



Essex County Council

Essex Pension Fund Strategy Board

10:00	Wednesday, 20 March 2024	Committee Room 2 County Hall, Chelmsford, CM1 1QH
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For information about the meeting please ask for:

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Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

The following items of business have not been published on the grounds that they involve the likely disclosure of exempt information falling within Part I of Schedule 12A of the Local Government Act 1972. Members are asked to consider whether or not the press and public should be excluded during the consideration of these items. If so it will be necessary for the meeting to pass a formal resolution:

That the press and public are excluded from the meeting during the consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.

- 11 Website Procurement**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information);
- 12 Employer Update and Employer Risk Analysis**
To receive a verbal update and presentation from the Head of Actuarial and Funding
- 13 Pooling Update**
To receive a presentation from the Director for Essex Pension Fund
- 14 Urgent Exempt Business**
To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency.

Essex Pension Fund Strategy Board	PSB 01
Date: 20 March 2024	

Essex Pension Fund Strategy Board (PSB) Membership, Apologies and Declarations of Interest

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

This Report is for noting

Executive Summary

Report Type: Governance

The PSB continues to carry a vacancy for the Borough, City and District Councils representative position (formerly Cllr C Riley).

Apologies for absence have been received from Cllr A Hedley, substituted by Cllr M Durham, and Cllr D King, substituted by Cllr M Mackrory.

1. Purpose of the Report

- 1.1 To present Membership, Apologies and Declarations of Interest for the 20 March 2024 PSB.

2. Recommendation

- 2.1 That the Board should note:
 - Membership as shown overleaf;
 - Apologies and substitutions; and
 - Declarations of Interest to be made by Members in accordance with the Members' Code of Conduct and Essex Pension Fund's Conflict of Interest Policy.

3. Membership

(Quorum: 4)

11 members consisting of:

- seven Members of the Council;
- one Member representing District, City and Borough Councils in Essex;
- one Member representing Unitary Councils in Essex;
- one Member representing Scheme Members nominated by Unison; and
- one Member representing Other Employing Bodies nominated by the Employer Forum.

Membership

Representing

Councillor S Barker

Essex County Council (Chairman)

Councillor M Platt

Essex County Council (Vice Chairman)

Councillor A Goggin

Essex County Council

Councillor A Hedley

Essex County Council

Councillor M Hoy

Essex County Council

Councillor D King

Essex County Council

Councillor C Souter

Essex County Council

Councillor J Lamb

Southend-on-Sea City Council

Rachel Hadley

Other Employing Bodies

Vacant

Borough, City and District Councils

Sandra Child

Scheme Members

Minutes of the meeting of the Essex Pension Fund Strategy Board (PSB), held in Committee Room 2 at 10.00am on 13 December 2023

1. Membership, Apologies and Declarations of Interest

The report of the Membership, Apologies and Declarations of Interest was received.

Membership Present:

Essex County Council

Cllr M Platt	(Vice Chairman - in the Chair)
Cllr A Hedley	
Cllr D King	
Cllr C Souter	

Scheme Member Representative

Sandra Child	(UNISON)
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Other Employing Bodies' Representative

Rachel Hadley	Chelmer Housing Partnership
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The following Officers and Advisers were also present in support of the meeting:

Jody Evans	Director for Essex Pension Fund
Amanda Crawford	Head of Fund Compliance and Governance
Daniel Chessell	Head of Fund Administration and Operations
Sara Maxey	Head of Actuarial and Funding
Samantha Andrews	Head of Fund Investments
Senita Kaur	Compliance Analyst
Aleya Miah	Compliance Officer
Mary Lambe	Independent Governance and Administration Adviser (IGAA), AON

The following Essex Pension Fund Advisory Board (PAB) Members and Fund Officers were present as Observers:

Nicola Mark	Independent Chairman
Andrew Coburn	Scheme Member Representative (UNISON)
Cllr J Redsell	Thurrock Borough Council
Sheila Moorut	Lead Employer Analyst
Yetunde Akiode	Graduate Pension Trainee
Suzanne Sinclair	Compliance Analyst

Members noted that the meeting would be recorded to assist with the production of Minutes for the meeting.

Opening Remarks

The Chairman welcomed the Board, Observers and Advisers to the meeting. It was noted that Chairman, Cllr S Barker had sent her apologies and therefore Vice Chairman, Cllr Platt would act as Chairman in her absence.

Apologies for Absence

It was noted that Cllr S Barker, Cllr A Goggin, Cllr J Lamb along with PAB Members, James Durrant, Debs Hurst and Lloyd Williamson had sent their apologies.

Cllr Hoy was absent from the meeting.

Declarations of Interest

The following declarations were received:

Cllr M Platt is a Deputy Cabinet Member and is a member of the Audit, Governance and Standards Committee;

Cllr A Hedley declared that he is in receipt of an Aviva Group Pension and is the Chairman of the Audit, Governance and Standards Committee;

Cllr D King declared he is a member of the Audit, Governance and Standards Committee;

Sandra Child declared that she is in receipt of an Essex LGPS pension; and

Rachel Hadley declared she is the HR Director of Chelmer Housing Partnership (an Employer of the Fund).

Resolved:

The Board noted the content of the report.

2. Minutes of the PSB meeting held on 20 September 2023

The Minutes of the meeting of the PSB held on the 20 September 2023 were approved as a correct record and were signed by the Chairman.

The Chairman brought to Members' attention the matters arising and it was noted that:

- the Full Risk Register was published on the Fund's website on 05 October 2023;
- the Chairman and Cllr Hedley had written again to the Leader of the Council escalating the Board's concerns regarding external audit delays, as agreed, on 16 November 2023; and

- an update in regard to PSB Member representation would be provided at Agenda Item 6 of today's meeting.

3. **Update on Pension Fund Activity: Quarterly Update Report**

The Head of Fund Compliance and Governance updated the Board on progress in relation to the 2023/24 Business Plan as at 30 November 2023, Budget forecast outturn as at 01 December 2023, the Scorecard position as of 30 September 2023 and the Risk Register as of 30 November 2023.

Business Plan

It was noted that out of fifty-seven Business Plan priorities, ten had now been completed, thirty-eight were in progress and nine were not yet due to commence. This demonstrated good progress since the PSB meeting in September 2023.

Budget

Members were informed that, as at 01 December 2023, the Fund was forecasting a slight underspend of 0.6%. This was largely driven by the positive net effect of Service Level Agreement income covering operating expenditure, and reduced Custodian fees which offset the overspend of increased postage costs and additional administration work required.

Scorecard

Three movements had been recorded within the Exception Report relating to Governance and Administration Scorecard measures. One in Governance from red to green, relating to the completion of 3rd Party Transaction forms by PAB Members, and the remaining two in Administration from amber to green, relating to the annual Administration measures.

It was noted that three governance measures were assessed as "red":

- continuing vacancies on the PAB (following the departure of Cllr Bracken) and on the PSB (following the departure of Cllr Riley). Representatives were to be appointed by the Essex Leaders and Chief Executive Group which have not yet been received; and
- the remaining "red" measure related to External Audit which will remain red for the foreseeable future.

Six measures had been assessed as "amber":

- two in governance, namely eight risks not at their target score (86% were at target against a target of 90%) and one due to the 70% attendance rate at the PSB meetings held in Quarter 1 (against a target of 80%); and
- four annual administration measures not at their target score.

Risk Management

As at 30 November 2023, one movement had been recorded in the Governance section due to the failure to sign off the Essex County Council (ECC) Accounts resulting in the Essex Pension Fund now having three years of draft Annual Report and Accounts published on the Fund's website without an audit opinion. Therefore, this risk had been upgraded to the highest level from 12 (red) to 16 (red) in line with ECC's Risk Register.

It was confirmed that this risk was recognised as a Corporate Risk and has been flagged with the S151 Officer.

Members were also informed that a total of eight risks were not at their target score, unchanged since the last meeting.

Resolved:

The Board noted the latest Pension Fund Activity Report.

4. Update on Essex Pension Fund Accounts and External Audit

The Head of Fund Investments updated the Board on the latest position concerning delays to External Audit.

Members were also made aware that the Fund published its Annual Report and Accounts by the statutory deadline of 01 December 2023. However, like the two previous years, these were in draft without an audit opinion due to the continuing issues and delays with external audit.

BDO was yet to complete the 2020/21 audit for ECC, the deadline for which had now been extended to the end of January 2024. BDO had been invited to attend the Audit, Governance and Standards Committee meeting on Monday 18 December 2023 to provide their latest status update. A further update would be provided at the next meeting.

Resolved:

The Board noted the update.

5. Wider LGPS Update

The Director for Essex Pension Fund brought to the Board's attention that a new Minister for Local Government and a new Minister for Pensions and Financial Inclusion had been appointed as part of the November 2023 Cabinet reshuffle.

A verbal update on the outstanding wider LGPS legislation was provided and it was explained that the main outstanding items included:

- Cost Cap: remains outstanding; there have been no changes since the last meeting;

- McCloud: final updates to the EPF system will be complete by the end of January 2024. Letters to those Scheme Members who may meet the McCloud criteria are currently being processed and will be issued by 19 December 2023;
- Goodwin: amendments to legislation are in the process of being made;
- Good Governance: some elements are starting to come through despite of no formal guidance on this;
- The Pensions Regulator (TPR) Single Code: Parliament is yet to sign off the new Code;
- Pooling Guidance: a response from the Government to the pooling consultation has been received which has enabled Fund Officers to carry out analysis. Results will be reported to the February 2024 ISC meeting;
- Task Force for Climate-Related Financial Disclosures (TCFD): is work in progress, however no legislation has been received as of yet; and
- Pensions Dashboard: all Public Service Pension Schemes have been advised that this service will be going live in 2025.

