

APPENDIX 3

**Key Objectives & Targets in 2017-2020 Plan**

	Key Objective	Tasks	Target Date
Admin Strategy			
1	Delivery of IT Strategy to increase efficiency of ...	<p>Workstreams:</p> <ol style="list-style-type: none"> <li>1. Create Shared Development Agenda <ul style="list-style-type: none"> <li>• Develop Document Management System</li> </ul> </li> <li>2. Progress full employer electronic data delivery</li> <li>3. Develop employer website</li> <li>4. EA2P (Payroll interface)</li> <li>5 Java Payroll (Replacement)</li> </ol>	<p>May 2017</p> <p>By end 2017</p> <p>By end 2017</p> <p>By March 2018</p> <p>September 2017</p>
2	Review and revise Fire Service model	<ul style="list-style-type: none"> <li>• Develop revised service offer and SLA</li> <li>• Develop Fire website &amp; member Functionality</li> <li>• Fire IAS19 (prepare and liaise with GAD and Fire Service)</li> </ul>	<p>May 2017</p> <p>By end 2017</p> <p>Ongoing</p>
3	Embrace partnership and collaborative opportunities as they arise at both regional and national level	<ul style="list-style-type: none"> <li>• Explore communications opportunities within region</li> <li>• Use of national and regional frameworks for services</li> </ul>	<p>Ongoing</p> <p>Ongoing</p>
4	Implement new SLAs	<ul style="list-style-type: none"> <li>• Revise employer SLA document and reporting suite incorporating TPR Improvement Plan</li> </ul>	<p>September 2017</p>

5	GMP data reconciliation project	<ul style="list-style-type: none"> <li>Data match exercise with DWP to mitigate risk of pension overpayment/erroneous pension liability</li> </ul>	Ongoing (commenced 15/16 due completion Dec 18)
6	Trivial Commutation	<ul style="list-style-type: none"> <li>Review pensioner member pension pots to identify potential commutation opportunity following Gov't Budget announcement.</li> </ul>	By end 2017
7	Internal Dispute Resolution Policy (IDRP)	<ul style="list-style-type: none"> <li>Review internal process – identify resource for stage 1 and stage 2 review and developing employer engagement</li> </ul>	By September 2017
8	Employer Engagement and Training	<ul style="list-style-type: none"> <li>Develop and roll out employer training and support matrix to ensure employer compliance</li> </ul>	December 2017
Funding Strategy			
1	Covenant assessment of employers during valuation period	<ul style="list-style-type: none"> <li>Establish policy for monitoring employer covenant over next 3 years to 2019 valuations; rolling timetable for reviewing employers; collection and collation of data; identifying higher risk employers for closer monitoring</li> <li>Explore options with employers to mitigate covenant risks</li> </ul>	By September 2017 have policy in place; begin to implement in 3Q17  Ongoing
2	2018 Interim Valuation	<ul style="list-style-type: none"> <li>Understand forecast outcome and identify implications for FSS</li> <li>Hold forums for employers to discuss; disseminate outcome and implications for 2019 valuation &amp; budgets.</li> <li>Arrange training event for committee and board</li> </ul>	June 2018  3Q18  3Q18
3	2019 Valuation	<ul style="list-style-type: none"> <li>Planning and initial meetings with actuary</li> <li>Approve FSS</li> <li>Initial outcome at fund level</li> <li>Discussions with employers</li> </ul>	Start January 2019 June 2019 committee June 2019 July 2019

		<ul style="list-style-type: none"> <li>Disseminate results to employers</li> </ul>	From October 2019
4	Investigate ill –health insurance options	<ul style="list-style-type: none"> <li>Commission actuary report on options, costs and funding implications; get committee approval</li> <li>Consult employers and Implement</li> </ul>	Planned for March 2017 2Q17
5	Review AVC arrangements (governance requirement)	<ul style="list-style-type: none"> <li>Review range of investment choices for members – high level review by advisor to meet governance requirement</li> <li>Further work to decide on any changes.</li> </ul>	June 2017 meeting
6	Update Employer Communications	<ul style="list-style-type: none"> <li>Update website <ul style="list-style-type: none"> <li>Admissions</li> <li>Academies</li> <li>Fair deal</li> <li>Contributions payments</li> </ul> </li> <li>Begin to use Altair CRM for all employer correspondence</li> </ul>	Start 2Q17 once valuation completed  Start when released by Heywood
7	IAS 19 Disclosures	<ul style="list-style-type: none"> <li>Prepare and liaise with actuary and employers</li> </ul>	ongoing
Investment Strategy			
1	Pooling of assets project	<ul style="list-style-type: none"> <li>Work on client side to develop services and client requirements</li> <li>Chair COG</li> <li>Attend CPCG</li> <li>Provide resource to work on Project team to June 2017 initially</li> </ul>	Through to April 2018
2	Transition of assets	<ul style="list-style-type: none"> <li>Passive equities and bonds</li> <li>Active equities and bonds</li> <li>DGFs</li> <li>Others inc. LDI</li> </ul>	Start from 2Q18

