

ACTION TO BE TAKEN

Action to be taken	Timescale	Details (primary responsibility)	Progress to June 2020	Progress to June 2021	Progress to June 2022
1. "To achieve best practice in managing our investments in order to ensure good long- term performance, sustainability of the Fund, value for money and a reduction in managers' fees wherever possible and pursue new investment opportunities" plus an expectation of strong business ethics from fund managers also"					
(a) Consider an interim valuation and LGPS scheme changes	Ongoing	Use results to review funding level and any potential effect of the scheme changes	Actuary valuation was signed off on March 2020	Following Covid pandemic and lockdown funding and asset allocation was reviewed in June	The Whole fund funding valuation was assessed as at September to determine future contribution levels
(b) Review investment strategy to reflect asset/liability position To commence as part of the 31 March 2019 actuarial valuation process	2019-2023	To use results and other analyses to set benchmark asset allocations and Fund outperformance targets and risk levels (<i>Pensions sub-cttee, Investment advisers</i>).	As part of actuarial valuation members agreed a new investment target return from amended strategic asset allocation within a risk budget.	Strategic allocation was still fit for purpose after impact of lockdown and probable recovery scenario testing was undertaken	Assumptions on discount rates, inflation and investment outlook were discussed for the 2022 valuation because of the conflict in Ukraine.
(c) Implement any resulting changes to asset allocation, portfolio and fund management structures.	Ongoing	Plan procurement and tendering process with transition of assets requirement to minimize cost and optimize value of assets	Members agreed to tender for a new Multi asset credit mandate	Preferred manager was appointed to run the MAC mandate of £75m and funded in March 2021	An initial procurement was undertaken for 2 nd tranche of private debt managers
(d) Review all contracts on a rolling basis including, actuary, voting services, investment advisers and custodial services.	2018-2022	Committee to agree conclusions of all reviews. Corporate Director of Resources to have delegated authority to review contracts and performance and fee levels when required. (<i>Pensions Sub-Committee, Officers</i>).	Work in progress	Members complied with TPR directives of reviewing agreed objectives and performance of investment consultancy service providers by December 2020	Investment advisors service was reviewed on performance and agreed objectives
(e) Closely monitor new legislation affecting the LGPS or pension provision.	Ongoing	Consider reports on the implications for the Fund and agree actions necessary to ensure full compliance when final legislation is enacted including meeting deadlines. (<i>Pensions sub-committee, Officers, Actuary</i>).	Members complied with TPR directives of agreeing objectives with investment consultancy service providers by December 2019	Work in progress	Updated FSS was consulted on with employers to incorporate new legislation on terminations and valuations
2. To continually improve our administration and governance in order to deliver an excellent and cost effective service to all fund members					
(a) Agree key performance indicators for the administration of the Fund and continue to benchmark against similar funds.	Ongoing.	Pension Board now monitors the administration and governance of the Fund. Continue ongoing CIPFA benchmarking. (<i>Officers</i>).	As part of the workplan the board requested more scrutiny of COVID 19 checklist and impact on service.	Risk register is reviewed 6monthly to include pandemic impact and improvements have been requested in the layout.	Risk register has been reviewed and realigned to Corporate layout and objectives
		Analyse survey results (pension board, officers)	Board have also implemented regular reviews of new members through auto enrolment and opt-out numbers	To encourage take up of membership, new employees who join the	Board monitors performance and resources to achieve benchmark

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(b) Carry out a survey to gain feedback from pensioners and active employees on customer satisfaction and implement changes	Ongoing	Changes required from survey to be implemented. (<i>Pensions sub cttee, Officers including LBI communications team</i>)	and commented on new website layout and contents.	lgps and stay on are entered into a draw to win a token cash prize	targets and monitor complaints and feedback
c) Ensure governance of the admin	Ongoing			McCloud implementation process has been discussed with pension software provider and resource engagement is now required to carry this forward.	Automatic email response has been installed for the pension mailbox to let customers know when contact will be made.
d) To devise a communication plan and consultation to stakeholders	Ongoing	Newsletters, annual benefit statements, annual reports, AGM and employers' meetings to continue as previously (<i>Officers</i>).		ABS has been issued within the deadline. A new improved website is almost completed, with documents accessible on - line for some self- service options.	31 August deadline was missed and reported to the Pension Regulator. Some documents are now on the website for self-service online

3. To engage with companies as an active and responsible investor with a focus on good corporate governance and environmental sustainability, whilst achieving a financial return for the fund and addressing societal impact and a focus on strong business ethics and reputation to ensure the safeguarding of the Fund and its members

