019/23 Business Plan.
2. The Committee will also receive an update on the 2019/20 forecast outturn.

2019/20 Action Plan Tracker

3. The Fund's Business Plan covers the four year period 2019/2023 in order to align it to the Council's medium term planning horizon. In order to achieve the outcomes in the Business Plan, there are key action delivery targets which must be achieved in each of the 4 years. The Fund keeps track of these by way of an annual Action Plan.
4. The 2019/20 Action Plan Tracker is attached in Appendix A. The Plan includes details of delivery targets which will be completed in each of the four quarters. The actions are colour coded using the traffic light system so that Members can easily identify progress.
5. In terms of the colour coding GREEN indicates completion or satisfactory progress, AMBER denotes minor delay or marginal under achievement and RED denotes significant delay or material under-achievement. Actions to be completed in later quarters of the year are included in black.
6. In addition there are also a number of actions which are coloured in blue. This denotes actions which have been rescheduled either to a later, or earlier target date to reflect changing priorities, resource availability or other practical constraints.
7. As Members will see from the tracker, the Fund has achieved a number of important actions during the last quarter, for instance; implementing the agreed investment in LGPS Central's pooled Low Carbon Factor Index Fund, drafted the revised Investment Strategy Statement and undertook induction and refresher training for new and existing committee and board members.
8. There are however, a number of tasks which has been rated AMBER, as explained in Table 1 below.

Table 1 – Summary of Amber Action – 2019/20 Quarter 2

Ref.	Action	Explanation for amber status
AP1	Develop training plans to support key governance/decision making roles based on CIPFA Skills & Knowledge Framework and MiFID2 requirements.	Following the induction and refresher training which took place in July Members have been requested to complete the CIPFA self-assessment questionnaire. The results from the questionnaire will be used to update the Training Policy and Plan. It is expected that the training policy and plan will be available for the Committee to review by December.

Ref.	Action	Explanation for amber status
AP2	<ul style="list-style-type: none"> Implement the transition of Sustainable Equities. Develop business case for pooled Infrastructure Sub-Fund, for Committee decision. 	<p>The transition of funds across to the three managers on the West Midlands Sustainable Equity Framework will be planned and executed once the current Low Carbon equity transition is safely completed. The Low Carbon transition is planned to be fully complete by the end of September.</p> <p>An infrastructure product offering has been finalised by LGPS Central. However, several partner funds (including Cheshire) and their investment advisors are undertaking further work to try and gain confidence in the expertise, experience and resilience of the Central team who will manage the Infrastructure sub fund.</p>
AP3	Issue 100% of ABS statements on time.	The Fund has issued ABS' to c85% for active and c82% for deferred members on time. An improvement plan has been developed to ensure the remaining members receive their ABS in a reasonable timeframe.
AP5	Invite tenders for actuarial services contract	Options are being reviewed with the Council's Legal and Procurement teams to run a procurement process which allows the Fund to respond to the Government's potential changes to the valuation cycle as well as permitting the existing Cheshire 2019 valuation work to be completed.
AP8	<ul style="list-style-type: none"> Complete the initial data cleanse exercise for all employers ahead of the move to MI Introduce automation of bulk processes with the administration database. 	<p>Prior to each employer moving to the new system of providing monthly 'per member' data to the Fund a data cleansing exercise is undertaken. This involves comparing the common data (i.e. name, address, national insurance number etc) between the information held by the employer and the fund. Any discrepancies are resolved before the employer moves to MI.</p> <p>As of the end of August 2019 the Fund has completed the data cleansing exercise for 212 of the c300 employers, which equates to 97.51% of the active membership.</p> <p>In order to obtain the maximum benefit from the automation functionality available within the administration database the Fund has delayed the introduction until the latest upgrade to the software is applied in October.</p> <p>A training session has taken place to train the team on implementing the automation of processes within the system so they can commence the rollout once the system upgrade is complete.</p>

9. The actions outlined above will be carried forward into quarter three of the 2019/20 Action Plan.

10. As well as the amber actions outlined above there are also 4 actions which have been moved forward on the plan as denoted by the blue colouring, explained in paragraph 6 above.
11. Table 2 below summarises the actions which have been moved along with the explanations for the movements.

