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ACTION	HOW WILL THIS BE ACHIEVED?	HOW WILL SUCCESS BE MEASURED?	TIMESCALE	PROGRESS AT END SEPT 2015
<p>Governance</p> <p>Implement the new governance requirements including creating and supporting the Local Pension Board</p>	<ul style="list-style-type: none"> • Assessment of new legislation and regulatory requirements; • Creation of appropriate structures; • LPB members elected and Chair appointed; • LPB meetings to commence by 31 July 2015; • Comprehensive and ongoing training of PFC and LPB members 	<ul style="list-style-type: none"> • Independent review of Fund governance; • LPB in place, undertaking relevant work plan; • Positive assessment of PFC skills, knowledge, and effectiveness. 	<p>LPB in place by 1 April 2015</p> <p>Governance review by 31 December 2015</p> <p>Confirmation of new structures by 31 March 2016</p> <p>Ongoing member training</p>	<p>Pension Board operational</p> <p>Governance review commenced but report may be after December due to resource requirements of the LLPP partnership and the need for proposals to address the changed relationships brought about by LLPP</p> <p>More structured approach to member training initiated.</p>
<p>Put in place an effective workforce planning and development approach to provide increased capacity to be innovative and the ability to support individuals to realise their potential</p>	<ul style="list-style-type: none"> • LCPF workforce development policy created; • Skills audit and requirements assessed; • Training needs assessment; • Coaching and mentoring provision; • Succession planning arrangements; • On the job training and formal training where required. 	<ul style="list-style-type: none"> • Workforce development policy in place and communicated to all stakeholders. • Integration with PDR requirements; • TNA undertaken for each officer; • Training plans in place with a variety of methods employed; • Career ladder in place; 	<p>Workforce policy and career ladder by 30 September 2015</p> <p>TNA and training plans by 31 March 2016</p> <p>Mentoring established and operating by 31 March 2016</p>	<p>Limited progress on an overall strategic approach due to capacity constraints caused by LLPP work. However, on-going training and development is taking place as required.</p>

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		<ul style="list-style-type: none"> • Mentoring sessions being held where appropriate. 		
Review the effectiveness of Fund governance	<ul style="list-style-type: none"> • Assessment of decision-making processes • Policy and process review; • Links to compliance monitoring processes; 	<ul style="list-style-type: none"> • Independent review including external audit and LPB; • Agreement and approval of revised processes; • Governance element incorporated into compliance monitoring. 	Governance review by 30 September 2015 PFC approval by 30 November 2015 Compliance monitoring programme in place by 1 April 2015	Governance review commenced but report may be delayed due to resource requirements of the LLPP partnership and the need for proposals to address the changed relationships brought about by LLPP Compliance monitoring programme in place and first report made to Pension Fund Committee on 30 th Sept 2015.
Continue to explore the potential opportunities arising from collaboration with other Funds within both Local Government Pension Scheme, and wider Pension Fund community	<ul style="list-style-type: none"> • Take legal advice to create appropriate structure which is scalable; • Progress London Pension Fund Authority (LPFA) collaboration as first step on this journey. • Identify areas where collaboration may be beneficial. 	<ul style="list-style-type: none"> • Approval of appropriate vehicles and governance for pooling and collaboration; • Demonstration of appropriate cost/benefit analysis; • Ability for scaling to other interested parties. 	Decision on LPFA collaboration by 31st July 2015 Depending upon above, creation of appropriate vehicle by 31 March 2016	Initial decision taken on 2 nd July 2015. Progress on creating the new vehicles and achieving registration is in line with plan.

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Continue to develop and implement an effective compliance and monitoring programme	<ul style="list-style-type: none"> • Finalisation of Compliance Manual; • Implementation of compliance monitoring programme including monthly, quarterly, and annual tests • Development of PFC reporting regime. 	<ul style="list-style-type: none"> • Agreed Compliance Manual distributed to stakeholders; • Compliance monitoring programme in place and assurance reported/ actions planned. 	<p>Manual agreed by 31 March 2015</p> <p>Monitoring programme from 1 April 2015</p> <p>First assurance report to PFC June 2015</p>	<p>Initial LCPF Compliance Manual in place.</p> <p>Monitoring programme being undertaken.</p> <p>First assurance report based on information to the end of June to PFC 30 Sept 2015.</p>
Enhance current risk management processes	<ul style="list-style-type: none"> • Ongoing assessment of existing and new risks; • Improved horizon scanning; • Linking of risk register to compliance programme; • Development of trend analysis. 	<ul style="list-style-type: none"> • Ongoing identification and updating of risk register; • Regular strategic planning and longer term perspective; • Transparency of risks and monitoring; • Enhanced reporting of risk reporting and internal control assurance. 	Risk approach to be enhanced on an ongoing basis throughout 2015/16	Limited enhancements made to the assessment and reporting processes, with a view to the fact that more fundamental change will take place when LLPP becomes operational.
<p>Asset and Liability Management</p> <p>Implement the recommendations of the Member Working Group on Responsible Investment</p>	<ul style="list-style-type: none"> • Adherence to the UN Principles of Responsible Investment • Measurement of the quality of commitment to good governance of invested companies against a benchmark 	<ul style="list-style-type: none"> • Sign off by the UNPRI organisation • Reporting of the benchmarking results to PFC and Fund stakeholders 	<ul style="list-style-type: none"> • Initially by May 2015 and annually thereafter • September 2015 as part of the Fund's Annual Report, then annually 	<p>Organisation signed up to UNPRI.</p> <p>Progress on benchmarking not as rapid as intended.</p>

