

**Worcestershire  
Pension Fund**



# Business Plan

As at 08 06 2021

## 1 INTRODUCTION

### 1.1 Our Business Plan:

- a) Outlines our (Worcestershire Pension Fund's) purpose, goals and key result areas / supporting aspirations (i.e. what is regarded as good in our eyes).
- b) Presents our targets and budget.
- c) Details our performance against our investment benchmarks and against our administration target turnarounds.
- d) Summarises the projects we have in place to achieve our large pieces of work.

1.2 Our Business Plan is refreshed and tabled at each quarterly [Pensions Committee](#) meeting.

1.3 Our governance arrangements are set out in [our annual reports](#).

## 2 BACKGROUND

2.1 The Local Government Pension Scheme (LGPS) is funded principally by its constituent employers, with members also contributing.

2.2 The benefits it provides are a valuable tool for employers in attracting and retaining staff.

2.3 Unlike all other public sector pension schemes the LGPS is a funded scheme, with employer and member contributions invested in financial markets / instruments.

2.4 Although a Career Average Revalued Earnings (CARE) LGPS linked to a normal retirement age of State Pension age (min 65) was introduced on 1 April 2014, concerns remain over the long-term cost and sustainability of the LGPS.

2.5 We are one of 87 funds administering the LGPS in England & Wales. Worcestershire County Council is the statutorily appointed Administering Authority.

2.6 We administer the LGPS for our employers who vary considerably in size and type and who have allowed their current and previous employees to become members:

	<b>As at 31 December 2020</b>	<b>As at 31 March 2021</b>
<b>Employers with active members</b>	190	183
<b>Employee member records</b>	22,801	23,054
<b>Pensioner member records</b>	19,386	19,533
<b>Deferred member records</b>	21,897	22,167
<b>Total member records</b>	64,084	64,754

2.7 We manage a **£3,283m** (as at 31 03 2021) pension fund to pay benefits as they are due.

2.8 We face increasing complexities in both the governance and administration of the LGPS and expect the following to create pressures on our resources and workloads:

- a) COVID-19: whilst we have successfully moved to home-working supported by a small postal / scanning service at County Hall and expect to be able to adapt to the new ways

of working, our workload and resources have as yet not been tested by a significant increase in member deaths or in staff absence.

- b) The Pension Regulator (TPR) increasing its requirements re record keeping, data cleansing and covenant reviews.
- c) Adopting the national LGPS Scheme Advisory Board's good governance guidance as best practice.
- d) An ever-changing tax / pensions environment: currently these include: [McCloud](#); [Fair Deal](#); [reforming local government exit pay](#); [tax relief for low earners](#); and [changes to the valuation cycle](#).
- e) Guaranteed Minimum Pension (GMP) equalisation.
- f) New employers (from outsourcing and academy conversions).
- g) Increasing expectations from stakeholders (e.g. member online access and employer data transmission).
- h) Central government asset pooling requirements (we are a partner fund in LGPS Central Limited, LGPSC).

### **3 PURPOSE, GOALS AND KEY RESULT AREAS (KRAs) / ASPIRATIONS**

3.1 Our purpose is to deliver on the benefit expectations of our members by managing investments to increase our assets and by understanding our liabilities.

3.2 Our goals are to:

- a) Achieve and maintain a 100% funding level over a reasonable period of time to pay all benefits arising as they fall due.
- b) Maintain a managed risk investment and funding strategy to achieve the first goal.
- c) Maintain stabilised employer contribution rates.
- d) Provide a high quality, low-cost, customer-focused service.
- e) Be open and honest in all decision making.

3.3 To help us to achieve our goals we have identified 5 KRAs:

- Accounting.
- Administration.
- Engagement / Communications / Member & Employer Relations.
- Governance & Staffing.
- Investments, Funding & Actuarial.

3.4 Our 5 KRAs are underpinned by 14 supporting aspirations. A brief summary of any significant milestones and any issues that we are encountering with delivering these is provided in the commentary at the end of each KRA section.

3.5 The one-off (shown as shaded) and annually recurring (shown as unshaded) large pieces of work or projects that we are progressing to achieve these 14 supporting aspirations are detailed in the appendix called Operational Plan: Projects.

3.6 Our performance on our day to day business as usual activities is detailed in the Investment Targets and Administration KPIs sections of our Business Plan. Any business as usual issues or developments that we are encountering are included in the commentary at the end of each KRA section.