Resolved:

The Board noted the update.

6. Update on PSB Member Representation

The Board received a report from the Head of Fund Compliance and Governance reminding Members that Sandra Child would be standing down as a PSB Member in March 2024. As she was a Scheme Member nominated by UNISON, it was agreed at the 20 September 2023 meeting, that Fund Officers approach UNISON to establish if they would like to nominate a replacement. Subsequently, UNISON have nominated Brian Pereira as the PSB Scheme Member representative to be appointed to the Board from 01 April 2024.

The Chairman thanked Sandra for her dedication to the PSB.

Resolved:

The Board:

- **agreed** to appoint Brian Pereira (UNISON) to replace Sandra Child from 01 April 2024 and for Fund Officers to issue the letter of appointment for a term of six years in line with the PSB's Terms of Reference;
- **agreed** for Fund Officers to invite the new Scheme Member representative, Brian Pereira, to observe its March 2024 meeting; and
- noted the content of the report.

7. Quarterly Reports

7a. Investment Steering Committee (ISC) Quarterly Report

The Head of Fund Investments provided the Board with a report detailing the ISC's activities since the previous Board meeting.

It was confirmed that the ISC had met on two occasions, on 11 October 2023 and 29 November 2023. However, due to publishing deadlines, the Board would be provided with a written update on the November meeting at its meeting on 20 March 2024.

The main items discussed at the 11 October 2023 meeting included:

- the approval of the Investment Strategy Statement (ISS) for publication following the full stakeholder consultation;
- the outcome of the Responsible Investment (RI) workshop on 18 September 2023 and progress against the RI Project Plan, most notably that the Fund has maintained signatory status to the Financial Reporting Council's (FRC's) UK Stewardship Code;
- the update on market returns and the global economy;
- the agreement, in principle, to move forward with transitioning the UK property mandate to a new investment manager, CBRE;
- the agreement to the recommendations arising from the structure review to rebalance the bond, equity and emerging market allocations including the agreement to a new bond allocation to investment grade credit;
- the update from the recent ACCESS Joint Committee meetings held in June and September 2023; and
- the Fund's response to the latest pooling Consultation which was approved using the Out of Committee Decision Making process and submitted to DLUHC on 02 October 2023.

Resolved:

The Board noted the content of the report.

7b. PAB Quarterly Report

The Board was advised that since their last meeting, the PAB had met on one occasion, on 20 September 2023. At that meeting, PAB Members discussed, in full, the PSB meeting held that day and no issues were raised. In addition, the Board received an update on progress on the PAB's 2023/24 Annual Workplan noting;

- good progress was being made against the PAB Annual Workplan;
- the "Fund Achievements" publication had been completed and submitted to the Scheme Advisory Board (SAB) this year to accompany the PAB Annual Report. It was explained that the document would be updated, submitted, and published on the Fund's

Website each year. Gratitude was extended to James Durrant, Employer Representative on the PAB who initially proposed the idea of the Fund Achievements document concept.

- a presentation was provided by the IGAA in regard to the proposed timeline for the Review of Management of Risk to be undertaken by the PAB. The Board was reminded that this related to the Fund's Risk Strategy, Risk Register, Cyber Policy, Business Continuity Policy and Plan and the interlinks these have with Essex County Council's policies and plans as well as to look at duplication and repetition as requested by the PSB. Updates would be provided at future meetings.

Resolved:

The Board noted the content of the report.

8. Policies and Publications

8a. Policy for Recording and Reporting Breaches of the Law

The PAB were asked to review the Fund's Policy for Recording and Reporting Breaches of the Law as part of the PAB Annual Workplan.

Following a light touch review of the Policy by Fund Officers in consultation with the IGAA, the PAB reviewed the Policy at its meeting on 20 September 2023. Alongside, they viewed a training video from the Fund's Local Government Technical Hub Analyst. A link to the video was issued to PSB Members on Monday 04 December 2023 for review. Members were encouraged to view the video as part of their Knowledge and Skills training.

It was explained that the Policy had been drafted in line with the current TPR Code of Practice 14 whilst publication of the new Code is pending. With no further amendments made by the PAB, they agreed to forward the revised Policy onto the PSB for approval.

Resolved:

The Board **approved** the revised Policy for Recording and Reporting Breaches of the Law and noted the content of the report.

8b. Governance Policy and Compliance Statement

Fund Officers, in consultation with the IGAA, had reviewed the Governance Policy and Compliance Statement which was due for review as part of this year's Business Plan activity.

Members were informed that an additional Annex (Annex C) has been incorporated to reflect the Fund's self-assessment against the SAB Good Governance review.

With further minor grammatical and presentational amendments made, the Policy had been provided for approval by the Board.

Resolved:

The Board **approved** the revised Governance Policy and Compliance Statement and noted the content of the report.

9. Training Plans Update

The Board was presented with an update in regard to their progress against the two-year Training Plan. It was explained that the majority of the outstanding areas to complete would be covered as part of future meetings or at the Back to Basics training day in January, by March 2024. However, it was highlighted that there may be some elements within their individual Training Plans where additional training would be required. Members were advised that they would be contacted individually regarding their individual training requirements.

A key area highlighted where commitment was required from the Board was The Pensions Regulator (TPR) and CIPFA Codes of Practice. Members were reminded that in order to achieve this element, the completion of the LGPS Online Learning Academy (LOLA) Modules was essential.

A different approach to incorporating LOLA would be suggested as part of the next iteration of the Knowledge and Skills Strategy and two-year Training Plan – however there was still an expectation that all Members should complete LOLA prior to 31 March 2024 prior to the launch of the new version which will go live on 01 April 2024. In view of this, it was agreed that training would be arranged in January 2024 for all Board/Committee Members to attend and complete LOLA together as part of an interactive session.

A discussion was held around an alternative, easier way of demonstrating knowledge and understanding. Fund Officers explained that this concern had already been raised and highlighted with Hymans Robertson who have confirmed that they would consider this feedback when further developing and updating LOLA.

Resolved:

The Board **agreed** that Fund Officers arrange a group LOLA training session in January 2024 and noted the update provided.

10. Schedule of Future Meetings and Events

The Head of Fund Compliance and Governance provided the Board with a report detailing the final Board meeting for the current municipal year, that being 20 March 2024. It was noted that 20 March 2024 would be Sandra Childs', UNISON Scheme Member's last meeting.

Members were reminded that the Back to Basics training day had been scheduled for 26 January 2024 and Members were asked to prioritise attendance.

Members were also reminded of the Local Government Association (LGA) Annual Governance Conference to be held on 18 and 19 January 2024 in York. However, the Board was advised that face to face attendance at this event was now fully booked with the option to attend online still available. Members were advised to contact the Compliance Team should they wish to attend virtually.

Resolved:

The Board noted the content of the report.

11. Urgent Part One Business

It was brought to the Board's attention that the Essex Pension Fund has been shortlisted for three 2024 Pensions Age Awards:

- DB Scheme of the Year Award;
- Pension Scheme Communication Award; and
- Best Investment Strategy Award.

The Board was made aware that the Awards Ceremony would be held in February 2024 and would provide an update after the event.

Resolved:

The Board congratulated the Fund on this achievement and noted the update.

Exclusion of the Public and Press

That the press and public are excluded from the meeting during the consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.

Resolved:

The Chairman brought to Members' attention the above statement and the Board **agreed** to proceed.

12. Employer Update and Employer Risk Analysis

The Board received an update from the Head of Actuarial and Funding in regard to Employer exits from the Fund.

It was explained that following the termination of an Employer, an Exit Credit was identified leaving a small surplus.

The Board were made aware of two Employer exits. These Employers have active Scheme Members and are trying to reduce costs by exiting and moving to alternative schemes.

Members were also presented with a summary of the latest Employer Risk Analysis undertaken by the Fund.

The latest update identified that six Employers are presenting a high, moderate, or moderate-high risk of failure as at 08 December 2023, with a low residual risk to the Fund due to all having guarantors.

Cllr Hedley declared that one of the Employers named had a contract with the Council where he is a Elected Member. This was noted by Fund Officers and captured on the Declarations of Interest Log.

Resolved:

The Board noted the content of the report.

The Chairman asked the Fund's IGAA to leave the room for the next items to be taken.

13. Independent Governance and Administration Adviser (IGAA) Contract Review

The Director for Essex Pension Fund provided the Board with the outcome of the second IGAA Contract Review which was undertaken on 26 September 2023 with Mary Lambe, from Aon.

The assessment was undertaken against the baseline captured in February 2022. The assessment was reviewed by the Chairman and Vice Chairman of the PSB and the Independent Chairman of the PAB noting that improvements had been made. No development needs or under achievements were identified as part of the assessment.

Resolved:

The Board noted:

- the assessment, as set out in Appendix A of the report, of the objectives of the Fund's IGAA, Aon;
- that Fund Officers were to periodically monitor and review Aon's progress and establish next steps as and when applicable;
- a formal assessment would be undertaken in 12 months' time with Aon, and the outcome reported back to the PSB in Q3 2024/25; and
- the content of the report.

14. Actuary Contract Review

The Board were presented with a presentation from the Director for Essex Pension Fund providing them with the outcome of the fourth triennial Fund

Actuary Contract Review which was undertaken during November 2023 with Graeme Muir, from Barnett Waddingham.

The assessment was undertaken against the contractual requirements. The assessment was reviewed by the Chairman and Vice Chairman of the PSB noting it as a baseline assessment using the new approach adopted by Fund Officers.