(a) Continue to engage with companies through active membership of LAPFF, IIGCC and other suitable bodies.	Ongoing.	Key themes will be corporate governance especially relating to human rights, employment practices and protection of the environment. (<i>Pensions sub cttee, Investment advisers, PIRC, Officers.</i>)	Work with LAPFF, LCIV and the IIGCC continues Carbon policy is published, and Members have shared their story with other LAs.	Engagement with LAPFF, IIGCC, LCIV and North London Pensions chairs forum continues Carbon footprinting for equity and credit portfolios and ESG measurement of our fund managers was undertaken as of March 2021.	Engagement with LAPFF, IIGCC, LCIV and North London Pensions Chairs forum continues. Filed a joint shareholder resolution to Sainsbury's AGM Carbon footprinting for equity and credit portfolios and ESG measurement of our fund managers was undertaken as of March 2022.
(b) Develop improved monitoring of fund manager engagement activity.	Ongoing.	To include engagement with managers on their own corporate governance as part of terms of reference on appointment. (<i>Pensions sub cttee, investment advisers, Officers</i>). To include potential for publication of LBI voting record. (<i>Officers and PIRC</i>).	Members continue to encourage and support the LCIV on engagement on ESG factors. Voting records are published	Voting records are published in Annual report Recent appointment of MAC had a specific criteria on ESG integration in the investment process.	Voting records are published in Annual report
(c) Improve communication of engagement activities to stakeholders and public.	Ongoing				
(d) Integrate our responsible investment policy into the Fund's investment review	Ongoing	To include consideration of appropriate responsible investment funds. Manager policies on equalities, environment and corporate governance to form review criteria alongside	Current investment review in 2019 reaffirmed responsible investment in strategic asset allocations	Net Zero carbon target to 2050 was agreed by Members in June along with new carbon reductions targets to 2026 and 2030 to include green opportunities	A new commitment was made to our renewable infrastructure manager to maintain exposure green opportunities

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		performance and fee considerations. <i>(Pensions sub cttee, Investment advisers, Officers).</i>	Climate scenario analysis was undertaken for the whole fund in December 2019		
4. To actively monitor and challenge poor performance in managers and to pursue new investment opportunities					
(a) Review current fund manager performance against agreed targets over three- to five year rolling periods	Ongoing	Use existing terms of reference for appointment and firing of managers as a guideline to monitor performance of fund managers <i>(Pensions sub cttee, Investment advisers, Officers).</i>	Ongoing	Ongoing	Ongoing
(b) Review current fund manager quarterly monitoring arrangements	Ongoing	Agree a forward plan for existing fund managers to meet the pensions sub- committee. The Corporate Director of Resources to continue monitoring managers between quarterly meetings <i>(Pensions sub cttee, Investment advisers, Officers).</i>	Commissioned a deep dive in our residential property manager for governance assurances. 1>1 meetings with managers have been held with officers and advisors to report to members	Due to Covid pandemic impact on real estate, 1>1 meetings were held with property managers to understand the effects and recovery strategy. Regular monitoring meeting were also arranged with emerging/frontier market manager for reassurances on strategy after changes in management.	In March following Ukarine invasion and subsequent sanctions, all managers were engaged to identify Russian stocks and divestment options Continuous monitoring with property and equity managers and the LCIV.
c) To consider new investment opportunities which can help improve the fund's financial performance	Ongoing	Pensions sub-committee have a long term objectives and clear investment policies to achieve them. <i>(Pensions sub cttee, Investment advisers, Officers).</i>	Recap of multi – asset credit briefing before agreeing to procure. Joint briefing on Actuarial valuations were held for Members to understand assumption and take funding decisions	Members agreed to recommit to global property FTRETP III in December.	Members agreed to appoint a new private debt manager Briefing was undertaken on social housing and impact investments
(c) To keep abreast of developments on pension and investment issues	Ongoing	Pensions sub-committee will agree a training plan and evaluate annually training undertaken and future needs <i>(Pensions sub cttee, Investment advisers, Officers).</i>	New members have been enrolled to attend LGA trustee pension course. Training sessions before and during committee meetings continue. Members attend seminars and LCIV AGMs as shareholder	Net-zero carbon target transition training run be Mercer was provided to all pension sub cttee and board members. Members attend seminars and LCIV AGMs as shareholders and business meeting days.	Training reviews for self-assessment of skill and knowledge for members of pension board. Members and officers attend seminars and LCIV AGMs as shareholders and business meeting days.

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5. Develop collaboration opportunities with other funds for sharing of services and pooling					
a) Seek to collaborate with other partners to achieve efficiencies and value for money	Ongoing	To agree to share services where it is beneficial to the fund objectives of sustainability and performance	<p>Officers are collaborating with another LA to procure a MAC mandate after LCIV's review of current manager on LCIV platform.</p> <p>Members and officers worked with the LCIV on the initial workshops on ESG</p> <p>Members' collaboration of a north London LA group meet regularly to share ideas</p>	<p>Officers sourced collaboration with previous LA procurement to procure Private debt due to commonality of best in class.</p> <p>Members' participate in a North London LA Pension Chairs group . It is a forum to share ideas, identify common goals and work together alongside the LCIV.</p>	<p>Members' participate in a North London LA Pension Chairs group . It a forum to share ideas, identify common goals and work together alongside the LCIV.</p>