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	<p>Measurement of the environmental impact of the Fund's investments</p> <p>Actively engage with the Local Authority Pension Fund Forum to further the Fund's RI objectives</p>	<ul style="list-style-type: none"> Member and officer attendance at LAPFF meetings in order to influence the Forum's agenda 	<ul style="list-style-type: none"> Regular attendance from June 2015. 	<p>The service will need to be procured and LCPF is supporting the procurement process for a national framework for these services.</p> <p>Officers have begun attending the regular LAPFF Business Meetings.</p> <p>The costs of the officer taking a lead in this area are being shared with LPFA.</p>
<p>Develop a more structured approach to assessing the risks to the Fund posed by individual employers and identify appropriate asset allocations to reduce the risk to the Fund.</p>	<ul style="list-style-type: none"> Undertake formal covenant reviews for each employer in the Fund. Review and assess the potential risks from the results. Identify appropriate asset allocations for different risk categories of employer to feed into 2016 post valuation Investment Strategy update. 	<ul style="list-style-type: none"> Stratification of the whole employer base according to the risk posed to the Fund. Allocation of each strata of employer to a specific asset mix. 	<ul style="list-style-type: none"> Covenant reviews completed by May 2016. Revised asset allocations agreed alongside the valuation process by February 2017. 	<p>Data gathering for covenant reviews currently being undertaken.</p> <p>PFC agreed to consult on use of results within the valuation at its September 2015 meeting.</p>

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<p>Completion of the 2016 Actuarial Valuation and identification of changes, if any, required in the Investment Strategy</p>	<ul style="list-style-type: none"> • Provision of data to the Actuary at individual member level. • Agreement of key assumptions with the Actuary by the PFC • Engagement with employers on an ongoing basis throughout the process, but particularly as results become available. • Review of Investment Strategy in light of results. 	<ul style="list-style-type: none"> • Maintenance of stable contribution rates. • Actuary's assessment of the quality of the data provided. • Adoption of revised Investment Strategy by PFC 	<ul style="list-style-type: none"> • Provision of data from April 2016. • Agreement of assumptions by PFC tbd in line with Actuary's timetable. • Feedback of results from September 2016. • Revised Investment Strategy to PFC Feb / March 2017. • Implementation of revised Rates and Adjustments Certificate from April 2017. 	<p>Planning commenced and initial consultation on the framework and key assumptions agreed by the PFC in September 2015.</p>
<p>Continue to explore the potential opportunities arising from collaboration with other Funds within both Local Government Pension Scheme, and wider Pension Fund community</p>	<ul style="list-style-type: none"> • Finalise discussions with the LPFA on the benefits of pooling investments. • Identify other potential opportunities either to share expertise with other funds or to make appropriate investments alongside each other. 	<ul style="list-style-type: none"> • Decision on the ALM Partnership with LPFA. • Opportunities identified and taken through to conclusion and then reported to PFC by the Investment Panel. 	<ul style="list-style-type: none"> • Partnership Decision July 2015. • Other opportunities and investments ongoing. 	<p>Decision to commit resource to the establishment of the LLPP made by PFC on 2nd July 2015. Project is progressing to plan. The Investment Team continue to look for projects which might be suitable for LGPS club type investment.</p>