No development needs or under achievements were identified as part of the baseline assessment.

Resolved:

The Board noted:

- that Barnett Waddingham would continue as the Fund Actuary;
- that a further Service Review be undertaken by Officers in 2026/27 with the outcome reported back to a future PSB meeting; and
- the content of the report.

15. Pooling Update

The Director for Essex Pension Fund presented the Board with an update from the ACCESS Joint Committee (AJC) meetings held in June and September 2023 which were presented to the 14 June 2023 and 11 October 2023 ISC meetings respectively.

Key developments included:

- the re-appointments of Cllr Kemp Gee and Cllr Barker as Chairman and Vice Chairman of the AJC respectively;
- the completion of the sale of Link Fund Solutions to Waystone;
- the completion of the sale of MJ Hudson's advisory arm to Apex; and
- the submission of the Pool's response to the latest Pooling Consultation.

The Board were made aware that a further AJC meeting was held on Monday 04 December 2023 which would be reported to the February 2024 ISC and then the March 2024 PSB.

Resolved:

The Board noted the update provided.

16. Urgent Exempt Business

There was none.

Closing Remarks

The Chairman thanked those present for attending. There being no further business, the meeting closed at 11:35am.

Chairman
20 March 2024

DRAFT

Essex Pension Fund Strategy Board	PSB 03
Date: 20 March 2024	

Update on Pension Fund Activity: Quarterly Update Report

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford 03330 321763

This Report is for noting

Executive Summary

Report Type: Governance

The Quarterly Update Report is provided at Appendix A.

Business Plan – of **57** priorities, **53** activities have been completed with **4** no longer applicable to be completed in 2023/24.

Budget – as at 07 March 2024 the Fund is forecasting a slight underspend of **1.9%**.

Scorecard – as at 31 December 2023, **one** movement has been recorded within the Exception Report relating to a Governance measure.

Risk – as at 28 February 2024, **no** movements have been recorded since the last Board meeting.

1. Purpose of the Report

1.1 To provide the Board with the latest Pension Fund Activity Report on:

- progress against the 2023/24 Business Plan;
- Budget;
- Scorecard as at 31 December 2023; and

- Risk Management.

2. Recommendations

- 2.1 That the Board note the latest Pension Fund Activity Report.

3. Latest Position

- 3.1 The latest Pension Fund Activity Report at Appendix A outlines progress to date against the Fund's 2023/24 Business Plan and Budget, along with the Scorecard and Risk Register exception reports.

4. Key Developments to note

Business Plan

- 4.1 The Business Plan update can be found in Section A to this report. A summary of progress to date is shown in the table below:

Function	Total	Complete	In Progress	Not due to start	Not Applicable
Governance	17	15 (2)	0 (11)	0 (4)	2 (0)
Funding	8	8 (2)	0 (5)	0 (1)	0 (0)
Investments	18	17 (6)	0 (9)	0 (3)	1 (0)
Admin	7	7 (0)	0 (7)	0 (0)	0 (0)
Comms	7	6 (0)	0 (6)	0 (1)	1 (0)
Total	57	53 (10)	0 (38)	0 (9)	4 (0)

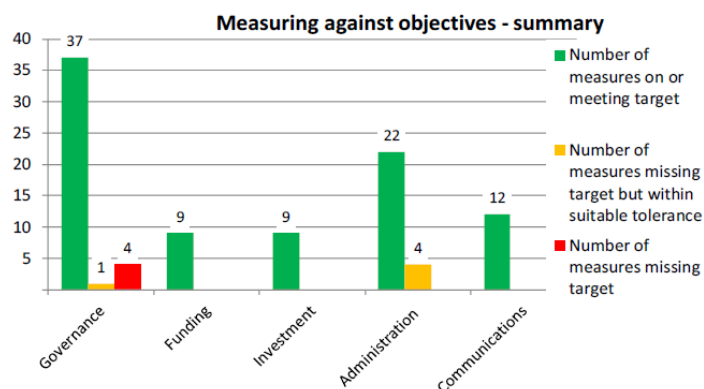
The numbers in brackets represent the progress reported at the 13 December 2023 meeting.

Budget

- 4.2 The 2023/24 Budget vs Forecast is shown in Section B to this report.

Scorecard

- 4.3 The Scorecard exception report has been provided at Section C to this report. A summary of the movements has been provided overleaf.



Scorecard Movements

- 4.4 One movement has been recorded within the Governance Section, from amber to red, in regard to the attendance at Essex Pension Fund Strategy Board (PSB) Meetings, falling from 70% to 60%.
- 4.5 The remaining three reds are in regard to external audit and the vacant positions held on both the PSB and Essex Pension Fund Advisory Board (PAB).
- 4.6 Positive movement has been made in regard to the 2020/21 Annual Report and Accounts with the accounts being signed off at the end of January 2024 and subsequently published on the Fund's website. However, the 2021/22 and 2022/23 external audits are still to be completed by BDO.

Risk Management

- 4.7 The Risk Register exception report has been detailed at Section D to this report. A summary of the movements has been provided below.

Risk Movements

- 4.8 No movements have been recorded since the last PSB meeting with eight risks not at their target score and no new risks added.

5. Link to Essex Pension Fund Objectives

- 5.1 Monitoring Pension Fund activity via the Business Plan, Risks and Scorecard assists the Fund in achieving all its objectives, and in particular to:

- provide a high-quality service whilst maintaining value for money;

- understand and monitor risk and compliance; and
- continually measure and monitor success against our objectives.

6. Risk Implications

- 6.1 Key risks are identified at Section D within the Risk Management section of the report.

7. Communication Implications

- 7.1 Other than ongoing reporting to the Board, there are no communication implications.

8. Finance and Resources Implications

- 8.1 To deliver the activities outlined in the Business Plan for 2023/24 a Budget of £6.48m has been approved which includes an operational internal budget of £4.02m and a budget allocation for third party provider support/advice of £2.46m. This will be periodically kept under review.

9. Background Papers

- 9.1 Update on Pension Fund Activity, PSB 03, 13 December 2023.
- 9.2 Update on Pension Fund Activity, PSB 03, 20 September 2023.
- 9.3 Update on Pension Fund Activity, PSB 07, 05 July 2023.

Essex Pension Fund

Update on Pension Fund Activity

Agenda Item 03



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- Section A: Business Plan Progress Update
- Section B: Budget vs Forecast Update
- Section C: Scorecard Update
- Section D: Risk Management

Essex Pension Fund

Section A

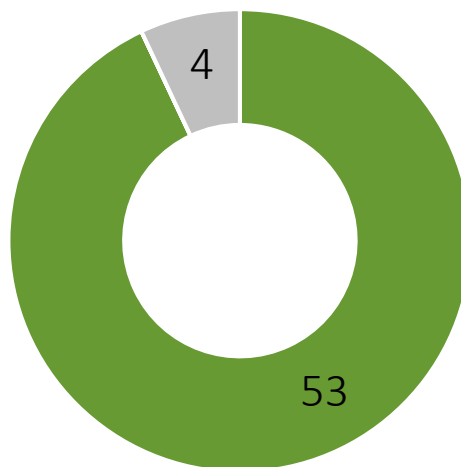
2024/25 Business Plan Progress Update

As at 28 February 2024



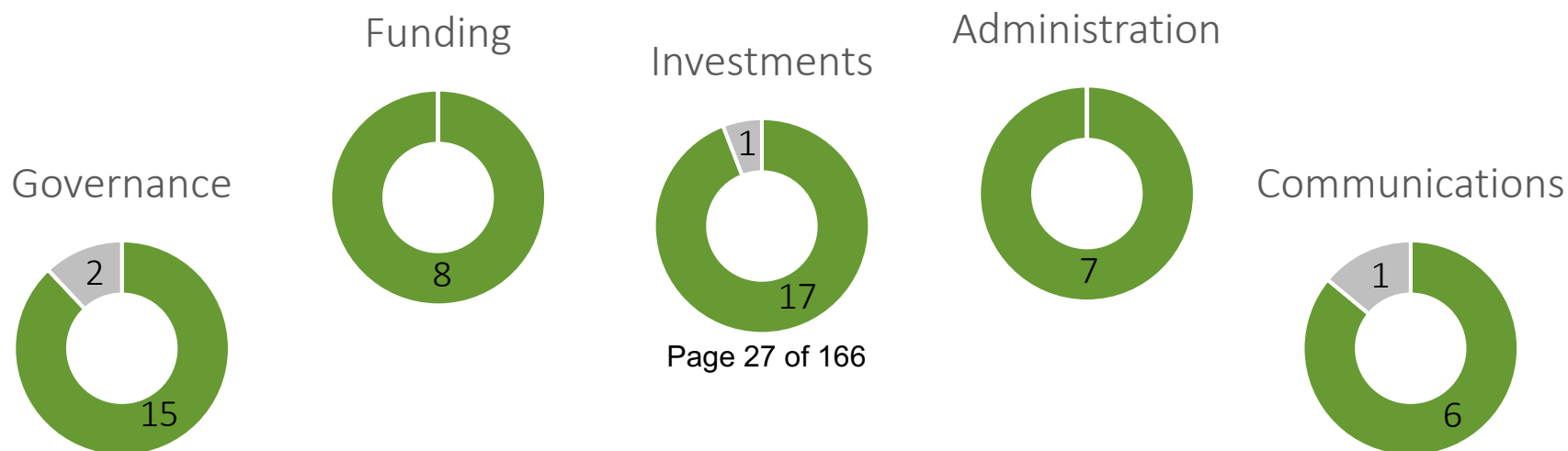
Strategic BAU & Key Priorities

Essex Pension Fund



Of 57 Priorities

■ Completed ■ In Progress ■ Delayed ■ Not due to start ■ Not Applicable



1. Progress - Governance

Strategic BAU & Key Priorities	P	C	CF
1. Agree 2024/25 Business Plan & Budget			Y
2. Annual review of PSB/ISC/PAB Terms of Reference			Y
3. Business Continuity Plan (including Cyber security) and Testing			Y
4. Annual Statement of Accounts including compliance with CIPFA requirements			Y
5. PAB Annual Workplan			Y
6. PSB and PAB Member Appointments			Y
7. Review of Fund’s Strategic Objectives			Y
8. LGPS Reform / Consultations / Changes to the Scheme			Y
9. Review of Governance Policy and Compliance Statement			N
10. Review of Policy for Recording and Reporting Breaches of the Law			N
11. Review of Knowledge and Skills Strategy			Y
12. Review of Members’ Training Plan and Training Needs Analysis			Y
13. Participation in Hyman Robertson Knowledge and Skills Assessment			N
14. Electoral / Succession Planning for PSB/ISC Members			Y
Continued....			

