

## Business Plan Progress Update

2023/24 as at 15 March 2024

| Key |                          | Complete | Future action |
|-----|--------------------------|----------|---------------|
|     | Complete                 | ✓        | ✓             |
|     | In progress and on track | ✓        | No action     |
|     | In progress but delayed  | ✓        |               |
|     | Outstanding              | ✓        |               |

| Key Action/Task                | Expected Delivery Timescales   |               |    |    |         |         | Current Status   |
|--------------------------------|--|---------------|----|----|---------|---------|--|
|                                | Q1   | 2023/24<br>Q2 | Q3 | Q4 | 2024/25 | 2025/26 |  |
| <b>Governance</b>              |  |               |    |    |         |         |  |
| G1                             | Review appointments of Pensions Committee co-opted members and Local Pension Board members | ✓             | ✓  | ✓  | ✓       |         | <b>In Progress but delayed</b><br>Recruitment to Pensions Board underway - employer reps and scheme member reps appointed but meeting date still required. Given the delays in recruiting new members, a report has been made to the Pensions Regulator. |
| G2                             | Induction training and needs analysis for Pensions Committee, Board and key officers       | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress but delayed</b><br>Training needs analysis questionnaire to be returned by members - reminder to be given at March Committee  |
| G3                             | Review of Cyber Strategy   |               |    |    |         | ✓       | <b>No Action</b>   |
| G4                             | Review of cybercrime risk to Fund  | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress and on track</b><br>Data and asset map, and Incident Response Plan are being drafted. Planned supplier reviews will be commenced soon   |
| G5                             | Review of Breaches procedure   |               |    |    |         | ✓       | <b>No Action</b>   |
| G6                             | Governance review and implementation of actions  |               |    | ✓  | ✓       | ✓       | <b>Future Action</b>   |
| G7                             | Review against TPR new single code   |               |    |    | ✓       | ✓       | <b>No Action</b><br>Code laid before Parliament on 10th January 2024, due to come into force on 27th March 2024.   |
| G8                             | Review of Conflicts of Interest Policy   |               |    |    |         | ✓       | <b>No Action</b>   |
| G9                             | Diversity and Inclusion  |               |    | ✓  | ✓       | ✓       | <b>Future Action</b>   |
| G10                            | Review of Governance Policy and Compliance statement                                       |               |    |    |         | ✓       | <b>No Action</b>   |
| G11                            | Review of Knowledge and Skills Policy  |               |    |    |         | ✓       | <b>No Action</b>   |
| G12                            | Review of Risk Management Policy   |               |    |    |         | ✓       | <b>No Action</b>   |
| G13                            | Implement changes from Scheme Advisory Board good governance review                        | ✓             | ✓  | ✓  | ✓       | ✓       | <b>Future Action</b><br>Delayed as still awaiting government consultation and statutory guidance/legislation.  |
| G14                            | Recruitment, retention and succession planning   | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress but delayed</b><br>New Responsible Investment and governance post to be advertised shortly, along with Head of Pensions role.   |
| <b>Funding and Investments</b> |  |               |    |    |         |         |  |
| F1                             | Investment Strategy review - Strategic Asset Allocation                                    | ✓             |    |    |         |         | <b>No Action</b><br>The high level review of the Strategic Asset Allocation was completed in April 2023 - the review will now move into the implementation stage.  |
| F2                             | Investment Strategy review - implementation  | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress and on track</b><br>Implementation now underway -MAC implementation agreed, with nature-based solutions and impact property implementation decisions to follow  |