3.7 This Business Plan's numbering recommences with section 4 (after the pages with a light background colouring that follow this paragraph). The boldened and underlined five KRAs that follow are in alphabetical order. The (1) to (14) numbering of our 14 supporting aspirations used below is across the five KRAs. This approach is to ease cross referencing with the second and third columns of the spreadsheet that is Appendix 1 of this Business Plan.

## **KRA: Accounting**

1. To **ensure the proper administration, accounting and reporting of all our financial affairs.**
2. To produce clear **Annual Reports / Statement of Accounts** that enable members and stakeholders to understand the latest and future financial position.

### **Accounting KRA Commentary:**

Our budgets for 2020 / 2021 to 2022 / 2023 are detailed in section 6 below. The forecast outturn for 2020 /2021 is estimated to be £15.717m compared to a budget of £13.519m, an overspend of £2.198m. The largest contributor to the forecast underspend is the increase in investment management fees being £1.9m overspend which is mainly due to increased fees in our infrastructure and property investments.

We are on schedule for all payments (e.g. to HMRC) and monitoring (e.g. cashflow) activities.

There are no issues with managing / reconciling the custodian accounts for investments including transactions, tax doc, cash controls, etc.

We are on schedule to produce our 2021 annual report and financial statements. The accounts are checked against the Chartered Institute of Public Finance and Accountancy (CIPFA) example accounts and an external audit accounts checklist.

We have produced [our Climate related Financial Disclosures](#)

## **KRA: Administration**

3. To **provide a lean, effective, customer friendly benefits administration service**, through the calculation and payment of benefits accurately and promptly in line with the targets published Pension Administration Strategy.
4. To maintain **an effective administration system** for the **accurate maintenance of the records of all members** and to continually review and cleanse our data, ensuring it meets the Pension Regulator's requirements and supporting employers to provide correct data.
5. To **optimise the use of technology to make processes more efficient and effective** and to continually look at developing services in the most cost-effective manner following careful consideration of business cases. This will include an increased drive towards greater self-service provision for employers and employees, as well as less paper.
6. To **become a role model of best practice amongst LGPS Funds** being recognised by members and employers as providing an excellent service and to work **collaboratively and in partnership with both internal and external organisations** to provide higher quality services at a lower cost.
7. To **support a range of projects and business as usual activities** such as the actuarial valuation, policy reviews, committee member / officer training, contract reviews, FRS information for employers and performance monitoring for us and our employers to adhere to.

### **Administration KRA Commentary:**

#### **Dashboards:**

The Department for Work and Pensions will be launching a consultation on the [pensions dashboards](#) draft regulations, which will include rules on the different stages pension schemes will need to start sharing their data to be included in the project.

#### **Data quality:**

We are working through employers' end of year returns and have investigated Mercer's list of deferreds with no date of leaving. We are targeting the end of June for addressing any contribution / final pay / CARE pay issues resulting from the 31 March 2021 year end contribution posting.

#### **Employer changes:**

We are aware of the following employer changes in 2021 / 2022:

- Hill and Moor Parish Council wanting to offer the LGPS to their staff.
- Worcester Community Trust expected to be terminating in 2022.
- Maid Marions joining as a new employer.
- Perdiswell Primary School joining Tudor Grange Academy Trust on 1 April 2021.
- Liberata's Finance and Accounting services and maybe its HR Consulting service to return to WCC on 30 June 2021.
- Sidmore First and Nursery joining Black Pear Trust on 1 April 2021.
- Pencombe joining Hereford Marches Federation of Academies.
- The Orchard School joining Black Pear Trust on 1 April 2021.
- Cater Link Ltd (TG Perdiswell) to be joining.
- Turning Point (services) Limited joining on 1 April 2021.

#### **GMP rectification:**

We have implemented the rectification and plan to review the costs after any appeals of which we have had none to date.

#### **KPIs:**

As detailed in Section 5, April 2021 saw 34 deaths. The average monthly number of deaths in 19/20 was 15 and in 20/21 it was 25.42.

For the 2020 / 2021 year, we met our average turnaround targets for all our processes.

In 2020 / 2021 we had **4 data breaches**, **3 IDRPs** and **3 complaints**. On 18 March we introduced a posting log to provide extra mitigation against the risk of a data breach.

We introduced the new £100 writing off pensions overpayments policy on 23 Feb 2021. In 2021 /2022 we have written off 0 cases.