3	Review Investment Strategy to ensure it meets long term objectives and takes pooling arrangements into consideration	<ul style="list-style-type: none"> <li>• Review strategic allocation to ensure the pooling arrangements can deliver the strategy over longer term post 2016 valuation</li> <li>• Focus on income, liquidity and how allocate to “others”</li> <li>• Understand pool portfolios, intended allocations, how transition will work</li> </ul>	By June 2017
4	Implement investment strategy projects maintaining compliance with the Fund’s Investment Principles and Policies	<p>Agreed projects</p> <ul style="list-style-type: none"> <li>• Liability Driven Investing</li> <li>• Review options from Responsible Investing Policy review <ul style="list-style-type: none"> <li>○ Low carbon passive</li> <li>○ Sustainable equities/ other</li> <li>○ Carbon footprint measurement</li> </ul> </li> <li>• Changes as a result of Investment review</li> <li>• Revise strategic benchmark following review to simplify, ensure measures LDI impact</li> </ul>	ongoing
5	Agree Investment Strategy Statement in line with new regulations	<ul style="list-style-type: none"> <li>• Replaces Statement of Investment Principles</li> </ul>	March 2017
6	Renew Vote Monitoring contract for 1 year with 1 yr extension	<ul style="list-style-type: none"> <li>• Call off National ESG framework</li> </ul>	In progress
7	Bespoke corporate bond portfolio for CB funded employers	<ul style="list-style-type: none"> <li>• Better match duration of portfolio with liabilities</li> </ul>	By sept 2017
Governance			
1	Review governance arrangements following the pooling of assets and creation of Pension Board	<ul style="list-style-type: none"> <li>• Review ToR of Committee and Investment Panel</li> <li>• Review appointment of Independent Investment Advisor</li> </ul>	March 2017 and revise as required thereafter

2	Ensure Committee members have knowledge and skills required	<ul style="list-style-type: none"> <li>• Training for new members</li> <li>• Committee training <ul style="list-style-type: none"> <li>○ Liability driven investing</li> <li>○ Funding Strategy &amp; valuation</li> <li>○ Pooling transition of assets</li> <li>○ Investment Review</li> <li>○ Investment review changes - options</li> </ul> </li> </ul>	<p>Start after May 2017</p> <p>Through 2017 Sept 2018 1/2Q18 Workshops 1/2Q17 3/4Q17</p>
3	Pooling of assets engagement	<ul style="list-style-type: none"> <li>• Engage with Committee on implementation to April 2018</li> </ul>	<p>June/July 2017 Late 2017</p>
4	Reporting to Avon Pension Fund Pension Board and Fire Service Pension Board	<ul style="list-style-type: none"> <li>• Support Board, education and training needs as required</li> </ul>	Ongoing
5	Independent Members on Committee	<ul style="list-style-type: none"> <li>• Appoint one new Independent Member as term ends for one in May 2017</li> </ul>	In progress
6	Electronic forms	<ul style="list-style-type: none"> <li>• Review process with view to simplify access for Multi Academy Trusts, payroll providers with multiple employers</li> </ul>	By June 2017
7	FSR17	<ul style="list-style-type: none"> <li>• Review process to ensure efficient as possible</li> </ul>	3Q17 after academies
8	Early close down	<ul style="list-style-type: none"> <li>• Establish and agree process</li> <li>• Agree what estimates for asset values will be used</li> <li>• Liaise with auditor and other funds</li> </ul>	End Jan 2017

9	Restructure team	<ul style="list-style-type: none"> <li>• Review resource for actuarial team</li> <li>• Review resource for investments for transition and post pooling</li> <li>• Revise JDs and appoint (timing dependent on pooling)</li> </ul>	Start 2Q 2017
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