

PENSIONS COMMITTEE – 30 JUNE 2023

Report of the Director of Finance

STAFFORDSHIRE PENSION FUND BUSINESS PLAN 2022/23 OUTTURN

Recommendation of the Chairman

1. That the Pensions Committee approves the outturn position of the Staffordshire Pension Fund Business Plan for 2022/23.

Background

2. At the beginning of each financial year, the Pensions Committee is asked to approve an annual Business Plan for the Staffordshire Pension Fund. This report details the final outturn position for the financial year 2022/23 and summarises the key achievements against that Business Plan, provided in Appendix 2.
3. With hybrid working arrangements now the norm, we continued to embrace the developments that have been made in technology, and the impact these have on our operational activities. And so once again, it is extremely pleasing to be able to report good achievement against the 2022/23 Business Plan; this is detailed in Appendix 2.
4. Where we have made progress with development activities, some of these have now been re-classified as 'business as usual' activities and several 'key development' activities which require further work, or ongoing activity, have been carried forward into the 2023/24 Business Plan.
5. As well as continuing with a high standard of service delivery, key achievements during 2022/23 include:
 - (i) Pensions Administration Team
 - Completion of the 2022 Triennial Actuarial Valuation – this meant resources had to be directed to process all leavers, deaths, and aggregation cases. The Fund received positive feedback from the Scheme Actuary on the quality of data submitted.
 - Change to Management Structure - with effect from 1 January 2023, a new 5 pillar structure was put into place which allows for succession planning across the wider Pensions Service. Ongoing recruitment was also required throughout the year, to support changing resource needs, increased workloads and to allow us to respond to projects, given retirement is still a popular option.
 - My Pensions Portal (MPP) – more scheme members are using smartphones or tablets to access their pension information and it is

important that the Fund adapts its communication platform to increase member engagement. Scheme members can now log on to their individual accounts to run estimates, view statements, payslips and update their personal information.

- Pensions Website – we continue to review and improve our website as this is the main point of reference for our scheme members, employers, and key stakeholders. The Fund is currently working with the County Council’s communications team to further improve the website.
- Digital Proof of Life – the Fund has successfully completed its first biometric recognition exercise via Crown Agents Bank, for its pension recipients living overseas. 87% of those requested to take part have now moved to this new process rather than the previous paper life certificate exercise.
- Communication – the Fund continues to explore various mediums to deliver communication to our scheme members and employers. Our first member webinar for scheme members employed by Staffordshire County Council is planned for 5 July 2023.

(ii) Pensions Investment Team

- Annual Stewardship Report – this was developed in line with the requirements of the Financial Reporting Council’s UK Stewardship Code and was submitted to the FRC following approval by Pensions Committee in March.
- Climate Change Reporting - the Fund continued to report in line with the requirements of the Task Force for Climate Related Financial Disclosures (TCFD) and following receipt of a Climate Scenario Analysis Report from LGPS Central Ltd, was able to provide an updated Climate Change Strategy, which demonstrated progress against the Fund’s climate change targets.
- Investment Strategy – the implementation of the Fund’s Strategic Asset Allocation, in line with the Pension Fund’s Climate Change Strategy continued at pace, with investment approved into a low carbon passive index and a second global sustainable equity portfolio.

Audit

6. There have been three Staffordshire Internal Audit Service reviews across the Teams throughout the year:
- (i) the Pensions Administration System Audit, which is a non-routine audit requested to review the changes to our processes as a result of the implementation of the new ‘hosted’ administration system. The Final Audit report is yet to be issued at the time of writing;