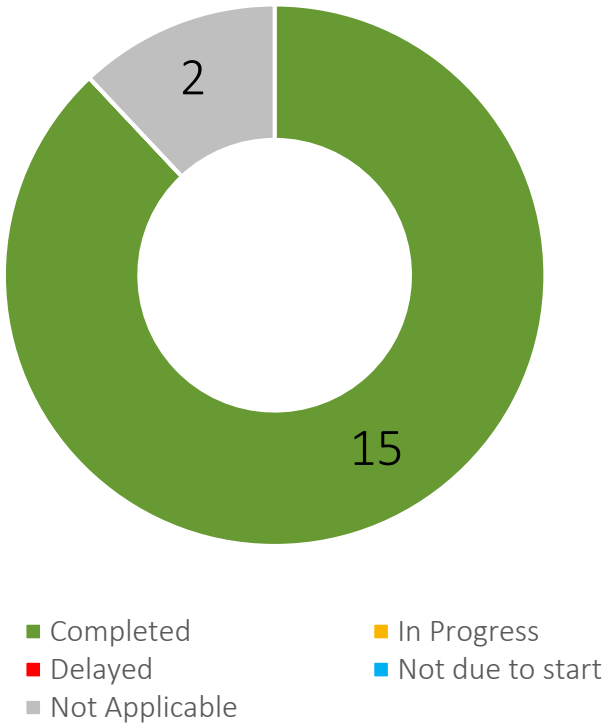
P - Previous

C - Current

CF - Carried Forward




Strategic BAU & Key Priorities



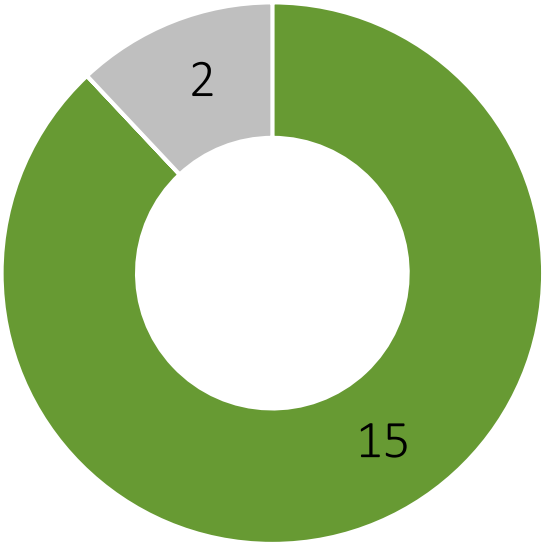
1. Progress - Governance

Strategic BAU & Key Priorities	P	C	CF
15. Scheme Advisory Board (SAB) Good Governance Project outcomes			Y
16. The Pensions Regulator (TPR) Code of Practice			Y
17. Independent Governance and Administration Adviser (IGAA) Contractual Review			N
NEW: Review of Risk Management Strategy			
NEW: Review of Business Continuity Policy			
NEW: Review of Cyber Policy			
NEW: Review of Stakeholder Engagement Strategy including Equality, Diversity and Inclusion (EDI)			

P - Previous
C - Current
CF - Carried Forward



Strategic BAU & Key Priorities



- Completed

Delayed

Not Applicable

In Progress

Not due to start

2. Progress - Funding

P - Previous

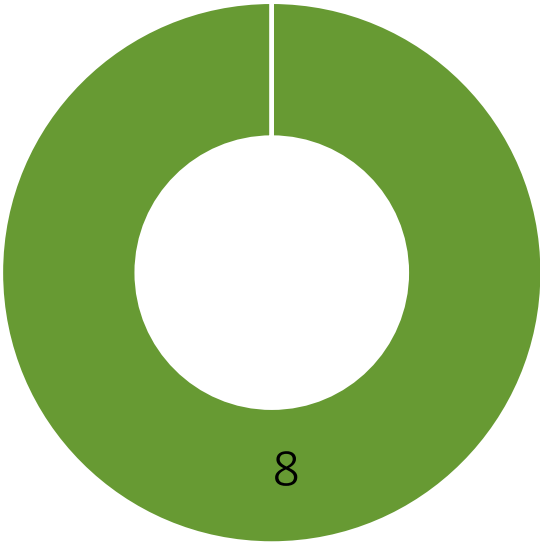
C - Current

CF - Carried Forward



Strategic BAU & Key Priorities	P	C	CF
1. Implementation of Actuarial Valuation			N
2. Employer Risk Exercise			Y
3. Exploration of Employer Risk Policy			N
4. Interim Funding Review			Y
5. Employing Authority discretions and delegations			Y
6. McCloud Preparation/Implementation			Y
7. Employer Training Webinars			Y
8. Actuarial Contractual Review			N

Strategic BAU & Key Priorities



- Completed

Delayed

Not Applicable
- In Progress

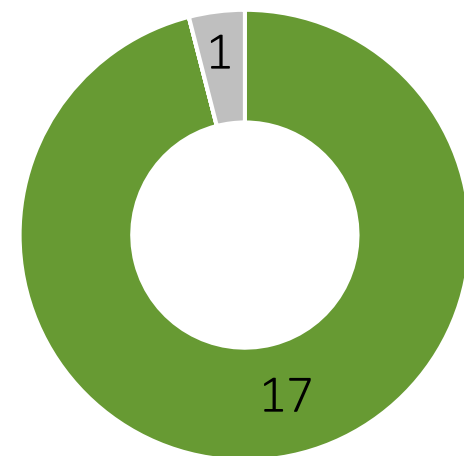
Not due to start

3. Progress - Investments



Strategic BAU & Key Priorities	P	C	CF
1. Annual Reporting on Responsible Investment (RI)			Y
2. Investment Strategy Statement Review including RI Policy			N
3. Annual review of Treasury Management Strategy			Y
4. Review of Strategic Asset Allocation (including impact Investing)			Y
5. Asset Liability Study (Total Fund Assessment)			N
6. Ongoing ACCESS collaboration			Y
7. Quarterly Individual Manager review (on an exceptional basis)			Y
8. Annual review of CEM Benchmarking/Cost Transparency			Y
9. Annual Signatory of the Financial Reporting Council (FRC) UK 2020 Stewardship Code			Y
10. Annual review of all investment managers' compliance with the Fund's RI and Stewardship Policy			Y
11. Climate Change Policy Objectives and Metrics (Task Force for Climate related Financial Disclosures (TCFD))			Y
12. Exploration of PLSA Responsible Investment Quality Mark (RIQM)			N
13. Exploration and development of Voting Policies (in line with ACCESS)			Y
14. Review of Annual Investment Scorecard			Y
15. Institutional Investment Consultant Contractual Review			N
16. Annual Institutional Investment Consultant – CMA review			Y
Continued....			

Strategic BAU & Key Priorities



■ Completed
■ Delayed
■ Not Applicable
■ In Progress
■ Not due to start

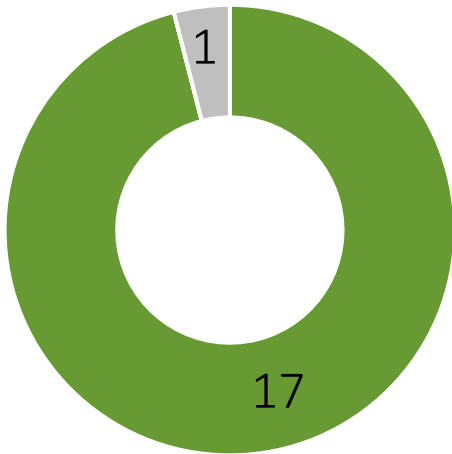
3. Progress - Investments

Strategic BAU & Key Priorities	P	C	CF
17. Independent Investment Adviser Contractual Review			Y
18. Continued exploration of External RI Adviser			Y
NEW: Review of Investment Managers Engagement Strategy			
NEW: Review of Cashflow Management			
NEW: Exploration of Policy and Metrics for Taskforce on Nature-related Financial Disclosures (TNFD)			
NEW: Implementation of Net Zero Journey Plan			

