

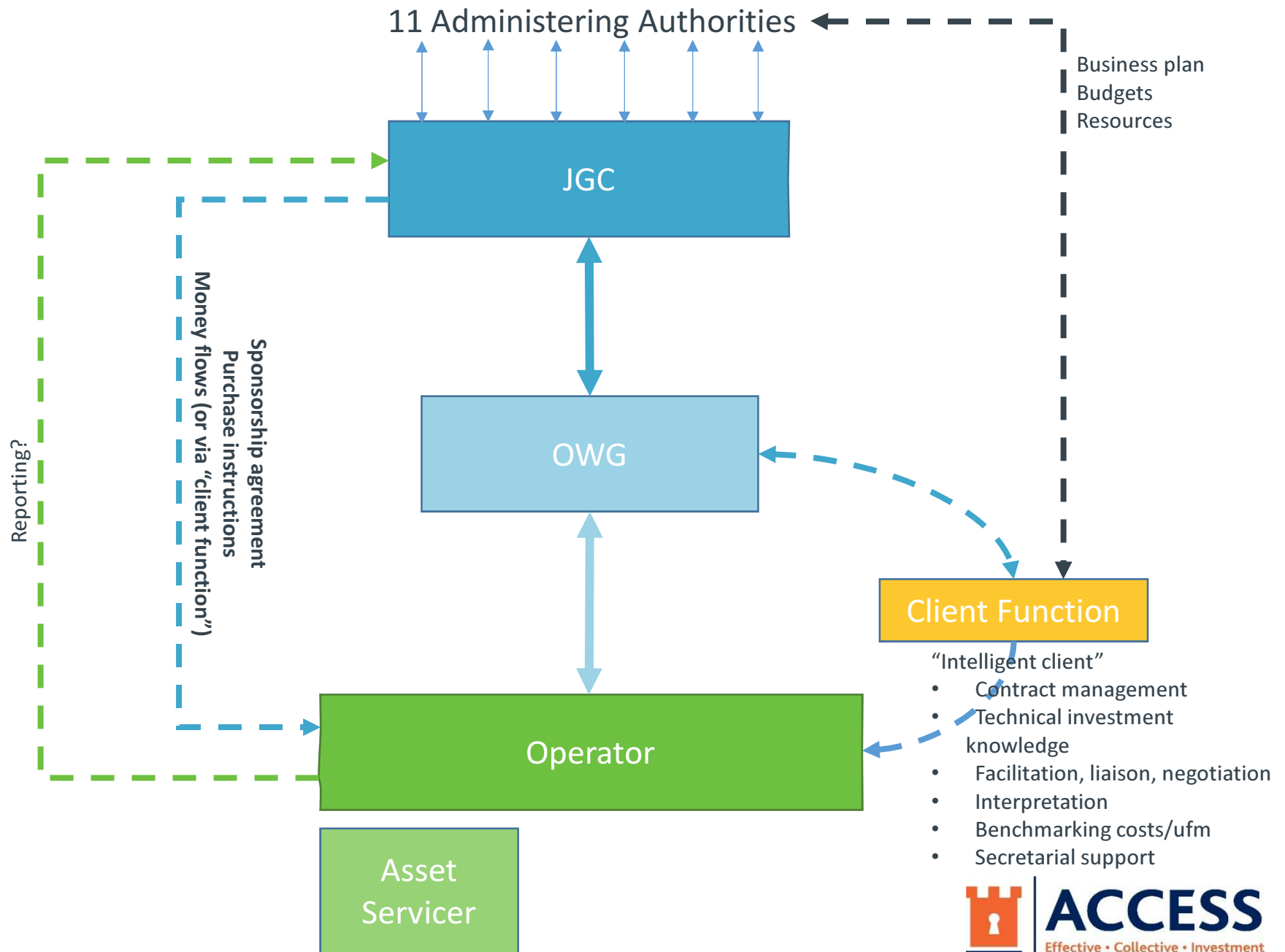


ACCESS

Effective • Collective • Investment

**Chairmen's update meeting
13 October 2016**

ACCESS Governance Structure



Individual Fund Roles

Individual funds

- Strategic decisions
 - Strategic asset allocation
 - ISS/FSS
 - Investment beliefs
- Policies
 - Responsible investment
 - Rebalancing policy
 - Voting policy
 - Stock lending – what is in/out – existing/future
- Monitoring/reporting
 - Monitoring investment performance of own portfolio
 - Performance and consolidated reporting for non-pooled assets
 - Reporting for own fund (for pooled assets)
 - Consolidated reporting for pooled/non-pooled assets
- Governance
 - Holding pool to account (e.g if not happy with sub-fund performance, can ask for a review)
- Operational/BAU
 - Timing of transitions
 - Custody for non-pooled assets
 - Fund Manager relationships
 - Sub-fund choice (e.g. uk equity active)
 - Choice of single manager sub-funds