Regarding outstanding payments from employers or debtors for whom we have raised an invoice, in relation to Brightstripe we have written off £475,150.26.

#### **McCloud:**

On 11 May the Queen's speech announced there will be a Public Service Pensions and Judicial Offices Bill to ensure equal treatment for all members within each of the main public service pension schemes, following the reforms to change schemes to career average.

This was followed up by a [Ministerial Statement](#) on 13 May from which the following has been extracted:

' The overarching aim is that the changes will address the findings of the Courts and provide protection to all qualifying members when their benefits are drawn from the scheme. The key points are:

- Underpin protection will apply to LGPS members who meet the revised qualifying criteria, principally that they were active in the scheme on 31<sup>st</sup> March 2012 and subsequently had membership of the career average scheme without a continuous break in service of more than five years.
- The period of protection will apply from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2022 but will cease earlier where a member leaves active membership or reaches their final salary scheme normal retirement age (normally 65) before 31<sup>st</sup> March 2022.
- Where a member stays in active membership beyond 31<sup>st</sup> March 2022, the comparison of their benefits will be based on their final salary when they leave the LGPS, or when they reach their final salary scheme normal retirement age, if earlier.
- Underpin protection will apply to qualifying members who leave active membership of the LGPS with an immediate or deferred entitlement to a pension.
- A 'two stage process' will apply for assessing the underpin so that, where there is a gap between a member's last day of active membership and the date they take their pension, members can be assured they are getting the higher benefit.
- Scheme regulations giving effect to the above changes will be retrospective to 1<sup>st</sup> April 2014.

A full Government response, containing further detail on the matters addressed above, and on other issues which were covered in the consultation, will be published later this year. This will include the Government's decision on whether members will be expected to meet the underpin qualifying criteria in a single period of scheme membership for the underpin to apply. It is anticipated that regulations giving effect to these changes will be made after new primary legislation in relation to public service pensions has completed its passage through Parliament and the Government's intention is that regulations will come into force on 1<sup>st</sup> April 2023.'

We have been processing the hours changes that we have historically received from our employers and have identified the likely gaps in our member data. These include missing service breaks resulting from authorised absence or unpaid maternity leave not paid back via an APC that could affect the date of meeting the Rule of 85 for members with final pay benefits. We plan to issue guidance to our employers on our requirements once we have processed their 2021 year-end returns.

### **Pension Administration Strategy (PAS)**

Following our employer consultation and approval by the Pensions Committee, our 2021 PAS is live. In response to asking our employers to supply us with their policy statements on discretions by 31 March, we have received statements from 50 employers.

### **Public sector exit payments:**

We are monitoring the situation and have added text to our redundancy calculations about HM Treasury's statement that it will bring forward proposals at pace to tackle unjustified exit payments.

### **Remedying survivor benefits for opposite-sex widowers and surviving male civil partners:**

The Chief Secretary to the Treasury has made a written [statement](#) on remedying survivor benefits for opposite-sex widowers and surviving male civil partners where male survivors remain entitled to a lower survivor benefit than a comparable same-sex survivor. This will require us to re-visit historical deferred and pensioner records.

### **WFH:**

We are planning to introduce the facility to send written communications electronically to a distribution house to print / envelope and post.

## **KRA: Engagement / Communications / Member & Employer Relations**

8. To ***continue to engage with our stakeholders***, maximising self-service and digitisation, seeking feedback, developing approaches which support our goals and developing a ***robust engagement strategy*** with employers and members.

9. To ***communicate the key benefits of the LGPS, ensuring increased awareness amongst the eligible membership of their benefits***. This includes effective communication to members and employers

10. To have in ***place effective, documented business relationships with all our employers*** and to ensure regular reviews are carried out to assess the risk and strength of their covenants.

### **Engagement / Communications / Member & Employer Relations KRA Commentary:**

Our site has become more popular since its content refresh and since the launch of our stand-alone 'groovy-green' site:

- a. From 01 04 2017 to 31 03 2018 i.e. the last full LGPS year before Chris came on board (a period of 365 days) there were **28** visits per day to our website
- b. From 01 04 2018 to 30 11 2018 i.e. the part LGPS year before the content refresh (a period of 244 days) there were **30** visits per day to our website
- c. From 01 12 2018 to 31 03 2019 i.e. the part LGPS year after the content refresh (a period of 121 days) there were **34** visits per day to our website
- d. From 01 04 2019 to 30 09 2019 i.e. the part LGPS year pre the new stand-alone site (a period of 183 days) there were **45** visits per day to our website
- e. From 01 10 2019 to 31 10 2019 i.e. the transition month to the new stand-alone site (a period of 31 days) there were **50** visits per day to our website
- f. From 01 11 2019 to 31 03 2020 i.e. the part LGPS year after the launch of the new site (a period of 152 days) there were **47** visits per day to our website
- g. From 01 04 2020 to 31 03 2021 i.e. the last full LGPS year there were **69** visits per day to our website

In May 2021 our website had 2,646 visits (85 visits per day) compared to 1,293 visits (41 visits per day) in May 2020 i.e. +104% and there were 2,022 different or unique visitors (76% of the non-unique visits).

Following an assessment of what it would take to implement member online access to pension records (member self-service, MSS), we decided not to start implementing MSS before Sep 2021 and to do further work on understanding the exact resource requirements.

3 of our employers are on risk for ill health liability insurance, and we are building delivering awareness of the product into our admissions process.

We ran an online employer forum on 22 April covering investments and the latest on pension administration-related regulations.

We have produced test data for and signed off our 2021 deferred benefit statement and newsletter that are scheduled for despatch mid-June.

## **KRA: Governance & Staffing**

11. To ensure the ***effective management and governance*** in a way that strives for continuous improvement through improved value for money, the promotion of excellent

customer service and compliance with all regulatory / best practice requirements.

12. To **recruit, train, nurture and retain highly motivated staff with the necessary professional, managerial and customer focus skills** to deliver on the ever-increasing complexities of the LGPS.

13. To **continually review the effectiveness of our committees and advisers** and our decision-making.

#### Governance & Staffing KRA Commentary:

We are progressing identifying what the future structure of pensions administration will be: we have done some benchmarking against other LGPS funds and have asked our staff for their thoughts via an online anonymous survey.

We are aware that 4 of the members of the Pensions Committee are changing following the 6 May elections and will deliver induction training as appropriate.

Following an annual review, our 2021 Governance Policy Statement was approved at the 16 March Pensions Committee.

The annual review and audit / sign off arrangements for the annual report that includes our Governance Compliance Statement are in place for 2021

We have reviewed our Statement of policy on our discretions (as an administering authority).

We delivered elected member support / training on 22 March covering admissions / bulks / terminations. The next (on 20 July) non-induction session is planned to cover the things that a member can do to improve their lot.

On 4 March we delivered a deep dive into the Pensions Regulator / annual benefit statements to the Pension Board. The next deep dive, scheduled for 8 June, will be into annual reports / financial statements.

#### KRA: Investments, Funding & Actuarial

14. To **achieve a relatively stable “real” investment return above the rate of inflation** over the long term, in such a way as to minimise and stabilise the level of contributions required to be paid by employers in respect of both past and future service liabilities and **to achieve a 100% funding level over a suitable timescale**. This includes setting of appropriate investment strategies, the appointment of capable investment managers, and the monitoring and reporting of investment managers’ performance, with appropriate action being taken in the event of underperformance.

#### Investments, Funding & Actuarial KRA Commentary:

The Fund’s asset valuation as at 31 March 2021 was £3,283m and its funding level was 96% which has recovered well from the significant impact of COVID 19 in March 2020. However there remains a lot of volatility in the financial markets.

As detailed in the next section (section 4), the Fund has generated an average annual return of 7.1% compared to its benchmark of 7.1% over the 3 years to 31 03 2021.

Over the year to 31 03 2021 the Fund generated a return of 22.1% compared to its benchmark of 23.6%.

97 employers have supplied us with accounting data, so that we can assess their covenants.

Our 2021 Investment Strategy Statement (updating the March 2020 one) was approved by the Pensions Committee on 16 March.

We have consulted employers on proposed changes to our Funding Strategy Statement reflecting new legislation allowing for more flexibility in reviewing contributions between actuarial valuations and in the financial arrangements available to an employer wanting to leave the Fund.

We have applied to the FRC for signatory status to the UK Stewardship Code 2020.

We have a Climate Change Risk Strategy in place that will include asking our investment managers to present their TCFD report and to deliver carbon risk metrics on their portfolios.

We continue to investigate making infrastructure, private debt, and sustainable equity investments via LGPSC.