P - Previous
C - Current
CF - Carried Forward



Strategic BAU & Key Priorities



■ Completed ■ In Progress
■ Delayed ■ Not due to start
■ Not Applicable

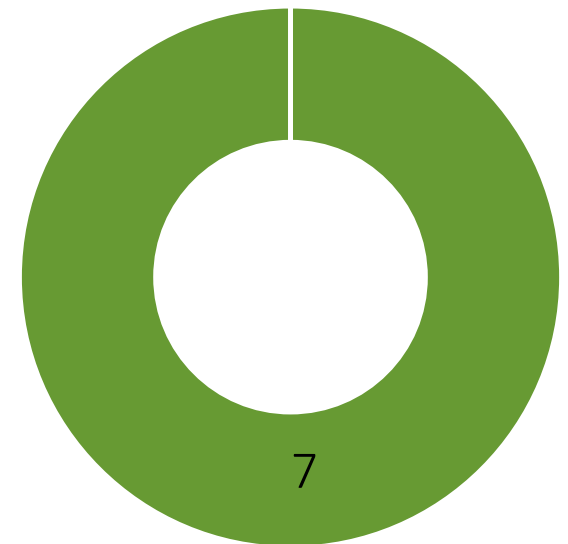
4. Progress - Administration

Strategic BAU & Key Priorities	P	C	CF
1. Development of a Data Retention Policy	In Progress	Completed	Y
2. LGPS Reform / Changes to Scheme / Planning for Administration changes	In Progress	Completed	Y
3. Implementation of Pensions Single payments – Phase 1	In Progress	Completed	Y
4. Greater Digitalisation of the Fund including Member Online, Employer Online and Retire Online	In Progress	Completed	Y
5. McCloud Preparation/Implementation	In Progress	Completed	Y
6. National Pensions Dashboard Legislation	In Progress	Completed	Y
7. Implementation of Monthly Returns Digital Transformation	In Progress	Completed	N
NEW: Review of Administration Strategy			

P - Previous
C - Current
CF - Carried Forward

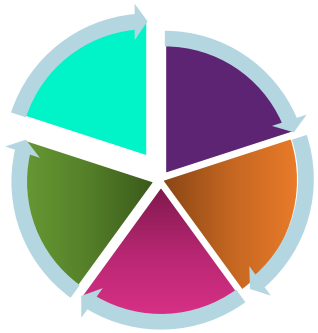


Strategic BAU & Key Priorities



■ Completed
■ Delayed
■ Not Applicable
■ In Progress
■ Not due to start

5. Progress - Communications



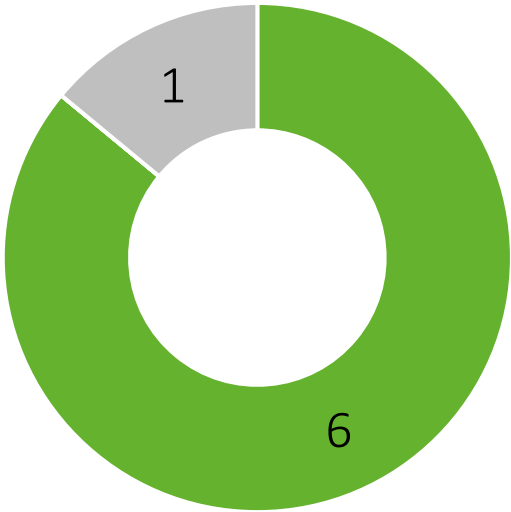
P - Previous

C - Current

CF - Carried Forward

Strategic BAU & Key Priorities

Strategic BAU & Key Priorities	P	C	CF
1. LGPS Reform / Communications of: Consultations / Changes to the Scheme			Y
2. Greater Digitalisation of the Fund including the exploration of Electronic Communications			Y
3. McCloud Implications			Y
4. Commencement of the exploration of new Website Options			Y
5. Digital Developments of Annual Benefit Statements			Y
6. Consultations (DLUHC, SAB, LGA etc)			Y
7. Board/Committee Task and Finish Groups			Y
NEW: Review of Stakeholder Engagement Strategy including Equality, Diversity and Inclusion (EDI)			



Completed

Delayed

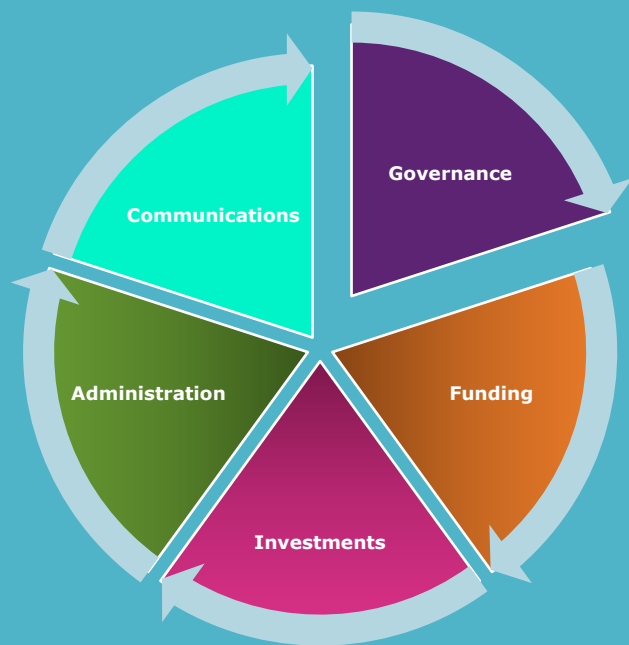
Not Applicable

In Progress

Not due to start

Commentary

1. Governance



Strategic BAU & Key Priorities		Commentary
1. Agree 2024/25 Business Plan & Budget		2024/25 Business Plan & Budget process has commenced. The Draft 2024/25 Budget is provided as part of this Agenda Pack for the Board's approval.
2. Annual review of PSB/ISC/PAB Terms of Reference		Complete.
3. Business Continuity Plan (including Cyber security) and Testing		Activity complete for 2023/24. Continued testing of the Plan is scheduled throughout 2024/25.
4. Annual Statement of Accounts including compliance with CIPFA requirements		Complete.
Page 35 of 166		
5. PAB Annual Workplan		Complete.



Strategic BAU & Key Priorities		Commentary
6. PSB and PAB Member Appointments		Activity complete for 2023/24.
7. Fund's Strategic Objectives		Not applicable – no changes required.
8. LGPS Reform / Consultations / Changes to the Scheme		Activity complete for 2023/24.
9. Review of Governance Policy and Compliance Statement		Complete.
10. Review of Policy for Recording and Reporting Breaches of the Law		Complete.
<p>Page 36 of 166</p> 11. Review of Knowledge and Skills Strategy		The Draft Knowledge and Skills Strategy is provided as part of this Agenda Pack for the Board's approval.



Strategic BAU & Key Priorities		Commentary
12. Review of Members' Training Plan and Training Needs Analysis		The Draft 2-year Training Plan is provided as part of this Agenda Pack for the Board's approval.
13. Participation in Hymans Robertson Knowledge and Skills Assessment		Complete.
14. Electoral / Succession Planning for PSB/ISC Members		Activity complete for 2023/24.
15. Scheme Advisory Board (SAB) Good Governance Project outcomes		Not applicable for 2023/24.
16. The Pensions Regulator (TPR) Code of Practice		Activity complete for 2023/24.
17. Independent Governance and Administration Adviser (IGAA) Contractual Review		Complete.

Commentary

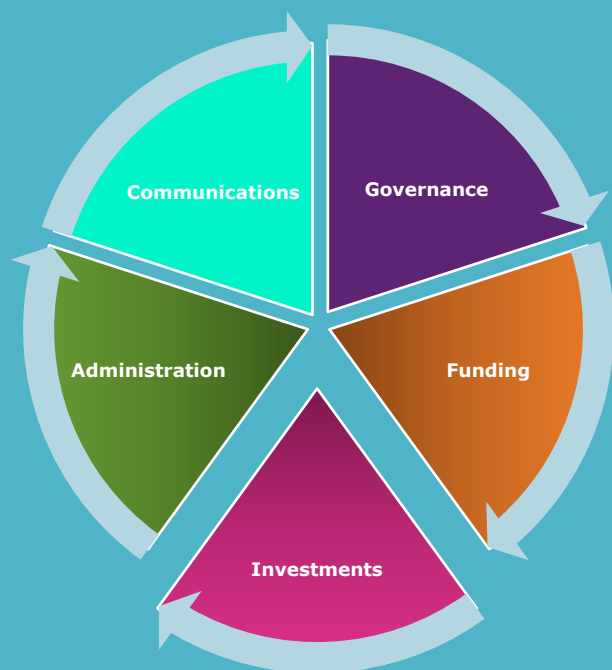
2. Funding



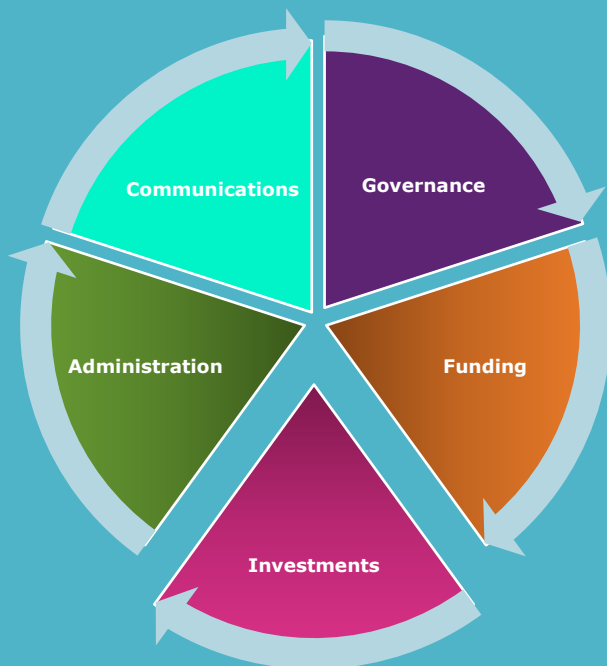
Strategic BAU & Key Priorities		Commentary
1. Implementation of Actuarial Valuation		Complete.
2. Employer Risk Exercise		Activity complete for 2023/24.
3. Exploration of Employer Risk Policy		Complete – no Policy required.
4. Interim Funding Review		Activity complete for 2023/24.
5. Employing Authority discretions and delegations		Activity complete for 2023/24.
6. McCloud Preparation/Implementation		Activity complete for 2023/24.
7. Employer Training Webinars		Activity complete for 2023/24.
Page 38 of 166		
8. Actuarial Contractual Review		Complete.