- (ii) the annual Pensions Administration Audit is pending completion at the time of writing; and
 - (iii) the Pension Fund Responsible Investment, Climate Change & Engagement Audit, which was undertaken following the conclusion of the work on the Fund's Climate Change Strategy and which received a 'substantial' assurance rating.
7. Despite the level of engagement required, Audit reviews are welcome, particularly when they receive a 'substantial assurance' rating as this provides the Committee and the Management Team with the assurance that the necessary controls are in place. The reviews also re-affirm the hard work and effort of the Teams, and their ongoing commitment to the Fund, despite the increasing complexities of delivering the service and hybrid working.
8. As well as Audits being carried out on the LGPS Central pool (as part of the wider Audit Assurance Framework developed by the Auditors of the 8 Partner Funds that make up LGPS Central) it is anticipated that the Company itself, LGPS Central Limited, will continue to receive an unqualified AAF 01/20 Internal Control Report for 2022/23.
9. As part of best practice, the Investment Team also reviews the control reports of the Fund's global custodian and the multiple managers that the Fund's assets are invested with. Additional information is sought from management about any controls that give cause for concern in terms of any possible impact on the Fund.

Pensions Administration – Service Standards

10. The Pensions Administration Team's Service Standards for 2022/23 are attached at Appendix 3.
11. The Committee are asked to note the consistent level of performance versus the standards over the last three years and the number of performance targets achieved in 2022/23. A summary of the position is as follows:
- 2020/21 shows that a 90% performance target was achieved in 12 of the 15 published standards.
 - 2021/22 shows that a 90% performance target was achieved in 13 of the 15 published standards.
 - 2022/23 shows that a 90% performance target was achieved in 12 of the 15 published standards.
12. The three published standards where the performance target was not quite achieved in 2022/23 were: 4. Estimate Deferred Benefits (89%); 5. Actual Retirement Benefits (88%); and 9. Notify Deferred Benefits (88%). Given these were only marginally below the 90% target and Management has no concerns over the fundamental processes in place, the underperformance

is assumed to be as a result of several things including a small increase in volume or the timing of annual leave, for example.

Ongoing workloads and impact on Service Standards

13. Whilst the Service Standards for 2022/23 are excellent once again, and something of which the Teams should be extremely proud, it is important to remind the Committee, that the Scheme continues to become ever more complex and the number of Employers and their arrangements for continuing to participate in the Scheme are in themselves becoming more creative as a result. As in previous years old challenges remain and new ones are presented.
14. One ongoing issue is the McCloud remedy project. As a reminder to the Committee this will rectify the age discrimination that was introduced with the 2014 CARE scheme, when only those within 10 years of retirement were afforded full protection. An update of the latest position is summarised in the bullets below:
 - 2022/23 saw the Systems & Data team requesting final data from scheme employers for the c70,000 scheme members in scope;
 - Software providers continue to work with the Department for Levelling Up, Communities and Housing (DLUHC) and the LGPS Actuaries, to ensure that the appropriate changes to administration systems have been made;
 - DLUHC published a consultation and draft legislation on the McCloud remedy on 30 May 2023, which closes on 30 June 2023;
 - Regulations are expected to be in force on 1 October 2023;
 - Once all the above are in place, a substantial exercise will need to be carried out to validate and load historic data and test member benefit calculations to ensure a member would not be better off in the final salary scheme. Having done all that, it is anticipated that very few scheme members will be affected.
 - Annual Benefit Statements for 2024/25 must also include any McCloud underpin calculations.
15. Long anticipated changes in regulations and guidance will also have an impact on workload that needs to be accommodated:
 - We still await further details on the Good Governance Review;
 - We still await further details on Asset Pooling in the LGPS; and
 - We still await the Pensions Regulators new Single Code of Practice, which we were assured would be laid before Parliament in the summer of 2023.
16. We have just received confirmation that the changes to the Government's Pensions Dashboard Programme means that the original, connection dates determined for LGPS Funds to connect to the dashboard's ecosystem by 30 April 2024 have now been delayed until 31 October 2026. Despite this, the Fund will continue with its plans to cleanse scheme member data and appoint an Integrated Service Provider (ISP) to enable system connection prior to the go live deadlines.

17. Finally, on a positive note, the Fund will shortly be undertaking a project known as Enhanced Admin to Pay (EA2P) which will interface the set up and the payment of new pensions and dependants' payments by removing the need for manual intervention. It is hoped that this will result in significant resource savings.

