

No.	Key Indicator	Examples of level for concern	Examples of good practice for high performing fund	Fund score	Evidence and comments
1	Risk management	No or only a partial and/or an unclear risk register with no or poorly specified or un-implemented mitigation actions over time leading to increased fund risk.	Comprehensive risk register covering the key risks (in accordance with current CIPFA guidelines) with prioritisation, robust mitigation actions, defined deadlines, with action tracking to completion.		
		No evidence of a risk register being	Evidence and e-links to demonstrate		
		a) prioritised	a) risks prioritised on a RAG red, amber, green or by a scoring methodology	1	The fund operates a scoring methodology assigning a score between one and five for both impact and likelihood which are then multiplied to arrive at a final risk score.
		b) annually reviewed by Pensions Committee	b) completed actions signed off by Pensions Committee after at least annual update,	0	The risk register is reviewed annually by the Pensions Committee but completed actions are not signed off.
		c) annually reviewed by internal audit or external audit	c) annual review by internal audit and external audit	1	Reviewed as part of annual internal audit, not requested by external audit.
		d) used to reduce high risks	d) <3 priority/"red" risks	0	The risk register does not contain details of the actions taken to reduce risks although details of actions to mitigate risk are included in other documents and in the text of the accounts.
	e) available for public scrutiny.	e) public disclosure of a summary version published on fund website or in fund annual report.	1	Summary included in Fund Annual Report.	
		Self score -1 point for each one	Self score +1 point for each one		
2	Funding level and contributions  (see explanatory notes)	a) Decreasing funding level (calculated on a standardised and consistent basis) and/or in bottom decile of LGPS, over the last three triennial valuations on a standardised like for like basis.	Evidence and e-links to demonstrate		
		b) No or minimal employer funding risk assessment and monitoring and not reported to Pensions Committee	a) Funding level rising and getting closer to 100% funded (or above) over last three triennial valuations on a standardised like for like basis. Funding %		
		c) Total actual contributions and actual received in last 6 years less than that assumed and certified in last 2 triennial valuations.	91 to >100 =score +5		
		d) Net inward cash flow less than benefit outgoings so need for any unplanned or forced sale of assets.	80-90 =+4	4	90% in 2015 and 82% in 2013 as per figures provide by actuary using HMT SCAPE assumptions.
			70-79 =+3		
			60-69 = +2		
	Self score -1 for each one	<59 = +1			
		b) Employer funding risk assessment and monitoring reports to Pension Committee. Net inward cashflow forecasts meeting planned income or significantly exceeding benefit outgoings.	1	Review of employer funding risks provided to committee and monitoring of employer performance. Monthly cashflow monitoring shows income exceeding benefit payments and there is no expectation for this to change in the near term. Work being undertaken to model cashflows on a longer term basis.	
		c) Total actual contributions received in last 6 years equate to (or exceed) that assumed and certified in the last 2 triennial valuations.	1	Deficits paid as cash by OCC.	
		d) Net inward cash flow significantly exceeds benefit out-goings	1	As b) above	
		Self score a) as above and rest +1 for each one			

3	Deficit recovery	a) No or opaque deficit recovery plan.	Evidence and e-links to demonstrate :		
	(see explanatory notes)	b) Lengthening implied deficit recovery period (for contributions)	a) Transparent deficit recovery plan for tax raising and non-tax raising bodies.	1	
		c) Implied deficit recovery periods >25 years for last 3 valuations.	b) Implied deficit recovery reducing each triennial valuation.	0	Deficit recovery period has been at 25 years over last few valuations.
		Self score -1 point for each	c) Implied deficit recovery period in line <15 years for last 3 valuations	0	Deficit recovery period has been at 25 years over last few valuations.
			Self score +1 point for each one		
4	Investment returns	a) Required future investment return (calculated on standardised and prudently consistent basis) not aligned to the investment strategy target return, so lower likelihood of the fund achieving its funding strategy.	Evidence and e-links to demonstrate :		
	(see explanatory notes)	b) Actual investment returns consistently undershoot actuarially required returns	a) Required future fund investment return (calc by actuary) are consistent with and aligned to investment strategy (asset mix expected target returns) so higher likelihood of the fund meeting its funding strategy.	1	Considered as part of fundamental review and when setting policies in Funding Strategy Statement and Statement of Investment Principals.
		Self score -1 point for each one	b) Actual investment returns consistently exceed actuarially required returns	1	Yes, per details included in actuarial reports.
			Self score +1 point for each one		