## 4 INVESTMENT TARGETS

4.1 The 2019 actuarial valuation set the following real annual discount rates:

- a) Past service: Consumer Prices Index + 1.65%.
- b) Future service: Consumer Prices Index + 2.25%.

4.2 The assumed annual Consumer Prices Inflation is +2.4%.

4.3 Therefore our annual return on investment targets are 4.05% (for deficit recovery payments) / 4.65% (for future service contributions).

4.4 To achieve this, we are a partner in LGPSC, have set benchmarks for our sectors and have achieved the 3-year returns shown in the right column of the table below:

Sector	Benchmark	Average annual Performance over the 3 years to 31 March 2021 v benchmark
Far East Developed	FTSE All World Asia Pacific Index + 1.5%	8.8% (0.9% above benchmark)
Emerging Markets	FTSE All World Emerging Market index +2.0%	Not available as new fund invested from July 2019
United Kingdom	FTSE All Share Index	-3.3% (0.1% above benchmark)
North America	FTSE All World North America - Developed Series Index	17.8% (0.1% above benchmark)
Europe ex - UK	FTSE All World Europe ex UK Index - Developed Series Index	8.4% (0.2% below benchmark)
Global (alternatives)	40% GPAAE - FTSE-Research Affiliates Fundamental Index (RAFI) Dev 1000 Equity Fund, 30% GPBK - MSCI World Mini Volatility Index, 30% STAJ - CSUF - STAJ	10.8% (0.6% below benchmark)
Fixed Interest	Barclays Global Aggregate Corporate Bond Index – Hedged into GBP	Not available as only invested March 2020
	EQT Corporate Private Debt - Absolute Return 6.5%	Not available as only invested May 2018

Sector	Benchmark	Average annual Performance over the 3 years to 31 March 2021 v benchmark
Property / Infrastructure	Various absolute benchmarks for different fund managers	Property 2.4% (4.8% below benchmark) Infrastructure 5.1% (3.5% below bmark)

## 5 ADMINISTRATION KPIS

5.1 We measure our performance against CIPFA industry standard targets for our key pension administration processes. We have regular meetings that review how we are performing on a case by case basis (% processed within target) and our average performance for all the cases of a process (average turnaround). This informs our resource allocation between processes and highlights which processes to seek to improve.

5.2 A commentary on the tables below is provided earlier in the shaded KRA: Administration section (that follows section 3.7).

Activity / Process	Number processed for year 2020 / 2021	% Processed within KPI for year 2020 / 2021	Av turnaround (working days) for year 2020 / 2021	Target turnaround (working days)
Joiners notification of date of joining	2023	75	25	40
Process and pay refund	229	100	4	10
Calculate and notify deferred benefits	728	92	13	30
Letter notifying actual retirement benefits	576	99	4	15
Letter notifying amount of dependant's benefits	132	99	3	10
Letter acknowledging death of member	310	86	3	05
Letter detailing CETV for divorce	80	100	2	45
Letter notifying estimate of retirement benefits	1217	98	4	15
Letter detailing transfer in quote	243	98	3	10
Process and pay lump sum retirement grant	889	100	15	23
Letter detailing transfer out quote	256	96	3	10
Letter detailing PSO implementation	1	100	8	15

Activity / Process	Number processed in Apr 2021	% Processed within KPI in Apr 2021	Av turnaround (working days) in Apr 2021	Target turnaround (working days)	2020/2021 average number processed per month
Joiners notification of date of joining	379	95	22	40	168
Process and pay refund	47	100	4	10	19
Calculate and notify deferred benefits	73	82	16	30	60
Letter notifying actual retirement benefits	52	100	2	15	48
Letter notifying amount of dependant's benefits	20	100	3	10	11
Letter acknowledging death of member	34	68	5	05	25
Letter detailing CETV for divorce	16	100	3	45	6
Letter notifying estimate of retirement benefits	112	100	2	15	101
Letter detailing transfer in quote	35	97	3	10	20
Process and pay lump sum retirement grant	104	95	14	23	74
Letter detailing transfer out quote	35	80	5	10	21
Letter detailing PSO implementation	2	100	5	15	0

## 6 BUDGET

In addition to the commentary provided earlier in the shaded KRA: Accounting section (that follows section 3.7), detailed reporting of our budget position is provided twice a year to Pensions Committee and included in [our annual reports](#).