Table 2 – Summary of Blue Actions – 2019/20 Quarter 2

Ref.	Action	Explanation for movement
AP4	Implement employer admin performance reporting 'dashboard' (from Qtr 2 to Qtr 4).	The Fund has produced some report to measure the performance of employers, against the requirements of the Administration Strategy. However, it is difficult to develop a consistent suite of reports whilst the Fund is phasing in the rollout of Monthly Interfacing. The reports will be further developed later in the year.
AP6	Launch re-designed Pension Fund website. (from Qtr 2 to Qtr 3).	This has been subject to unplanned delay as the Councils Corporate Communications team faced increased demand for their services following the May elections. Design work is now back on track and the site should be handed over and staff trained in September, ready for an October launch.
AP11	Roll out/train Fund approach to covenant assessment/monitoring to contribute to staff multi-skilling. (from Qtr 2 to Qtr 4).	The roll out to widen experience and knowledge will now take place after completion of the valuation. This will ensure that all experiences and any revisions from completed valuation project will be included in the roll out.
AP12	Develop an implementation plan to commence 'To Be' improvements to administration casework processes (from Qtr 2 to Qtr 4).	Work has commenced on the implementation plan with specific areas having been identified where 'To Be' improvements would have a positive effect on the Fund's ability to process administration casework more efficiently. The work to actually implement the improvements will commence in the latter half of the year.

2019/20 Forecast Outturn

12. Members will recall that the 2019/20 budget was set at £4.661m. Included within the budget is £1.083m which relates to the Fund's contribution to the operating costs of LGPS Central Ltd, which are shared between the eight partner funds as shareholders of the company.
13. Included within the budget is £230k which has been assigned on a one-off basis to fund specific requirements in 2019/20, such as the valuation and the transition of assets into LGPS Central. This one-off funding is being managed on a ring-fenced basis, with any underspending treated as a saving and not used for other purposes.
14. The forecast outturn position as at the end of August is an underspend of £127k the majority of which relates to staffing costs, along with some forecast savings on supplies and services.

15. The Fund has experienced a high level of staff turnover from the operational team throughout the year which has resulted in vacancies. The Fund has now undertaken a recruitment exercise and the majority of vacant posts have now been filled, however, the new staff members will not start with the Fund until September/October.
16. A further update will be presented to the Committee in December.

Recommendation**The Committee is requested to:**

- **Note the position of the Action Plan Tracker for 2019/20 and actions for quarter 2.**
- **Note the forecast outturn position of an underspend of £127k.**

CHESHIRE PENSION FUND - 2019-20 ACTION PLAN TRACKER

GREEN = Completed or on track AMBER = Risk of minor delay/marginal under-achievement of target RED = Significant delay or material under- achievement against target BLACK = Too early/not yet assessed