No.	Key Indicator	Examples of level for concern	Examples of good practice for high performing funds	Fund score	Evidence and comments
5	Pensions Committee and Pensions Board members competence	Appointees unclear of statutory role and unable to clearly articulate the funds funding and investment objectives. No evidence of	Appointees understand their statutory role and are able to clearly articulate the funds funding and investment objectives Evidence and e-links to demonstrate		
		a) different scheme employer types and no or minimal scheme member representation.	a) representation from different scheme employer types (scheduled and admitted) and member types (actives, deferred and pensioners).	1	Pensions Committee consists of nine County Council members, two District Council Members, and a beneficiaries observer. The Board consists of three member representatives, three employer representatives and an independent chair.
		b) No training needs analysis, or training strategy, or training log or use of CIPFA LGPS training framework.	b) annual training plan recorded against the CIPFA knowledge and understanding framework.	0	Training needs considered when planning training sessions and training received is recorded but not against CIPFA framework.
		c) No training record disclosures	c) annual training records disclosed in Annual Report	1	Yes, the annual report includes full details of the training undertaken by committee members.
		d) Self assessment	d) annual self-assessment of training undertaken and identification of future needs.	-1	An annual self-assessment is not currently undertaken and there is not a formal process in place for the identification of future training needs.
		Self score core -1 point for each	Self score +1 point for each one		
6	Administering authority staff accountability, leadership, experience, and training	a) No or only part time Head of Fund and or only part time officers	Evidence and e-links to demonstrate		
		b) No or little induction or on- going training provision or experience recorded on the adoption of CIPFA LGPS knowledge and understanding framework.	a) Experienced Head of Fund with full time dedicated officers with at least 3+ years' experience.	1	There is a full time Head of Pensions in place supported by full time officers, all of the key staff have over three years experience working in the LGPS.
		Self score -1 for each one	b) staff undertake regular CIPFA LGPS TKU or other CPD training recorded across all LGPS skills (governance, benefits administration, funding, investments, and comms) Self score +1 point for each one	1	Staff regularly attend a range of training events relevant to their roles including those organised by CIPFA.
7	Statutory governance standards and principles (as per DCLG guidance and TPR codes)	Several key areas of non- compliance with	Evidence and e-links to demonstrate		
		a) DCLG LGPS statutory guidance	a) Full compliance with DCLG LGPS statutory guidance	1	Yes, compliance with the LGPS investment regulations is monitored on a monthly basis.
		b) TPR guidance and codes	b) Full compliance with TPR guidance and codes for public sector pension schemes	-1	Compliance with TPR guidance incomplete.
		and reasons why not explained.	c) Meet or exceed other LGPS best practice on recording all key decision taking and annual self, scheme employers, scheme member assessment of overall effectiveness.	-1	Not measured.
		c) No, little or poor key decision taking records and no or poor self, or scheme employers, or scheme members assessment of overall fund effectiveness. Self core -1 for each one	Self score +1 for each one		
8	Quality and accessibility of information and statutory statements, strategies, policies (governance, FSS, SIP, comms, admin authority and employer discretions policies)	a) Statutory publications not all in place or published on fund website or updated in accordance with regulatory requirements and due timelines.	Evidence and e-links to demonstrate		
		b) Fund and employers discretions not published	a) Statutory publications all in place and published on fund website and updated in accordance with regulatory requirements and due timelines.	1	Yes
		c) Do not seek to meet any recognised 'Plain English' or e-publishing standards	b) Fund and employer discretions published	0	Fund discretions are published on the website but employer discretions are not.
		Self score -1 for each one	c) Meet 'Plain English' and or other recognised e-publishing standards. Self score +1 for each one	-1	

9	a) Adoption and report compliance with Investment Governance Principles (IGP) (was Myner's Principles) and voluntary adoption/signatory to FRC Stewardship Code and UNPRI	No or un-explained non-compliance and/or non-support of	Evidence and e-links to demonstrate		
		a) IGP	a) 100% compliance with IGP	0	Compliance with majority of principles although not formally assessed/monitored.
		b) UK Stewardship Code	b) adoption and public reporting of compliance against the FRC UK Stewardship Code	0	Comply with principles of Stewardship Code and all fund managers produce Stewardship code statements but fund itself does not.
		c) UN PRI	c) external managers or fund are PRI signatories	1	All fund managers used by the fund (Baillie Gifford, Adams Street, Legal & General, Partners Group, UBS and Wellington) are signatories.
		Self score -1 for each	Self score +1 for each		
10	a) Historic investment returns (last 1, (See explanatory notes)	a) overall fund investment returns (net of fees) Score -3 and -5 points	Evidence and e-links to a) overall fund investment return (net of fees) for last 1, 3, 5 years		
		b) Retain fund managers under-performing	a) Top quintile score +5 points		
		Score -1 point	b) Next two quintiles score +3 and 0 points respectively	0	Based on the data produced by WM which covers the majority of LGPS funds the OCC Fund is in the third quintile when taking the
		c) Fund does not benchmark its fund manager and total investment costs relative to other LGPS funds.	b) >75% of fund mandates deliver over rolling 3 year performance periods.	0	The fund has retained one fund manager that has underperformed against its mandate over the last two triennial valuation cycles (although for one of the cycles the underperformance was only 0.1%). The fund regularly monitors fund manager performance and has regular meetings to assess fund manager performance and the reasons behind this. The fund has shown that it will act where confidence in a manager's ability to perform has been lost as two mandates have been terminated over the last 5 years. The fund takes in to account the long-term nature its investments and the costs associated with a transition when considering a change in fund manager and the evidence supports minimising the number of manager changes.
		Score -1 point	Score +1 point		
			c) Fund benchmarks its fund manager and total investment costs	-1	Fund manager costs are not benchmarked, we are not aware of any comprehensive data-set to consider benchmarking against. Costs are monitored and the fund works to minimise costs where possible. The main focus is on the net of fee return as the key driver of investment
			Score +1		
11	Annual report and audited financial statements	a) Do not fully meet some regulatory requirements or CIPFA LGPS guidance	Evidence and e-links to demonstrate		
		b) Not published in Admin Authority Accounts by 1 <sup>st</sup> October.	a) Meet all regulatory and CIPFA best practice guidance	-1	The fund is working towards meeting the CIPFA guidance on the reporting of LGPS management costs which was recently released and is currently being updated.
		c) Published on SAB website after 1 <sup>st</sup> November	b) Publish in Administering Authority accounts by 1 <sup>st</sup> October	1	Yes
		Self score -1 for each one	c) Publish fund report and accounts of SAB website before 1 <sup>st</sup> November.	1	Yes
			Self score +1 for each one		
12	Scheme membership data	a) Common data does not meet TPR standards	Evidence and e-links to demonstrate		
		b) Conditional data do not meet the TPR standards. No plans in place to rectify this.	a) >99% common data meets TPR quality and due date standards	0	Not currently tested
		Self score -1 for each	b) >95% of conditional data meets TPR quality and due date standards. Plans in place to improve this.	0	Not currently tested
			Self score +1 for each one		

