

Forward Work Plan – Progress Update:

| | FWP Action | Update | RAG Rating | Further Action |
|--------------------------------------|---|---|-------------------|---|
| Pooling of Investment Assets: | Manage the TUPE of staff to BCPP and implement the new staffing structure for Pensions Governance & Investments after Pooling. | TUPE has passed with only one MBC staff member to transition. New staffing structure agreed and partially implemented. | AMBER | The new post have been advertised and interviews held with staff from the previous structure. Advertisement of remaining posts to take place. |
| | Assist the other partners of BCPP in the set-up of the new FCA approved Investment Management Company (BCPP) and begin the transfer of the Fund’s investment assets. | BCPP now managing UK and Overseas Equities, and building proposals for Fixed Income and Alternatives. | COMPLETE | |
| Pension Fund Governance: | Implement the Asset/Liability Study, and set a plan for rebalancing the Fund’s asset allocation to the new customised benchmark. | ALS presented to the Committee and agreed in principal. | GREEN | Committee awaiting guidance from Investment Advisors and some additional training on some new asset classes before adopting the new customised benchmark. |
| | Complete the remaining part of the review of the Fund’s Governance Arrangements: <ul style="list-style-type: none"> • Ensure the policies are in line with Regulations and the Pension Regulator’s Code of Practise (Code 14). • Develop a new training plan for Investment Panel/Pension Board Members. • Implement new reporting processes after the review. | Code 14 assessment attached to this report – Appendix E. Training plan and new reporting processes to produce. | AMBER | Requirement for resources following the staff consultation and implementation of the new structure needed to begin the training plan work. |
| Pension Investments: | Complete the tender for Property Investment Manager and Agent Services. | Progress made to write the tender document. | GREEN | Looking to re-procure and bring a report to the next Committee meeting. |
| | Review the requirement for a Global Custodian, and make arrangements for either an alternative solution or re-procurement. | Work underway to review legacy assets, and discuss with potential providers of a custody service. | GREEN | Re-procurement of Global Custodian to be determined. |
| | Implement the asset allocation instructions from the Investment Panel. | On-going. | GREEN | |
| | Monitor and report investment performance of the Fund, as measured against the Fund’s customised benchmark. | Investment performance report provided June Committee meeting. | COMPLETE | |
| | Review the requirement for the Shareholder Governance provider and, if required, either | All equities transitioned to pooled funds, so no voting requirement exists. | COMPLETE | |

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| | extend the contract for one year or allow the contract to expire. | Shareholder voting contract expired September 2018. | | |
| Pension Administration: | Review of Employer Covenant Risk. | Behind schedule, but Kier recruitment process underway to recruit to the new team managing the Fund's employer covenant risk. | AMBER | Progress required to ensure this is in place in advance of the 2019 Actuarial Valuation. |
| | Pension Customer Service Strategy. | Behind schedule, but Kier recruitment process underway to recruit to teams managing the Fund's web-site and employer liaison team. | AMBER | Progress required to ensure this is in place in advance of the 2019 Actuarial Valuation. |
| Funding: | Carry out an Interim Actuarial Valuation. | The Interim Valuation was reported at this meeting earlier today. | COMPELTE | |
| | Prepare for the 2019 Actuarial Valuation. | Meetings have been held with the actuary and key stakeholders to discuss strategies for the 2019 Actuarial Valuation. Further funding update to be produced by the Actuary. | GREEN | |
| | A cash flow forecast, produced by the Actuary, and ahead of the 2019 Actuarial Valuation. | Cash flow forecast requested from the Actuary, as part of the management of the 2019 Actuarial Valuation. | GREEN | |
| | Review the GAD "Section 13" Report. | The GAD Report is expected in the Autumn of 2018. It will be reviewed and discussed and GAD, and presented to the Committee. | GREEN | |