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
AP1	G1 Strong and effective decision making supported by appropriate skills, knowledge, advice and expertise at officer and member level.	<ul style="list-style-type: none"> Implement ‘quick win’ recommendations from Barnett Waddingham review of CPF Governance. 	<ul style="list-style-type: none"> Induction of new Committee Members following May 2019 elections. Develop training plans to support key governance/decision making roles based on CIPFA Skills & Knowledge Framework and MiFID2 requirements. 	<ul style="list-style-type: none"> Review Governance improvement action plan in the light of LGPS Good Governance Review final report. 	<ul style="list-style-type: none"> Implement recommendations from national LGPS Good Governance review/ Barnett Waddingham CPF Review.
AP2	G2 Effective implementation of asset pooling, including realisation of target savings and benefits.	<ul style="list-style-type: none"> Transition plan for Low Carbon and Sustainable Equities. Appoint Transition Manager (Low Carbon) Deliver consolidated performance reports to ISC covering directly managed and LGPS Central managed assets. Publish 2018/19 Annual Report, including new pooling reporting requirements. 	<ul style="list-style-type: none"> Implement transition of Low Carbon. Implement the transition of Sustainable Equities. Develop business case for pooled Infrastructure Sub-Fund, for Committee decision. Input to design of pooled Multi Asset Credit offering Assess wider collaboration opportunities with LGPS Central Partners. 	<ul style="list-style-type: none"> Implement transition to pooled Infrastructure Sub-Fund (subject to Cttee decision) Present business case for pooled Multi Asset Credit Sub-Fund, for Committee decision. Post implementation review of Low Carbon and Sustainable Equity transitions. 	<ul style="list-style-type: none"> Implement transition to pooled Multi Asset Credit Sub-Fund (subject to Cttee decision).

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
AP3	G3 High levels of compliance with regulatory and best practice standards, evidenced by comprehensive and transparent reporting on all aspects of Fund performance and decision making.	<ul style="list-style-type: none"> Introduce administration performance disclosures into 2018/19 Annual Report in line with national guidance Introduce a suite of reports to demonstrate performance against casework KPIs (from Q4 2018-19). 	<ul style="list-style-type: none"> Issue 100% of ABS statements on time. Report non-compliance to TPR with details of the rectification plan. 	<ul style="list-style-type: none"> Fund to achieve full compliance with The Pensions Regulator Code of Practice / update the internal control framework. 	<ul style="list-style-type: none"> Reduce the percentage of retirees waiting more than 60 days for their first pension payment. Continue the cleanse of historic data held by the Fund to meet full compliance with Data Protection legislation.
AP4	G3 Supported, empowered and enabled scheme employers, able to fulfil their obligations under the Scheme rules, and meet their performance obligations set out in the Administration Strategy	<ul style="list-style-type: none"> Publish the Administration Strategy w.e.f 1 April and agree monitoring framework with Pensions Consultative Forum. Commence programme of regular client relationship meetings with major employers to address priority improvement actions (from Q4 2018-19). Commence the development of a suite of performance reporting measures aligned with requirements set out in Admin Strategy (from Q4 2018-19). 		<ul style="list-style-type: none"> Commence roll out of client relationship model meetings to small / medium sized employers. 	<ul style="list-style-type: none"> Implement employer admin performance reporting 'dashboard' (from Qtr 2).

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
AP5	G4 Strong and effective client and contract management arrangements for all third party contracts and supply agreements demonstrating effective partnership and value for money.	<ul style="list-style-type: none"> Embed effective client and contract management procedures for new investment contract and revised actuarial arrangements (from Q4 2018-19) Draft specification for new Actuarial contract and ancillary services. Provide support to the national framework to draft tender documents for the - administration database framework 	<ul style="list-style-type: none"> Invite tenders for actuarial services contract 	<ul style="list-style-type: none"> Evaluate tender responses and finalise actuarial appointment Commence production of further competition documentation for administration database retender 	<ul style="list-style-type: none"> Implement new actuarial services contract. Provide support to the national framework to evaluate tender responses for admin database provider.
AP6	A1 Digitally enabled interaction and communication with employers and members, delivered on a self-serve basis, and in a timely and customer-focussed manner; to enable effective member and employer decision making.	<ul style="list-style-type: none"> Re-design Pension Fund website 		<ul style="list-style-type: none"> Launch re-designed Pension Fund website. (from Qtr 2). 	<ul style="list-style-type: none"> Develop implementation plan for introduction of Member Self-Serve functionality. Develop implementation plan to design modellers / calculators to allow members to complete their own estimates. Contact members to sign up to online services in preparation for the 2020 Annual Benefit Statements being issues online.