13	Pension queries, pension payments, and Annual Benefit Statements	a) No or poor website with no scheme member or employer access.	Evidence and e-links to demonstrate		
		b) ABS do not meet regulatory requirements or due timelines for issuance.	a) Good website with interactive scheme member and employer access.	0	Yes, Council's public website, of which pensions website is part of, recently won SOCITM Web Award and received good feedback. However, pensions website is not interactive.
		Self score -1 for each	b) ABS meet or exceed regulatory standards and due timelines for issuance.	-1	
			Self score +1 for each		
14	Cost efficient administration and overall VFM fund management	a) In bottom quartile with high total admin cost pa per member (based CIPFA or other benchmark tool).	Evidence and e-links to demonstrate		
		b) Not in any national or regional frameworks for any externally procured services or collective investments.	a) In top quartile with low total admin cost pa per fund member (based CIPFA or other benchmark tool calculated on a consistent and transparent basis).	0	Based on CIPFA benchmarking data fund is in the middle two quartiles.
		Self score -1 for each	b) Lead and/or actively participates in collaborative working and collective LGPS procurement, shared services or CIVs	1	Yes, Undertook joint custody tender with Hampshire in order to minimise consultancy costs, Undertook work looking at merging funds with Berkshire and Buckinghamshire, actively participating in latest pooling arrangements to meet government requirements.
			Self score +1 for each		
15	Handling of formal complaints and IDRPCs	a) Any Pensions Ombudsman determinations (and any appeals) fines were against the actions of the fund (ie not employer).	Evidence and e-links to demonstrate		
		Score -1	a) No Stage 2 IDRPCs and no Pensions Ombudsman findings against the fund actions in last 3 years.	-1	One partial finding against the fund in obmudsman case over last three years.
			Score +1		
16	Fraud prevention	No or minimal systems/programme or plan or mechanisms in place to	Evidence and e-links to demonstrate		
		a) Prevent fraud	a) Fraud prevention programme in place.	0	Systems and processes in place to prevent fraud (e.g. segregation of duties, money laundering policy, sign-off processes). Internal audit looks at internal controls and no issues identified in latest audit. No fraud prevention plan that brings all this together.
		b) Detect fraud	b) Use external monthly, quarterly/annual mortality screening services, and	0	Systems are in place to detect fraud but mortality screening is not used.
		c) detect pension over-payments due to unreported deaths	c) participate in bi-annual National Fraud Initiative.	1	Yes
		Self score -1 for each one	Self score +1 for each one		
17	Internal and external audit	a) No annual internal audit or qualified internal and external audit opinions	Evidence and e-links to demonstrate		
		b) Urgent management action recommended on high/serious risks.	a) Unqualified annual internal reports with no or only low priority management actions	1	Acceptable report for Pensions Services and Pension Investments with no management actions.
		c) Only moderate or low level of assurance and a number of high priority action recommended	b) Unqualified and annual external audit with no or only low priority management recommendations.	1	Yes
		Self score -1 for each	c) Full or substantial assurance against all key audit areas with no high risk recommendations.	1	Yes
			Self score +1 for each		
18	Quality assurance	No evidence of	Evidence and e-links to demonstrate		
		a) quality management system	a) Fund has formal quality management external certification	-1	
		b) external reviewed publications	b) Crystal Mark for plain English for publications/forms	-1	
		c) externally approved website accessibility	c) externally approved website accessibility	-1	
		d) any awards.	d) pensions & investment recognition award(s)	-1	Policy is not to enter for awards as does not contribute to achieving the goals of the fund.
		Self score -1 for each one	Self score +1 for each one		