Other considerations

18. Not all administration processes are benchmarked but most are usually complex and time-consuming areas of work for example:
- Combining pension records for re-joining members known as aggregation.
 - Concurrent employment cases.
 - Data cleansing.
 - Software upgrades & testing ICT infrastructure.
 - Record maintenance, including year-end member data.
 - Issue of Annual Benefit Statements.
 - Attending retirement sessions and sessions to support members being made redundant.
 - Communication projects for example Academy training sessions.
 - Introducing new software to Employers for the monthly transmission of data to the pension system and onboarding (i-Connect).
 - Pensions Increase exercise.
 - Admitting new Employers to the Fund and agreeing Admission Agreements.
 - Production of HR costing data for Employers.
 - Regulatory and legal support to Employers and the monitoring of Employee and Employer Contributions.

Pensions Administration Team Resource

19. Due to the complex nature of the LGPS, recruiting experienced team members is always difficult and so the focus continues to be on training and 'growing our own'. Over the last 12 months the number of team members has remained stable and whilst several experienced members of the Team have retired or left for pastures new, through successful recruitment we have managed to appoint some new and very enthusiastic team members.
20. Clearly, if we are to maintain our Service Standards going forward and successfully manage both the McCloud exercise and the Pensions Dashboard Programme there is a need to continue to recruit even more new team members. Fortunately, we have seen an increase in applicant numbers recently and we are more hopeful of increasing our staffing numbers going forward, as opposed to simply maintaining the status quo.
21. The Teams are now working on several projects which utilise the additional functionality of the updated Administration System. These include the ongoing review and streamlining of processes where possible and an increased self-service offering through the My Pension Portal.

22. Whilst there is inevitably a direct cost implication of any increase in staff numbers, this will always be proportionate and measured. The process of recruiting 1 or 2 entry grade team members, with their training on the more routine activities being delivered by more experienced team leaders, will ultimately facilitate the release of resources, at a more senior level, to work on more complex cases and project work.
23. Despite the difficulties of recruiting over the last couple of years, we do still feel that continuing to recruit in this way is the right approach. Our aim is to deliver a cost-effective service that continues to prepare us to face any new challenges upfront. And, whilst we will endeavour to ensure that performance against published service standards does not decline significantly, we acknowledge that this may become challenging over the next 2-3 years. However, our focus will remain on delivering a service to the end user i.e., the Scheme Member, that is not sub-standard, nor in direct contravention of the Pensions Regulators Disclosure requirements.

Pensions Investment Team

24. As well as undertaking their day-to-day accounting and contract monitoring activities, the investment team were kept busy during the year with several projects:
 - Submitting the first Annual Stewardship Report to the Financial Reporting Council, in line with the UK Stewardship Code's increased requirements. This report was approved by the Pensions Panel on 31 March 2023 and the outcome of the approval process by the FRC is pending.
 - Continuing to implement the recommendations from the Strategic Asset allocation review, carried out by Hymans Robertson in 2022. This sees a move away from public equity markets into asset classes across private markets.
 - Continuing involvement in the development of the LGPS Central pool and engagement with the various Officer Working Groups, to ensure the right products are being developed and available for the Fund to invest in.
25. In 2022/23, the Fund's total investment return was -1.9% versus its strategic investment benchmark return of -4.3%, an outperformance of +2.4%. Whilst this was significantly less than the investment returns across markets in 2021/22, it demonstrates how investing in a diversified portfolio helps to limit the impact of changing economic conditions on the Fund.
26. The Fund's longer-term annualised investment performance numbers, at 31 March 2022, remain in excess of 8%, which is well ahead of the long-term investment return assumptions used by the Actuary in the triennial valuation.

27. The Committee will receive a presentation from the Fund’s independent performance measurer, Portfolio Evaluation Limited, on the detail of the Fund’s investment performance in 2022/23, at today’s meeting.