Joint Governance Committee Roles

Joint governance committee

- Operator relationship
 - Agree on specification and supplier
 - Hold to account
- Sub-funds
 - Sub-fund design
 - Manager selection for each sub-fund
 - Access to alternatives (i.e. infrastructure)
 - Strategic migration plan
 - Consolidation of managers
- Value for money
- Strategic planning (including resourcing plan) , business plan and budget
- Governance
 - Conform with IAA (joiners/leavers/cost allocation)
 - Hold Officer Working Group (OWG) to account
 - Oversight of all assets under pool governance
- Implement common policies (e/g/ stock lending/voting)
- Cross pool liaison
- Approve other advisors and suppliers

Operator Responsibilities

Operator

Core responsibilities

- Fund administration
- All regulated functions and reporting
- Select and contract with fund managers
- Select and procure asset servicer (Trading agent/depository/custodian/accounting)
- Establish and operate vehicles

Optional functions

- Manager searches/prepare shortlist
- Transition management
- Enhanced performance reporting
- Implementing individual fund rebalancing policy
- Executing funding level triggers
- Fiduciary policy (i.e. cross trading)

Key milestones/deliverables/decisions

	Month		Key deliverables	Resource	Timeframe		
Phase 1	Sept	Governance	Amend current MOU	1 day	2 Sept 2016		
			Draft and review ToR for JGC		Mid-Sept 2016		
			Draft OWG remit	5 weeks	Mid-Sept 2016		
					OWG agree OWG remit for presentation to Chairmen	1 day	End-Sept 2016
		Legal		OWG agree what advisors are needed and procurement approach	1 day	End-Sept 2016	
				Lead authority to utilise national framework		End-Sept 2016	
		FMI	Agree project structure, stakeholders, workstreams, communications and reporting and responsible parties		Mid-Sept - End-Sept 2016		
	Oct	Governance		Convert OWG remit to ToR	1 day	Mid-Oct 2016	
				JGC agree OWG and JGC ToRs	1 day	Mid-Oct 2016	
				Begin drafting JGC constitution	1 day	Mid-Oct 2016	
				Shadow JGC established	8 wks	Mid-Oct 2016	
		Legal		IAA legal advisor drawn down from national framework	4 wks	End-Oct 2016	
				JGC agree mini-competition and JGC involvement for full legal procurement	1 day	Mid-Oct 2016	
				Issue specification for full project legal advisors, start mini competition	4-6 wks	Mid-Oct 2016	
		OP		PIN drafted	2 wks	Mid-Oct 2016	
				Issue PIN	1 day	End-Oct 2016	
		ID		Begin drafting operator requirements	4 wks	Start-Oct 2016	
				Begin defining number and types of sub-funds	4 wks	Start-Oct 2016	
		P		Discussions needed on procurement approach and number of managers etc		Mid-Oct 2016	
	Nov	Gov.		Drafting of JGC constitution	6 wks	Mid-Nov 2016	
				Begin drafting IAA	6 wks	Mid-Nov 2016	
		Leg		Procure full project legal advisor via mini competition	4-6 wks	End-Nov 2016	
				Appoint full project legal advisor	1 day	End-Nov 2016	
		OP		PIN response period	35 days	End-Nov 2016	
				Engagement days with PIN respondents	1 wk	End-Nov 2016	
		P		Start drafting passive procurement manager specification	5 wks	Start-Nov 2016	
				National framework set up	milestone	End-Nov 2016	
		ID		Strawman Operator requirements & sub-fund definitions reviewed by OWG	1 day	Start-Nov 2016	
				Updates to operator requirements	4 wks	November 2016	
	Dec	Gov.		Updates to sub-fund required	4 wks	November 2016	
			Drafting of JGC constitution	2 wks	December 2016		
		Drafting of IAA	3 wks	December 2016			
ID			Strawman Operator requirements & sub-fund definitions for review by JGC	1 day	Mid-Dec 2016		
			Further updates to draft operator requirements	3 wks	End-Dec 2016		
			Further consideration of number and type of sub-funds required	3 wks	End-Dec 2016		
OP			Engagement days with PIN respondents	1 wk	Start-Dec 2016		
			Draft RfP, design criteria and assess criteria weightings	2 wks	End-Dec 2016		
Pass			Draft passive procurement manager specification	5 wks	Start-Dec 2016		
			OWG agree procurement method & JGC involvement	1 day	Mid-Dec 2016		
			Finalise passive procurement manager specification	2 wks	End-Dec 2016		