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|--|--|------------------------------|---------------|----|----|---------|---------|---|
|  |  | Q1                           | 2023/24<br>Q2 | Q3 | Q4 | 2024/25 | 2025/26 |   |
| F3                                       | Responsible Investment - Climate Targets   | ✓                            |               |    |    | ✓       | ✓       | <b>No Action</b><br>Target setting work now complete - progress against targets to be monitored annually as part of Pensions Risk Management Framework (PRMF)   |
| F4                                       | Responsible Investment - Stewardship Code  | ✓                            | ✓             | ✓  | ✓  | ✓       |         | <b>In Progress but delayed</b><br>Initial survey sent to Committee members. RIWG due to meet in Feb 2024 for work on engagement framework. Target Oct 2024 for submission to FRC  |
| F5                                       | 2025 actuarial valuation and review of funding strategy  |                              |               |    |    | ✓       | ✓       | <b>No Action</b>  |
| F6                                       | GAD section 13 valuation results/engagement  |                              |               |    |    |         | ✓       | <b>No Action</b>  |
| F7                                       | Small employers admission policy   | ✓                            | ✓             | ✓  |    |         |         | <b>In Progress and on track</b><br>To be brought to March Committee following consultation  |
| <b>Administration and Communications</b> |  |                              |               |    |    |         |         |   |
| A1                                       | Relaunch member self-service on-line functionality   |                              |               | ✓  | ✓  | ✓       |         | <b>Future Action</b>  |
| A2                                       | Work with Hackney Council/HLT to develop pensions interface/extract (for employer self-service)          | ✓                            | ✓             | ✓  |    |         |         | <b>Completed</b><br>The final actions relating to the pensions interface were dealt with and the project has now been completed and has switched to BAU operations  |
| A3                                       | Implement employer self-service on-line functionality to all employers including updating employer guide |                              |               | ✓  | ✓  | ✓       |         | <b>Future Action</b><br>Any new onboarding has been halted until the administration software upgrade is complete  |
| A4                                       | Review of third party administrator processes and responsibilities                                       | ✓                            | ✓             | ✓  |    |         |         | <b>In Progress and on track</b><br>Review is complete and the report has been received. It is currently being sent to EQ to allow for their right of reply before it will now be brought to Committee.                      |
| A5                                       | Implementation of new administration contract and consideration of future options                        | ✓                            | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress and on track</b><br>The new contract is now in place and the software upgrade is currently being looked at by Equiniti for timeframes and onboarding deadline.   |
| A6                                       | Implementation of updated version of third party administrator software                                  |                              | ✓             | ✓  |    |         |         | <b>Future Action</b><br>The onboarding timetable has been delayed due to EQ resourcing on the new LGPS touch platform currently being deployed to another LA onboarding first   |
| A7                                       | Preparation of member data for valuation   |                              |               |    |    | ✓       | ✓       | <b>No Action</b>  |
| A8                                       | Implement McCloud/Sargeant remedy (extension underpin test)  | ✓                            | ✓             | ✓  | ✓  | ✓       |         | <b>In Progress and on track</b><br>See separate McCloud update in the Quarterly Update Report   |
| A9                                       | Review of employers' processes and responsibilities  |                              |               |    |    | ✓       | ✓       | <b>No Action</b>  |
| A10                                      | Update data improvement plan/procedures following improvements in employer engagement                    | ✓                            | ✓             | ✓  |    |         |         | <b>In Progress but delayed</b><br>Data reviews being undertaken by the internal LBH team are in progress but resourcing needed for year end processes has delayed any further EQ data assurance reports currently being run |
| A11                                      | Implement trivial commutation/small pot payments   |                              |               |    |    |         | ✓       | <b>No Action</b>  |
| A12                                      | Carry out frozen refund clearance exercise   |                              |               | ✓  | ✓  | ✓       |         | <b>Future Action</b>  |
| A13                                      | Implement changes required for national pensions dashboard(s)  | ✓                            | ✓             | ✓  | ✓  | ✓       | ✓       | <b>Outstanding</b><br>Due to the delay in the overall government dashboard programme, and internal resourcing constraints, this is outstanding.   |
| A14                                      | Introduce pension tax communication strategy   |                              | ✓             | ✓  |    |         |         | <b>In Progress but delayed</b><br>The changes to the lifetime allowance legislation has not been laid which will allow for a full review to commence- expected to be done in Q4/Q1 2024/25                                  |

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|   | Q1                           | 2023/24<br>Q2 | Q3 | Q4 | 2024/25 | 2025/26 |   |
| A15 Review under/overpayment policy   |                              |               | ✓  |    |         |         | <b>In Progress and on track</b><br>This has been reviewed and expected to be taken to the February 2024 Committee   |
| A16 Review Communications strategy  |                              |               |    |    | ✓       |         | <b>No Action</b>  |
| A17 Review Administering Authority Employing Authority discretions policies |                              |               |    |    | ✓       |         | <b>No Action</b>  |
| A18 Review Voluntary scheme pays policy                                     |                              |               |    |    | ✓       |         | <b>No Action</b>  |
| A19 Review Administration strategy  |                              |               |    |    | ✓       |         | <b>No Action</b>  |
| A20 Review of implementation of employer engagement strategy                | ✓                            | ✓             | ✓  | ✓  |         |         | <b>In Progress but delayed</b><br>Roles and responsibilities are being reviewed in light of the new contract now in place but any progress has been delayed due to resourcing constraints                       |
| A21 Finalisation of GMP Reconciliation project                              | ✓                            | ✓             | ✓  | ✓  |         |         | <b>In Progress but delayed</b><br>The Fund is having ongoing discussions with Equiniti around the last remaining groups of members but further progress has been delayed due to internal resourcing constraints |
| A22 Other expected national changes   | ✓                            | ✓             | ✓  | ✓  | ✓       | ✓       | <b>In Progress and on track</b><br>The spring budget tax changes have been reflected by the Fund and literature is up to date   |
| <b>Supplier, contact reviews and tenders</b>                                |                              |               |    |    |         |         |   |
| S1 Custodian tender   | ✓                            | ✓             |    |    |         |         | <b>No Action</b><br>Transition to Northern Trust (01/09/2023) now complete - moving to business as usual.   |
| S2 Actuarial consultant tender  | ✓                            | ✓             | ✓  |    |         |         | <b>Completed</b><br>Completed with final decision made Nov 2023, New contract in place from 01/01/24  |
| S3 Benefits and governance consultant tender                                | ✓                            | ✓             | ✓  |    |         |         | <b>Completed</b><br>Completed with final decision made Nov 2023, New contract in place from 01/01/24  |
| S4 Investment consultant tender   |                              |               |    |    |         | ✓       | <b>No Action</b>  |
| S5 AVC fund review  |                              |               |    |    | ✓       |         | <b>No Action</b>  |
| S6 Third party administrator review and/or tender                           |                              |               | ✓  | ✓  |         | ✓       | <b>In Progress and on track</b><br>Training provided to Committee members re outsourcing vs insourcing options  |
| S7 Legal services   |                              | ✓             | ✓  |    |         |         | <b>Future Action</b>  |
| S8 Banking services tender (as part of council procurement)                 |                              |               |    |    |         |         | <b>No Action</b>  |