Pension Fund Budget and Costs

28. At previous Pensions Committee meetings, Members were asked to note that instead of solely setting an annual budget and relying on budget monitoring to manage costs, the Committee should also place reliance on cost comparisons, benchmarking and trends, where these are available, to ensure that value for money is consistently delivered.
29. The headline budget reported to Pensions Committee for 2022/23, as part of the Business Plan versus the headline Actual Outturn position is provided in the following table. A comparison to 2021/22 is also provided.

	2021/22	2022/23
	£000	£000
Initial Budget forecast	22,120	28,950
Actual Outturn position	25,650	23,574
Under (Over) spend	(3,530)	5,376

30. The £5.4m headline budget ‘underspend’ in 2022/23 is attributable to a decrease in expenditure on Investment Management Fees and vacant property costs during the year. Budgeting for this area of expenditure is particularly difficult. The fact that this area was the reason for the budget overspend in each of the previous two financial years saw the budget being reviewed and increased for 2022/23. Paragraph 38 onwards provides more detail.
31. The tables that follow break the Actual Outturn position down into more detail, as per CIPFA’s reporting classification in the annual accounts. They also provide comparisons to previous years’ expenditure and income, to highlight any significant changes or trends.
32. The following table shows this year’s **Administration Costs** compared to the last two years:

	2020/21	2021/22	2022/23
	£000	£000	£000
Pensions administration	2,314	2,897	2,784
Legal costs	53	65	54
Other costs	90	46	120
Income	(39)	(53)	(42)
Total Administration Costs	2,418	2,955	2,916

33. Total administration costs have decreased from 2021/2022 by around £0.04m. This is mainly due to a decreased cost of the Pensions Administration ‘Altair’ software system, following the recent tender.

34. Using the latest data available (for 2021/22), we can compare the cost per scheme member of our Pensions Administration Team to 21 LGPS Funds that also use the CIPFA benchmarking service. (The 2020/21 costs are provided in brackets for reference).

2021/22	Administration Costs per scheme member	
	SPF	Average
CIPFA benchmarking - pensions administration	£20.89 (£19.65)	£20.79 (£31.95)

35. The Fund's administration costs in 2021/22 were very similar to the group average. Also, when looking at similar authorities (County Councils), administration costs for Staffordshire Pension Fund are generally comparable. The slight increase in cost from 2020/21 is due to an increase in staffing costs, for reasons that are well documented and understood.
36. The following table shows this year's **Oversight and Governance Costs** compared to the last two years:

	2020/21	2021/22	2022/23
	£000	£000	£000
Audit Fees	89	43	51
Actuarial Advice	71	197	234
Investment Oversight fees	253	292	329
LGPS Central costs	1,046	1,064	1,158
Other	172	205	199
Total Oversight & Governance costs	1,631	1,801	1,971

37. Total Oversight and Governance costs have increased in 2022/2023. Actuarial fees have increased, reflecting the work for the 2022 Triennial Actuarial Valuation and Investment Oversight fees have increased because of the ongoing implementation of the Fund's Strategic Asset Allocation. LGPS Central governance costs have also increased which is proportionate to the general increases in the LGPS Central budget.
38. The following table shows this year's **Investment Management Costs** compared to the last three years:

	2020/21	2021/22	2022/23
	£000	£000	£000
Investment managers	15,971	16,942	15,192
Property costs	2,890	3,842	3,337
Custody costs	56	71	72
Other	23	39	86
Total investment costs	18,940	20,894	18,687

39. Investment Managers' fees have decreased overall in 2022/23. Private Equity fees were c£2.2m less, due to lower performance fees payable than in 2021/22, following write downs in some funds during the year. Vacant property costs have also decreased by c£0.5m relative to 2021/22, as the sector continued its post-pandemic recovery, with lettings of vacant property and the collection of unpaid rents.
40. Asset values fell in 2022/23, with the market value of the Fund's assets hitting a recent low of £6.3bn at 30 September 2022, due to markets falling on the back of inflationary pressures, interest rate rises and fears of a recession. Improving market conditions resulted in an increased market value of £6.6m by the 31 March 2023. However, the following table shows that investment management fees, as a percentage of assets under management, have reduced, predominantly for the reasons outlined in the previous paragraph.