### Pension Fund Administration Forecast Outturn 2020/21, Proposed Budget 2021/22 & indicative budgets 2022/23 & 2023/24

2020/21 Budget	2020/21 Forecast Outturn	2020/21 Variance	Description	2021/22 Annual Change	2022/23 Annual Change	2023/24 Annual Change	Comments
£	£	£	£	£	£	£	
<b>Fund Investment</b>							
11,605,000	9,931,400	-1,673,600	INVESTMENT MANAGEMENT FEES	10,436,900	10,486,900	10,673,300	Includes LGPS central Fees, Equity Protection and increasing commitment to Property & Infrastructure.
142,300	142,300	0	Investment Administration Recharge	148,000	151,000	154,000	Increased Investment support
367,200	91,500	-275,700	Investment Custodial and related services	100,000	102,000	104,000	Reduced Custodial services due to transition of assets to LGPSC
81,000	251,000	170,000	Investment Professional fees	131,500	187,000	112,500	Increased support for ESG Audit in 20.21 & 21.22
15,500	26,200	10,700	Performance Measurement	28,600	29,200	29,800	CEM Benchmarking and Portfolio Evaluation
<b>606,000</b>	<b>511,000</b>	<b>-95,000</b>	<b>INVESTMENT ADMINISTRATION COSTS</b>	<b>408,100</b>	<b>469,200</b>	<b>400,300</b>	
<b>Scheme Administration</b>							
995,700	1,118,364	122,664	Pension scheme Administration recharge	1,075,700	1,101,100	1,127,200	Increase due to Admin software requirements and additional staff for increased workload
240,000	450,000	210,000	Actuarial services	338,000	388,000	338,000	Employer monitoring through Actuary system Pfaroe 20/21 and Triennial valuation allowed for April 2022/23
27,500	27,500	0	Audit	27,500	27,500	27,500	
33,500	33,500	0	Legal Fees	33,500	33,500	33,500	
11,000	11,000	0	Committee and Governance recharge	11,000	11,000	11,000	
<b>1,307,700</b>	<b>1,640,364</b>	<b>332,664</b>	<b>SCHEME ADMINISTRATION COSTS</b>	<b>1,485,700</b>	<b>1,561,100</b>	<b>1,537,200</b>	
<b>1,913,700</b>	<b>2,151,364</b>	<b>237,664</b>	<b>GRAND TOTAL (Excluding Investment Mgt Fees)</b>	<b>1,893,800</b>	<b>2,030,300</b>	<b>1,937,500</b>	
<b>13,518,700</b>	<b>12,082,764</b>	<b>-1,435,936</b>	<b>GRAND TOTAL (Including Investment Mgt Fees)</b>	<b>12,330,700</b>	<b>12,517,200</b>	<b>12,610,800</b>	

## Appendix 1 – Operational Plan: Projects

This appendix summarises the work that we are doing to achieve particular aims. For us a project is a piece of work that is something that we would not do on a daily basis like processing a retirement. Some of our projects recur annually.

It uses the following acronyms / abbreviations:

AA Asset allocation  
A/C Accounting  
Ac Academies  
Admiss Admission  
Admit Admitted  
AH Aquila Heywood  
BCP Business Continuity Plan  
Bods Bodies  
Calcs Calculations  
CARE Career average revalued earnings  
CB Corporate bonds  
CEM [CEM Benchmarking Inc](#)  
Cert [Certificate](#)  
CIPFA [Chartered Institute of Public Finance & Accountancy](#)  
Coll Colleges  
Config Configuration  
Conts Contributions  
Covs Covenants  
Cttee Pensions Committee  
EM Emerging markets  
Engage Engagement  
Er Employer  
Expend Expenditure  
FI Fixed interest  
FRS Financial Reporting Standards  
FSS [Funding Strategy Statement](#)  
GMP Guaranteed Minimum Pension  
Gov Governance  
Inc Income  
Inv Investments, Funding & Actuarial  
KRA Key result area  
LGPS Local Government Pension Scheme  
LGPSC [LGPS Central Limited](#)  
Manag Management  
MHCLG [The Ministry of Housing, Communities and Local Government](#)  
ONS [Office for National Statistics](#)  
Q Query  
Recti Rectification  
Rtn Return  
SAB [Scheme Advisory Board](#)  
Sch Scheduled bodies  
SF Superannuation Fund  
SI Statutory Instrument  
Sub Pension Investment Sub-committee  
Term Termination  
TBD To be determined  
TPR [The Pensions Regulator](#)  
  