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
AP7	A2 Agile customer focussed, operating model, based on multi-skilled roles with strong supporting specialisms; able to respond to changing workloads and customer demands	<ul style="list-style-type: none"> Undertake customer service training for all staff within pensions. Develop a Pension Customer Charter (from Q4 2018-19). Individual team members to develop personal training plan based on specific requirements 	<ul style="list-style-type: none"> Develop Learning and Development plan for the team based on skills audit and competency framework. Implement career grade posts linked to Apprenticeships programme. 		<ul style="list-style-type: none"> Re-run the skills matrix exercise to assess improvements in personal development plans
AP8	A3 Optimal use of technology and automation to support secure and efficient transmission of high quality data and intelligence – led business operations.	<ul style="list-style-type: none"> Continue to assess data scores in line with TPR guidelines and introduce measures to resolve queries identified Introduce a suite of exception reports to identify data issues along with measures to resolve queries identified Commence the development of a Data Management Strategy to determine how data is received, stored and used within the Fund 	<ul style="list-style-type: none"> Complete the initial data cleanse exercise for all employers ahead of the move to MI Introduce automation of bulk processes with the administration database. 	<ul style="list-style-type: none"> Develop an implementation plan to commence straight through processing (automation) of casework processing. 	<ul style="list-style-type: none"> Develop a plan to clear casework backlogs (link to capacity building tasks)

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
AP9	F1 Effective investment allocation, risk management and stewardship delivering positive, sustainable returns in line with long term funding targets.	<ul style="list-style-type: none"> Initiate review of Fund's strategic asset allocation in light of valuation results. Review and update the Fund's Responsible Investment policy in the light of new SAB guidance and updated UK Stewardship Code. 	<ul style="list-style-type: none"> Complete 2018-19 CEM benchmarking return. Draft updated Investment Strategy Statement. 	<ul style="list-style-type: none"> Launch consultation on updated Investment Strategy Statement. 	<ul style="list-style-type: none"> Report 18-19 CEM benchmarking results. Finalise Investment Strategy Statement in the light of consultation feedback for Cttee approval.
AP11	F2 Flexible and intelligence-led employer contribution strategy and funding solutions, which recognise the disparate objectives and characteristics of the Fund's growing employer base.	<ul style="list-style-type: none"> Implement improvements to Fund approach to covenant monitoring following baselining Update risk based employer covenant monitoring in advance of 2019 valuation. Start initial communication and fact finding with targeted employers ahead of 2019 valuation. Start review of employer classification framework ahead of 2019 valuation. 	<ul style="list-style-type: none"> Continue review and implement any changes to employer classification framework ahead of 2019 valuation Factoring in findings from initial targeted employer communication 	<ul style="list-style-type: none"> Communicate valuation results to individual employers Continue review and implement any changes to employer classification framework. Consider impact of changes to investment strategy on employer framework and vice versa Consult employers on revised Funding Strategy Statement and implement 2019 valuation. 	<ul style="list-style-type: none"> Finalise Funding Strategy Statement in the light of consultation feedback for Cttee approval. Roll out/train Fund approach to covenant assessment/monitoring to contribute to staff multi-skilling. (from Qtr 2).
AP12	F3 Competitive and sustainable cost base, demonstrating value for money over time and compared against peers.	<ul style="list-style-type: none"> Research alternative Pensions Increase solutions and agree future delivery plan. Finalise B4B process design and impact analysis. 	<ul style="list-style-type: none"> Continue with team training and development to achieve multi-skilling 		<ul style="list-style-type: none"> Develop an implementation plan to commence 'To Be' improvements to administration casework processes (from Qtr 2).

Action Plan Ref.	Outcome	Quarter 1	Quarter 2	Quarter 3	Quarter 4
		<ul style="list-style-type: none">• Finalise Project Chrysalis 2019/20 Programme plan and deliverables.• Implement off-site printing/hybrid mail.• Implement new telephony solution			