	2020/21	2021/22	2022/23
	£000	£000	£000
IM Fees	15,971	16,942	15,192
Fund value at 31/3	6,125,859	6,830,486	6,653,800
Average Fee level (%)	0.26	0.25	0.23

41. Over the last couple of years, the Fund has seen the impact of increasing its investment in private market asset classes, principally private debt, in the cost benchmarking data (see following paragraphs). Due to the outcome of the recent Strategic Asset Allocation review, where further allocations will be made to private market asset classes (private equity, private debt, infrastructure and property) over the next few years, the investment management costs of the Fund are expected to rise further.
42. Over the long-term, however, as the economies of scale from asset pooling are achieved, it is anticipated that these costs will stabilise. As always, the costs are largely dependent on the Fund's Strategic Asset Allocation and should always be justifiable on a 'net return' basis.

Cost Benchmarking

43. To seek further reassurance about cost, Staffordshire Pension Fund continues to take part in a benchmarking exercise with international company CEM Benchmarking. CEM benchmark 400+ global pension funds with total assets of £15 trillion to help institutional investors better understand their costs versus peers and the wider market.
44. The results of the 2021/2022 benchmarking exercise were reported to the Pensions Committee by CEM on 16 December 2022. CEM grouped Staffordshire Pension Fund with 16 LGPS and international funds ranging in size from £4.0bn to £12.4bn (a median size of £7.1bn versus the Fund's total value of £6.5bn at that time). After adjusting for asset mix, the Fund's costs of 56.9 basis points (bps) (or 0.569%) was 4.6bps (0.046%) above the benchmark of 52.3bps (0.523%).

45. The Fund's costs are above benchmark predominantly because of the way in which it invests in private market asset classes and in particular Private Equity. Many of the Fund's investments use a 'Fund of Fund' approach, where there are multiple layers of fees payable. However, Private Equity has been a strong performing asset for the Fund over the recent years and has delivered returns well above its benchmark return. This illustrates the point that whilst cost is an important consideration, it must be viewed versus any outperformance it delivers.

46. Measuring trends is also important and the Fund's costs have increased from 55.8bps, in 2014/15, to 56.9bs in 2021/22. Over this period, the Fund has increased its allocation to private market asset classes, which has had the effect of increasing the Fund's cost of investing on these assets since 2015. This has been offset to some degree by the cost of investing in global equities reducing significantly over the same period; in part due to the impact of LGPS asset pooling.

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Background Documents: None

Equalities implications: There are no direct equalities implications arising directly from this report.

Legal implications: There are no direct legal implications arising from this report.

Resource and Value for money implications: Resource and value for money implications are considered in the report.

Risk implications: There are no direct risk implications the report does contain some actions to address risks identified in the risk register.

Climate Change implications: There are no direct climate change implications arising from this report.

Health Impact Assessment screening – There are no health impact assessment implications arising from this report.