Commentary

3. Investments



Strategic BAU & Key Priorities		Commentary
1. Annual Reporting on Responsible Investment (RI)		Activity complete for 2023/24.
2. Investment Strategy Statement Review including RI Policy		Complete.
3. Annual review of Treasury Management Strategy		Activity complete for 2023/24. This was approved by the ISC at their 28 February 2024 meeting.
4. Review of Strategic Asset Allocation (including impact Investing)		Activity complete for 2023/24.
5. Asset Liability Study (Total Fund Assessment)		Complete.
6. Ongoing ACCESS collaboration		Activity complete for 2023/24.
7. Quarterly Individual Page 39 of 166 Manager review (on an exceptional basis)		Activity complete for 2023/24.



Strategic BAU & Key Priorities		Commentary
8. Annual CEM Benchmarking/Cost Transparency		Activity complete for 2023/24.
9. Annual Signatory of the Financial Reporting Council (FRC) UK 2020 Stewardship Code		Complete.
10. Annual review of all investment managers' compliance with the Fund's RI and Stewardship Policy		Activity complete for 2023/24.
11. Review of Climate Change Policy Objectives and Metrics (Task Force for Climate related Financial Disclosures (TCFD))		Complete.
12. Exploration of PLSA Responsible Investment Quality Mark (RIQM)		No longer applicable.
13. Exploration and development of Voting Policies (in line with ACCESS)		Activity complete for 2023/24.



Strategic BAU & Key Priorities		Commentary
14. Review of Annual Investment Scorecard		Complete.
15. Institutional Investment Consultant Contractual Review		Complete.
16. Annual Institutional Investment Consultant – CMA review		Activity complete for 2023/24.
17. Independent Investment Adviser Contractual Review		Complete.
18. External RI Adviser Exploration		Activity complete for 2023/24.

Commentary

4. Administration



Strategic BAU & Key Priorities		Commentary
1. Development of a Data Retention Policy		Complete. Continued development planned during 2024/25.
2. LGPS Reform / Changes to Scheme / Planning for Administration changes		Activity complete for 2023/24.
3. Implementation of Pensions Single payments – Phase 1		Activity complete for 2023/24.
4. Greater Digitalisation of the Fund including Member Online, Employer Online and Retire Online		Activity complete for 2023/24.
5. McCloud Preparation/Implementation		Activity complete for 2023/24.
6. National Pensions Dashboard Legislation		Activity complete for 2023/24.
Page 42 of 166		
7. Implementation of Monthly Returns Digital Transformation		Activity complete for 2023/24.

Commentary

5. Communications

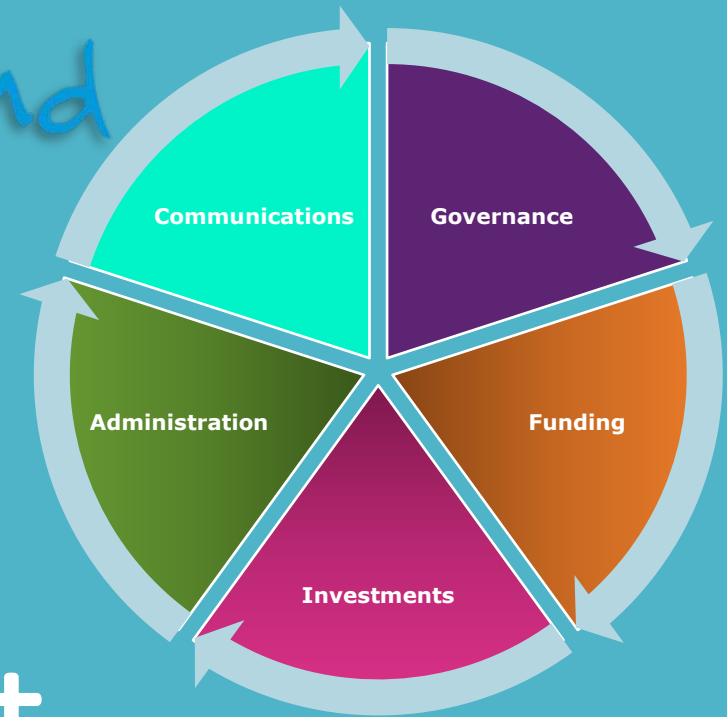


Strategic BAU & Key Priorities		Commentary
1. LGPS Reform / Communications of: Consultations / Changes to the Scheme		Activity complete for 2023/24.
2. Greater Digitalisation of the Fund including the exploration of Electronic Communications		Activity complete for 2023/24.
3. McCloud Implications		Activity complete for 2023/24.
4. Commencement of the exploration of new Website Options		Activity complete for 2023/24.
5. Digital Developments of Annual Benefit Statements		Activity complete for 2023/24.
6. Consultations (DLUHC, SAB, LGA etc)		Activity complete for 2023/24.
Page 43 of 166 7. Board/Committee Task and Finish Groups		Not applicable during 2023/24.

Essex Pension Fund

Section B

2023/24 Budget vs Current Forecast Q4 Update


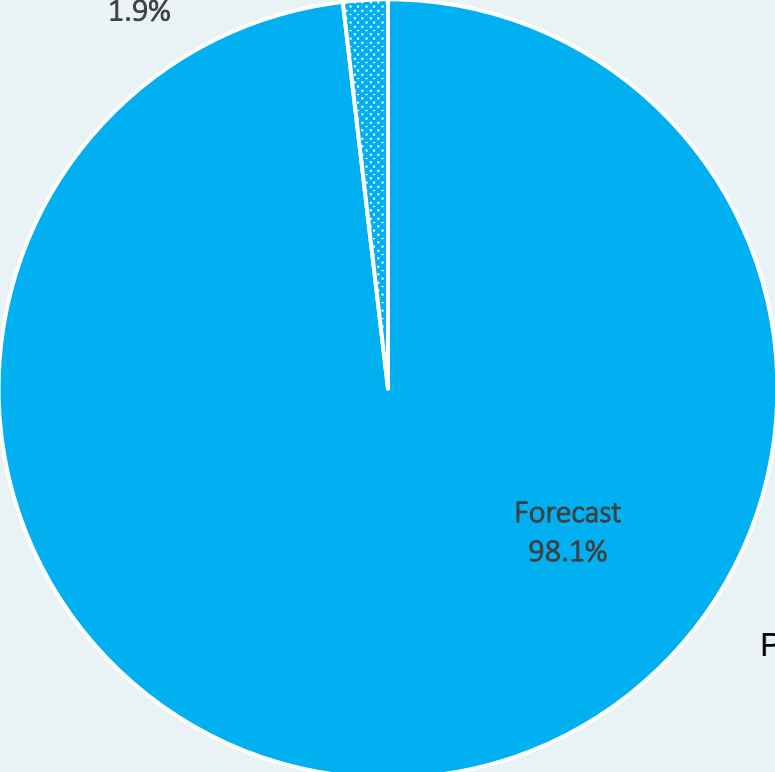







Date produced: 07 March 2024

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EPF Budget vs Forecast 2023/24

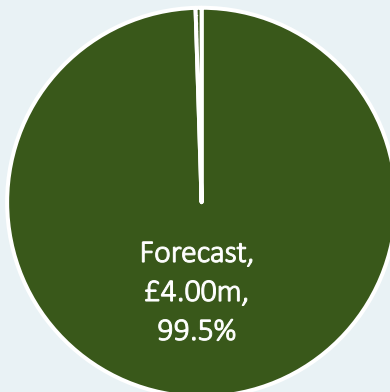
Q4 Progress Update

EPF Budget £6.48m	Current Forecast £6.36m	Variance (Under)/Overspend (£0.12m)	Rating 	Progress Update Commentary	Variance against Budget Key	
 <p>EPF Budget £6.48m</p> <p>Underspend 1.9%</p> <p>Forecast 98.1%</p>				Overall forecast a slight underspend vs EPF 2023/24 Budget. This underspend is largely driven by the positive net effect of Service Level Agreement income covering operating expenditure, reduced Custodian and IGAA fees, and cost of the new website falling now in 2024/25 which offsets an overspend in administration driven by additional McCloud work not originally budgeted for.	(Under) spend > 5%	
					(Under) spend < 5%	
					On Budget	
					Over spend < 5%	
					Over spend > 5%	

EPF Budget 2023/24: £6.48m

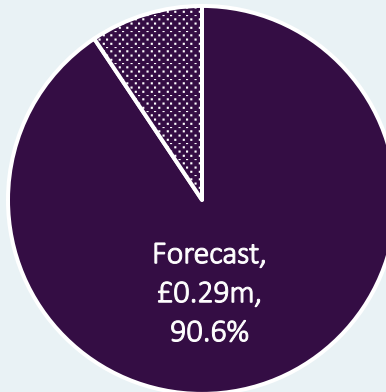
Operating
£4.02m (62.1%)

Underspend, £0.02m, 0.5%



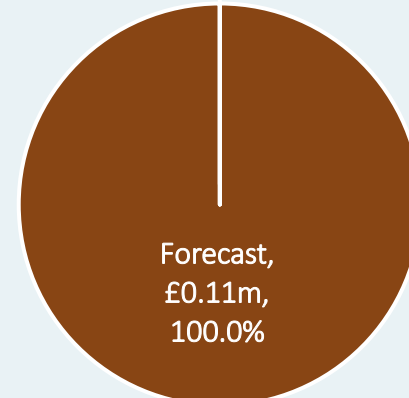
Governance
£0.32m (4.9%)

Underspend, £0.03m, 9.4%



Funding
£0.11m (1.7%)

Underspend, £0.00m, 0.0%



Variance against Budget: Rating

Budget Commentary

Forecast an underspend for the year. This is driven by the positive net effect of Service Level Agreement income covering operating expenditure.