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<p>Review and update of the 5 asset class investment strategies in order to ensure that they remain relevant to both the needs of the Fund and deliverable within market constraints.</p>	<ul style="list-style-type: none"> • Formal review of progress against and the continuing relevance of each strategy by the Investment Panel. • Commissioning of revised strategies by the Investment Panel. • Consideration and approval of revised strategies by PFC. 	<ul style="list-style-type: none"> • Approval of proposals for change by PFC. • Achievement of target returns (and levels of volatility) by investments selected under the strategies. 	<ul style="list-style-type: none"> • Infrastructure Strategy for formal approval June 2015. • Equity and Private Equity to go to PFC during 2015/16 • Property and Credit Strategies to go to PFC during 2016/17. • Infrastructure to go to PFC following review during 2017/18. 	<p>A consolidated strategy reflecting the fact that assets will largely be held within the LLPP structure will need to come to the PFC in quarter 1 of 2016.</p>
<p>Development and implementation of a Liability Management Strategy</p>	<ul style="list-style-type: none"> • Agreement by Investment Panel and PFC on the degree to which the Fund should seek to manage its liabilities. • Adoption and implementation of approved strategy, including the appointment of any fund managers required. 	<ul style="list-style-type: none"> • Adoption of agreed strategy by PFC. • Impact on the scale of the Fund's risk exposure specifically to: <ul style="list-style-type: none"> ○ Long term interest rates ○ Inflation 	<ul style="list-style-type: none"> • Strategy agreed by the end of the 2015 calendar year. • Implementation during 2016/17. • Initial review at end of 2017/18. 	<p>Preparatory work on this continues. There is a need to consider whether, in the light of the change in actuarial approach for the 2016 valuation it would be better to delay this work until after the valuation.</p>

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Administration Review and ensure compliance with the new TPR Code of Practice for Public Sector Pension Schemes	Undertake GAP analysis Act on results	Via a public statement of compliance. Target 100% compliance with the relevant regulations. No reported breaches of law	31 March 2016	Report will be made to the Local Pension Board at a meeting in 2016
Develop and implement a member and employer self-service strategies	Introduce email/online processes in all areas of casework Develop website and employer e-solutions Develop self-service functionality within the Altair system	Demonstrable transference of transactional activity to the employer and to the member. Set targets to measure % shift	31 March 2017	Formal strategies will follow from the creation of LLPP. However, in the short term encouraging take up of on line facilities through ordinary communication channels means that ?% of members interact with the Fund electronically
Consider collaborative opportunities and work towards building capacity for the future	Work in partnership with likeminded Authorities Attract new business	Organisational structure and capacity in place New business secured	31 December 2016	Partnership process through LLPP is targeted for April 2016. Merseyside Fire and Rescue Service added as a new client from April 2015. Proposals made to 2 other potential clients.
Review employer compliance with Pension Administration Strategy Statement	Implement monitoring process. Measure and report results to PFC	% Employer compliance	31 December 2015	To be reported to Local Pension Board and PFC in Quarter 1 of 2016.

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Undertake systematic analysis of appeals	Implement case review process	Year on year reduction in 1 st and 2 nd stage appeals	1 April 2017	Work not yet commenced
Review basic financial control processes surrounding pension fund administration and pensioner payroll.	Undertake GAP analysis Act on results	Full Assurance from internal and external auditors.	1 April 2016	Work on-going. No recommendations from either set of auditors which require action. Full formal review will be required prior to implementation of LLPP.
Communication Develop a Pension Fund website	Design and implement new website for the Fund's information as opposed to pensions administration processes	Increased engagement in funding and investment issues e.g. through the number of website visitors	December 2015	Work commissioned through LCC Communications Service.
Develop and implement an Employer engagement strategy	Promote the use of online and email communication and information sharing, making online self-service the norm and the employer website area the first port of call for employers.	Demonstrable increase in employers using online services. Increased member awareness of pension benefits Increase in proactive employer engagement	April 2017	Formal strategy will follow from the creation of LLPP. However, in the short term encouraging take up of on line facilities through ordinary communication channels means that ?% of employers interact with the Fund electronically

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	<p>Support Scheme employers, providing publicity and information toolkits, to enable employers to fulfil their responsibility to communicate and share information with members in relation to the Scheme.</p> <p>Actively engage with employers on Funding and investment issues</p>			
<p>Develop and implement a Member engagement strategy</p>	<p>Promote the use of online and email communication and information sharing, making online self-service the norm and the website the first point of contact for members.</p> <p>Take a multimedia approach to communication and engagement in recognition that different styles and methods of communication suit different stakeholders</p>	<p>Demonstrable increase in online self- service activity.</p> <p>Increase in web contact/reduction in telephone contact</p> <p>Increase in customer satisfaction</p>	<p>December 2017</p>	<p>Formal strategy will follow from the creation of LLPP. However, in the short term encouraging take up of on line facilities through ordinary communication channels means that ?% of members interact with the Fund electronically</p>

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Undertake systematic analysis of customer feedback	Implement formal process for review of complaints and compliments Set targets for customer satisfaction and measure	Year on year reduction in complaints/increase in compliments Targets achieved	March 2017	Additional detail being reported to Local Pension Board and further work planned in response to their deliberations.