Area of Service	Key Development Activity	Progress
LGPS Pensions Administration	Review / Implement any recommended actions arising from the external review of Additional Voluntary Contribution providers	Substantially complete Recommendations from external provider received and actions substantially complete, including rationalisation of AVC offering and updated SPF website. Additional complications because of Shared Cost AVC's and provider Lifestyle Plan naming conventions still being addressed.
	Commence a Living as Stated / Address Tracing Exercise to improve the accuracy of deferred pensioner & pensioner membership data	Redefined for 2023/24 Award initially planned via Norfolk Framework but Tracing Services expired in 2022. Reintroduction of Framework planned in 2023/24 where approach will be split into 2 activities which will also take account of requirements for Pensions Dashboard readiness.
	Following the collection of retrospective data from Employers, continue to plan and implement required remedial actions arising from the McCloud / Sergeant judgement (& possibly Goodwin	Partially achieved and ongoing in 2023/24 DLUHC McCloud consultation response for LGPS still pending. Internal Project team set up and significant progress made. Affected members identified. Final data collection from Employers ongoing. Testing of software providers calculation routines and interface to upload data to member records ongoing.
	Evaluate viability of using Digital Proof of Life for Overseas Pensioners prior to undertaking tender	Achieved Proof of Concept delivered with first live biometric exercise successfully undertaken in January 2023.
	Review Pensions Services staffing levels and structure to future proof and address succession planning	Achieved (but with ongoing recruitment requirements) New 5 pillar team structure in place with effect from 1 January which considers succession planning across the wider service. Ongoing recruitment required to support changes in resource / caseload and to respond to projects. e.g. McCloud & Pensions Dashboard.
2022 Actuarial Valuation	Agree timing of key decision-making milestones & detailed delivery plan with Actuary (plus appropriate Training)	Achieved 2022 Actuarial Valuation of the Fund is complete.

Area of Service	Key Development Activity	Progress
	Collaboratively work with Actuary and Employers to ensure all valuation work and the processing of data is carried out in a timely, informative, and efficient way	Achieved 2022 Actuarial Valuation of the Fund is complete.
Pensions Administration System	Review task design in Altair for Deaths & Concurrency	Achieved Internal processes reviewed following implementation of externally hosted Administration System. Several minor changes made.
	Review use of interactive dashboard in Altair	Achieved Internal review undertaken alongside functionality of Insights reporting tool following implementation of externally hosted Administration System
	Review use of Altair Insights and Disclosure reporting in Altair	Achieved Review of Insights functionality and reporting capability undertaken to ascertain ongoing use in Disclosure reporting.
	Understand implications of Pensions Dashboard and data requirements	Partially achieved and ongoing in 2023/24 Good understanding of requirements including systems, data and reporting. Awaiting launch of framework to select Integrated Service Provider (ISP) to enable system connection and go-live in September 2024
Governance	Following receipt of recommended guidance etc, implement actions from Scheme Advisory Board's Good Governance Project, as identified in September 2021 Gap Analysis	Partially achieved Gap Analysis presented to Pensions Committee in September 2021. Still Awaiting further implementation Guidance from DLUCH / CIPFA / SAB
	Develop a Cyber Security Policy	Substantially achieved Staff and Committee training undertaken. Project Team working with Council's Cyber Security Officer to document / implement the framework established to assess and manage cyber risk. Policy in draft form and needs to reflect BC/DR plans. Review of Cyber Risk to form part of wider review of Risk Register.

Area of Service	Key Development Activity	Progress
	Provide Founder Member support for the Norfolk Framework for Legal Services and Tender for an appropriate external Legal Services provider once the framework is live.	Partially achieved SPF acted as founder member and provided input into LGPS Legal Services Framework which went live on 16 January 2023. Scope of external legal requirements to be defined and tender to be undertaken in 2023/24.
Communications – Scheme Members	Set-up a My Pensions Portal (MPP) Working Group	Achieved Working group met regularly to determine potential improvements from using MPP and draw up a list of priorities.
	Promote and encourage the use of Member Self Service / My Pension Portal (MPP) to Retired Scheme Members (with the aim of issuing the majority of P60s and payslips electronically)	Redefined for 2023/24 Review of project undertaken by MPP working group with recommendation to target membership based on demographics. E.g., rising 55's, new retirees.
	Consider feasibility of running Member Webinars and/ or use of video content on website e.g. for MPP	Partially achieved and ongoing into 2023/24 Several member webinars delivered on request in 2022/23. Format and content to be further developed in 2023/24
	Review range of Member Communications i.e. Active and Deferred Scheme Member newsletters and InContact for Pension Scheme Members	Achieved Review undertaken which resulted in less reliance on use of regional communication templates. Moved to BAU activity 2023/24 onwards.
	Tender for printing contract for Member Communications	Achieved Direct award through Norfolk Framework after internal benchmarking exercise.
The Pensions Regulator (TPR)	Review compliance with TPR <i>Single Code of Practice</i> as applicable to the LGPS	Deferred to 2023/24 as Single Code not yet published
Pension Fund Investment	Appoint Independent Investment Advisor to Pensions Panel	Partially achieved Appointment on hold until supplier issues resolved.
	Implement recommendations from Strategic Asset Allocation Review across liquid Asset Classes (i.e.,	Partially achieved and ongoing into 2023/24