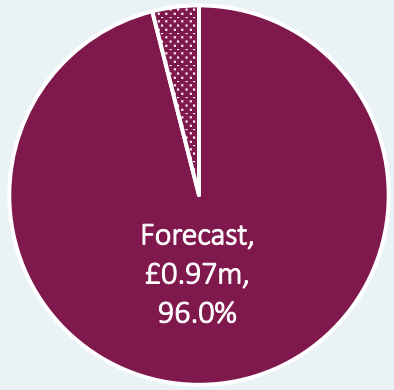
Forecast an underspend for the year. This is because of reduced IGAA costs which were lower than expected due to the Fund awaiting guidance on the Good Governance project and the delay in the Pension Regulator's Single Code which was only released at the back end of 2023/24.

Forecast expenditure to be on target for 2023/24.

EPF Budget 2023/24: £6.48m

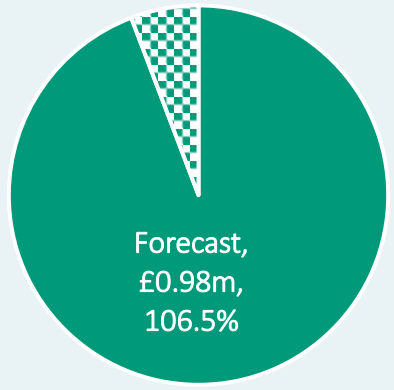
Investments
£1.01m (15.6%)

Underspend, £0.04m, 4.0%



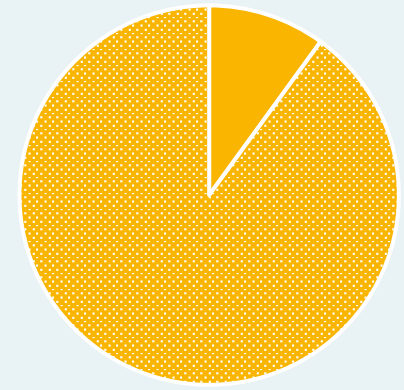
Administration
£0.92m (14.2%)

Overspend, £0.06m, 6.5%



Communication
£0.10m (1.5%)

Underspend, £0.09m, 90.0%



Variance against Budget: Rating



Budget Commentary

Forecast an underspend for the year. This is driven by reduced actual Custodian fees.

Forecast an overspend for the year. This is driven by increased postage costs and additional administration work required around McCloud not originally budgeted for.

Forecast an underspend for the year. This is because the new website and majority of the associated costs will now be deferred to 2024/25.

Essex Pension Fund

Section C

2023/24

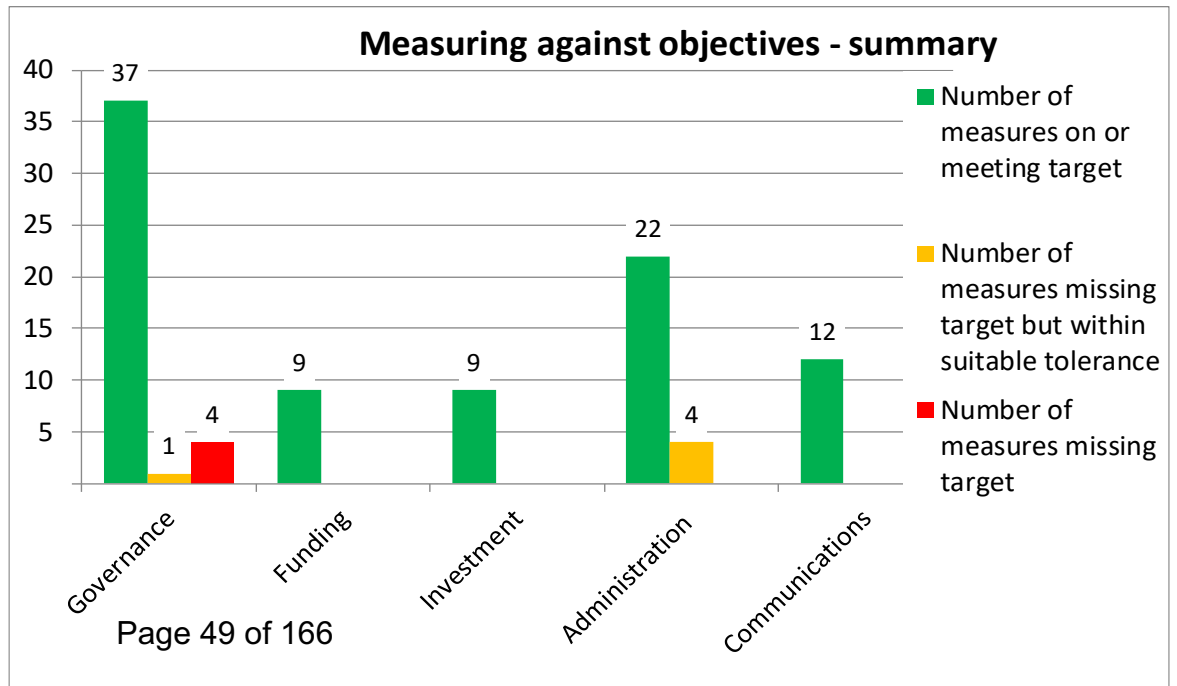
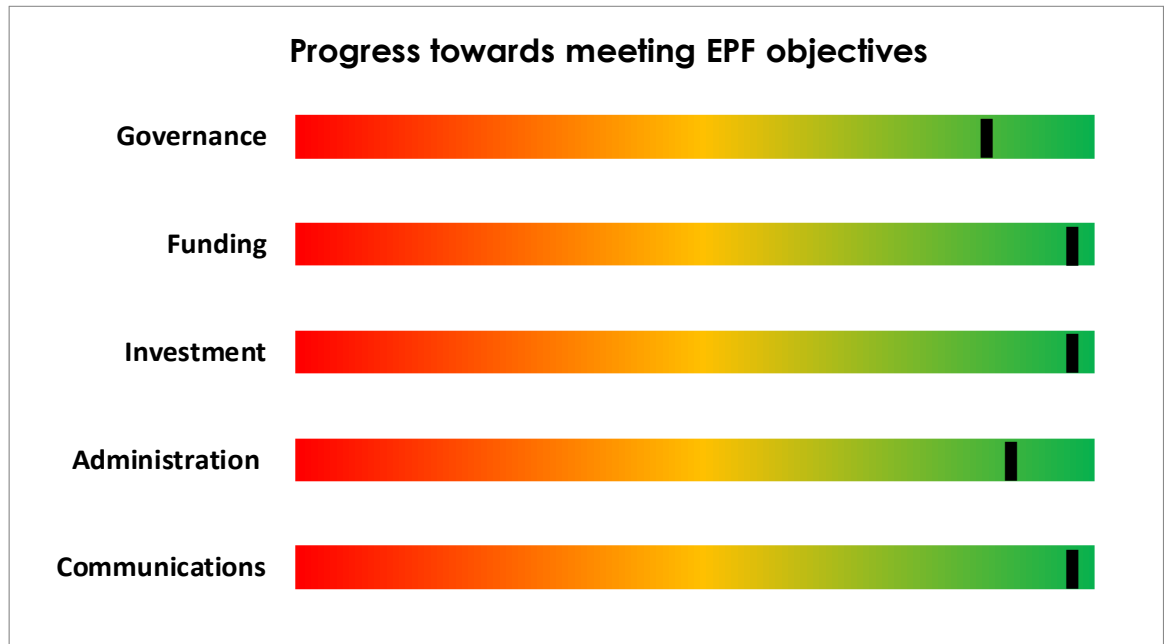
Scorecard

Update

01 October 2023 - 31 December 2023



Current Status

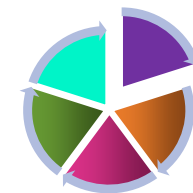


Movements since previous Scorecard

Governance	Funding	Investment	Administration	Communications
	No movements since last quarter	No movements since last quarter	No movements since last quarter	No movements since last quarter

The numbers on the arrows represent the number of measures moving each way

Exceptions - Governance



Measure	Target	Score as at 30 September 2023	Score as at 31 December 2023	Detail	Trend
1.3.7. % attendance at meetings by PSB	80%	70%	60%	One PSB meeting took place during this scorecard period, on 13 December 2023. 70% was reported at the 13 December 2023 PSB.	
1.5.5. PSB has provision for representatives of employers and scheme members. Appointees are currently in place	Yes	No	No	Notification of Cllr Riley's replacement had not yet been received from the Essex Leaders and Chief Executives Committee. An update should be provided by the end of February 2024.	
1.5.6. PAB has provision for representatives of employers and scheme members. Appointees are currently in place	Yes	No	No	Notification of Cllr Bracken's replacement had not yet been received from the Essex Leaders and Chief Executives Committee. An update should be provided by the end of February 2024.	
1.6.5. EPF have been subject to audit by External Auditors	Yes	No	No	The Fund's External Audit Completion Report for 2020/21 has been signed off during January 2024 and published in the Fund's website. The 2021/22 and 2022/23 audits are yet to be completed by BDO.	