Y/End Year end

~ ENDS ~

Operational Plan: Projects 8 June 2021 NOTES: (8) removed and (34) added	KRA	Aspiration	Lead	Started	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun22	Comments
11 LGPS Central budget (various)	A/C	1	RW			Cttee				Cttee		Cttee			Cttee			Cttee	√ to date and scheduled
12 Annual Report & Accounts / associated docs (30 09 21)	A/C	2	RW			Cttee		signed off	Publish	Cttee								Cttee	initial Doc and climate related disclosures prepared
15 ONS Inc / Expend return (quarterly)	A/C	1	RW				¼ rtn			¼ rtn			¼ rtn			¼ rtn			√ to date and scheduled
16/17 MHCLG SF3 LGPS Funds account (31 08 21)	A/C	1	RW					Annual											2021 scheduled
18 TPR Occupational Pension Schemes Survey (31 03 22)	A/C	1	NW												Annual				√ 2021 and 2022 scheduled
19 CEM investment benchmarking (31 07 21)	A/C	1	RW				Annual												2021 scheduled re data from scheme year 19/20
14 CIPFA benchmarking (31 10 21)	Admin	6	NW							Annual		Cttee							2021 scheduled
1 GMP reconciliation and rectification (TBD)	Admin	7	SH	Apr-18		Cttee													Letters have been issued and will review costs
2 GMP equalisation (TBD)	Admin	7	SH	TBD															awaiting guidance NB non-club TVouts 1990 to 1997 in scope
4 Valuation / FSS / pots / admis + term policies (various)	Admin	7	RW			Annual Review				Cttee		Cttee			Cttee			Annual Review	consulted employers on FSS re SI 2020 No 893
32 Reprocure pension admin system (30 04 2024)	Admin	4	NW	May-20															contract extended for 3 years from 30 April 2021
10 Pension Administration Strategy review (01 04 22)	Admin	10	CF											consult	Cttee	publish			√ 2021 and 2022 scheduled
13 Review data quality (various)	Admin	4	NW					Aq Hey results				Mercer results							√ 2020 Mercer and Heywood
25 Revalue CARE accounts (06 04 2022)	Admin	4	SH													System config.			√ 2021 and 2022 scheduled
26 Provide FRS info (various)	Admin	7	AL				Coll	Ac				admit bods			Sch				√ to date and scheduled
3 Branding and digital strategy (TBD)	Engage	5	CF	Oct-18					? start MSS										decided not to start MSS before Sep 2021
20 Monitor employer covenants / pots / conts	Engage	10	RW			Cttee				Cttee		Cttee	ask ers		Cttee	reset erconts		Cttee	Pfaroe in place and Bond requirements being updated
21 Deferred annual benefit statements (31 08 21)	Engage	9	CF			Annual	Q manag											Annual	2021 scheduled
22 Employee annual benefit statements (31 08 21)	Engage	9	CF					Annual	Q manag						Y/End				2021 scheduled
23 Pensioner P60s (29 05 21)	Engage	3	SH		Annual	Q manag											Annual	Q manag	2021 scheduled
24 Payslips reflecting pension increase (30 04 22)	Engage	3	SH													Annual			√ 2021 and 2022 scheduled
27 Pension Savings Statements (06 10 21)	Engage	3	NW							Annual									2021 scheduled
29 Pensioner newsletter / life cert (30 11 21)	Engage	9	CF							Annual									2021 scheduled
28 /30 Good Governance incl (TBD)	Gov Staff	11	RW	TBC		Cttee				Cttee		Cttee	CMA comply		Cttee			Cttee	updated discretions and delivered training / deep dives
33 McCloud: data collection; er rates; and calcs	Admin	3	NW	Aug-20		Cttee				Cttee		Cttee			Cttee			Cttee	hour changes being progressed and plans being developed
5/6 Review of Asset Allocation / ISS (31 03 22)	Inv	14	RW			Cttee Sub			Sub	Cttee	Sub	Cttee			Cttee			Cttee Sub	√ 2021 and 2022 scheduled
9 Increase assets managed by LGPS Central Limited	Inv	14	RW	Feb-19		Cttee Sub				Cttee		Cttee			Cttee			Cttee Sub	looking into infrastructure / private debt / sustainable equity
34 Progress the Fund's RI journey	Inv	14	RW	Jan 20		Cttee				Cttee		Cttee			Cttee			Cttee	√ Climate Change Risk Strategy / App for Stewardship Code