Area of Service	Key Development Activity	Progress
	Equities and Bonds) focussing on any implications for the Climate Change Strategy	as changes to the implementation strategies and recommended changes within the different asset classes are considered.
	Re-apply to Financial Reporting Council for Tier 1 UK Stewardship Code signatory status	Achieved Application pending approval by Pensions Committee on 31 March prior to submission to FRC before 30 April 2023.
	Understand the implications for the LGPS as a result of the Department of Work & Pensions - Taking action on climate risk: improving governance and reporting by occupational pension schemes (likely to apply from 2023)	Partially achieved and ongoing into 2023/24 Compliance to date achieved in collaboration with LGPS Central through TCFD reporting on assets but greater focus now required on impact on liabilities.
Area of Service	Resource Intensive – Business as Usual Activity	Period
LGPS Pensions Administration	Review Pensions Services staffing levels and structure	1 April – 30 September
	Finalise Year end data	1 April - 30 July
	Publish Deferred Annual Benefit Statements	1 May – 31 August
	Publish Active Annual Benefit Statements	1 July – 31 August
	Maintain high level of KPIs / Service Standards	Ongoing – monthly reporting
	Record Keeping Data Integrity Checks and continual improvement in quality of data across the Scheme generally	Ongoing
Pensions Administration System	Continue to implement i-Connect with a range of smaller / larger Employers to achieve an overall target as close to 100% of Active Fund Membership data being submitted monthly	Ongoing
	Continue to develop new working practices with Third Party Payroll Providers following the introduction of i-Connect	Ongoing

Area of Service	Key Development Activity	Progress
Governance	Continue to review published policies e.g. Administration Policy	Ongoing
	Further develop Employer Administration policies / guides / practices and promote such to relevant Employers e.g. Ill-Health Retirement	Ongoing
	Annual review of Employer Covenants. Use of internal monitoring process, Hymans online funding tool, HEAT, financial metrics etc	Ongoing
	Assess the impact of any Regulatory Changes and communicate such to all interested parties and stakeholders **	Ongoing
Communications with Members and Employers	Continue to review and refine website content	Ongoing
	Continue to develop the role of the Employer Focus Peer Group and the Employer Focus Newsletters	Ongoing
	Continue to develop a series of regular / shorter virtual Employer Practitioner Workshop(s) e.g., Breaches, Ill-health retirement, IDRP & targeted workshops for different Employer Groups	Ongoing
	Review Employer compliance with Administration Strategy	Ongoing
The Pensions Regulator (TPR)	Continually review compliance with The Public Service Scheme <i>Code of Practice 14</i> and Public Service Regulatory Strategy in relation to Disclosure of Data	Ongoing
	Maintain Improve common and conditional data scores	Ongoing
	Maintain and review Breaches Log and improve reporting to tPR	Ongoing

Area of Service	Key Development Activity	Progress
Pension Fund Investment	Produce Pension Fund Annual Report and Accounts in line with CIPFA's updated guidance	1 April – 30 September
	Annual Review of Climate Change Strategy, Task Force for Climate Related Financial Disclosure (TCFD) Reporting and Climate Stewardship Plan	1 December – 31 March
	Monitor processes, reconcile data and report performance impact following asset transitions into LGPS Central e.g., Global Sustainable Equities, Multi-Asset Credit	Ongoing

**Including but not limited to: McCloud, Deemed Employers, Exit Payment Cap, Further Reform and LGPS Asset Pooling