Essex Pension Fund

Section D

2023/24 Risk Management Update



28 February 2024

Essex Pension Fund

Current Status

Probability

Almost Certain (4)				1 (1)
Likely (3)		4 (4)	2 (2)	1 (1)
Possible (2)		13 (13)	8 (8)	3 (3)
Unlikely (1)		8 (8)	12 (12)	4 (4)
	Minor (1)	Moderate (2)	Major (3)	Critical (4)

Impact

Exceptions — Not at Target Score



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G1. Fund Governance High turnover in Board/Committee Members and/or Essex Pension Fund (EPF) staff, there is a risk of failure of governance arrangements to match up to statutory requirements and recommended best practice, leading to ineffective working relationships, financial loss and reputational damage	8	8	<ol style="list-style-type: none"> 1. Essex Pension Fund Strategy Board (PSB) is in place (Essex County Council's (ECC's) s101 Committee). 2. Essex Pension Fund Investment Steering Committee (ISC) is in place (ECC's s101 Sub-Committee). 3. Essex Pension Fund Advisory Board (PAB) is in place (is the Local Pension Board as required under Public Service Pensions Act (PSPA) 2013). 4. Essex Pension Fund (EPF) routinely monitor the Business Plan, Risk Register and Scorecard. All of which are reported to the PSB at each meeting ensuring Governance Processes are being routinely monitored. 5. EPF work with the Independent Governance & Administration Adviser (IGAA) to seek guidance on work practices. Advice also taken from other Advisers within the Fund (Investment / Fund Actuary). 	4



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G1. Fund Governance Continued.....	8	8	<p>6. EPF monitor and use Governance networks for best practice, e.g. Local Government Association (LGA).</p> <p>7. Knowledge and Skills Strategy and Group/Individual Training Plans are in place for Members. Individual Development Plans are in place for staff including induction training, ECC and EPF e-learning. LGPS Online Learning Academy (LOLA) used by Members and Management Team. Attendance to Webinars/Seminars/Conferences by Members and Staff as identified within the Knowledge and Skills Strategy.</p>	4

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
<p>G2. Disclosure of Information</p> <p>Failure to disclose material facts, or the disclosure of incorrect or incomplete information in the Report and Accounts or during the audit, leads to incorrect or incomplete information published in the Report and Accounts, leading to reputational damage and financial loss</p>	9	9	<ol style="list-style-type: none"> 1. External audit programme of works.. 2. Internal audit programme of works. 3. External audit provides a comment in regard to consistency when reviewing the Annual Report and Accounts. 4. EPF Officers within the Investment Team are provided with the relevant training to carry out the requirements of the completion of the Annual Report and Accounts including Financial background or equivalent qualifications. 5. EPF Officers are made aware (through induction and other relevant training) of the tasks they undertake to fulfill their role and the output and impact this has on the production of the Annual Report and Accounts. 	4

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G2. Disclosure of Information Continued.....	9	9	6. Essex Pension Fund (EPF) follows the Chartered Institute of Public Finance & Accountancy (CIPFA) guidance and Code of Practice for the Annual Report and Accounts content.	4



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
<p>G3. Board/Committee Member Knowledge and Expertise</p> <p>Due to a lack of expertise, insufficient knowledge and maintenance of the Essex Pension Fund Strategy Board (PSB), Essex Pension Fund Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board (PAB) arising out of high turnover and/or changes within the Local Government Pension Scheme (LGPS) benefit structure, regulations and associated directives/deliverables increase the risk of poor decision and policy making resulting in unprofitable investments and funding</p>	6	6	<ol style="list-style-type: none">1. Knowledge and Skills Strategy for Board/Committee Members and Group/Individual Training Plans are in place and are reviewed periodically.2. PSB/ISC/PAB Members have to complete specific Chartered Institute of Public Finance & Accountancy (CIPFA) modules and The Pensions Regulator (TPR) within a two-year cycle which is included within the LGPS Online Learning Academy (LOLA).3. Induction training for new Members within 3 months of appointment along with a Training Needs Analysis (TNA) carried out within 6 months of appointment enabling their Individual Training Plan to be developed.4. Training Plans are reviewed/adapted to reflect changes within LGPS.	4

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G3. Board/Committee Member Knowledge and Expertise Continued.....	6	6	5. Essex Pension Fund (EPF) use Advisers, e.g. the Independent Governance & Administration Adviser (IGAA), to provide relevant information and recommendations. 6. Progress made against the training plans is recorded and monitored. 7. Mechanisms are in place to recruit vacancies as they arise. Elections are monitored by the Compliance Team. 8. An exploration exercise is being carried out with Advisers and Fund Officers to establish aspirations to enable succession planning.	4



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G4. Staff Knowledge and Expertise There is a risk that the failure of Officers to maintain sufficient levels of competence and/or resource to discharge their duties could lead to retention of inefficient staff, therefore, relying on key officers impacting on the wellbeing of staff and a reduced work rate for the Fund	6	6	<ol style="list-style-type: none">1. Essex Pension Fund (EPF) Development Plans are in place through My Performance on the My Learning Portal.2. EPF staff attend training events, engage with peer groups, and work towards the Chartered Institute of Public Finance & Accountancy (CIPFA) Knowledge and Skills Framework as part of the LGPS Online Learning Academy (LOLA). Attendance at training offered by LGA that is role specific is also encouraged.3. EPF staff training is recorded and monitored.4. Teams ensure Standing Operating Procedures (SOPs) are produced to cover key processes.5. EPF utilises external consultants and independent Advisers to help in the short term to assist.	3



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G4. Staff Knowledge and Expertise Continued.....	6	6	6. An exploration exercise is being carried out with Advisers and Fund Officers to establish aspirations to enable succession planning.	3

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G13. Cyber Risk Due to cybercrime activities impacting on integrity, there is a risk of inability to carry out day-to-day business functions, which would result in reputational damage and financial loss	12	12	<ol style="list-style-type: none"> 1. Essex Pension Fund have a Cyber Policy in place and guidance within the Policy is shared with Essex Pension Fund Staff along with the Members of the Essex Pension Fund Strategy Board (PSB), Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board and the Fund's Advisers. 2. Essex Pension Fund have a Business Continuity Policy and Plan in place, which is tested periodically. 3. Essex Pension Fund have a Policy for the Recording and Reporting of Breaches of the Law which is linked to the Cyber Policy for the reporting of Cyber related incidents. 	4

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G13. Cyber Risk Continued.....	12	12	<p>4. Mitigations have been collated from Essex County Council (ECC) as the Host Authority along with the Fund's third party providers including Advisers and Investments Managers, Global Custodian and ACCESS which are periodically reviewed.</p> <p>5. Fund Officers are in the process of developing third party, Host Authority and Employer questionnaires to ascertain further controls these stakeholders have in place.</p>	4



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
<p>G14. Regulatory Changes</p> <p>The Fund may have insufficient resources and inadequate governance arrangements to implement the changes required by LGPS Regulations, and other relevant legislation, including The Pension Regulator's Code of Practice which could lead to the Fund not fulfilling its strategic objectives resulting in financial loss and reputational damage</p> <p>Known changes include: McCloud, Cost Cap, £95k Cap, Goodwin, Academisation, Cost Management Review, SCAPE Rate Changes, GMP Equalisation, Pension Dashboards</p>	9	9	<ol style="list-style-type: none"> 1. Essex Pension Fund (EPF) and their Advisers are actively involved in the development of the LGPS. 2. EPF monitor the current and new regulations and correspondence from Department for Levelling Up, Housing and Communities (DLUHC) and Local Government Association (LGA). 3. EPF keeps abreast of developments, participating in consultations and collaborating with other Funds. 4. EPF utilise the expertise of their Independent Administration and Governance Adviser (IGAA) 5. Additional Resources are requested from the Head of Paid Service to enable the Fund to continue to meet its obligations as and when required. 	4

Exceptions - Governance



Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G14. Regulatory Changes Continued.....	9	9	6. A McCloud project team was set up in autumn 2019 to ensure requirements are being actioned and communicated with Employers. The Fund will continue to communicate with Employers, and updates on the latest developments will be provided throughout the year.	4



Exceptions - Governance

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
G17. Annual Report Accounts Failure to sign off the Essex County Council Accounts directly impacts Essex Pension Fund, Fund Employers (Tax Raising Bodies) signing off their accounts, and could impact the Fund's ability to provide the actuary with timely and accurate data for the Actuarial Valuation resulting in reputational damage to the Fund and a knock-on effect for further audits to be carried out	12	16	1. Regular communications between Pension Fund Lead Officers and ECC Finance Chief Accountant 2. Fund Officers work with External Auditor to plan (as far as possible) and manage the 2021/22 and 2022/23 audit processes 3. Workload planning for Essex Pension Fund team 4. Communications with Fund Employers to keep them updated on the progress 5. Communications with Fund Actuary to keep them updated on the progress 6. Positive movement has been made in regard to the outstanding accounts with the Fund's 2020/21 Annual Report and Accounts signed off at the end of January 2024. However, the Fund are still waiting for the completion of the 2021/22 and 2022/23 audits.	2




Exceptions - Administration

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
<p>A3. Data Management</p> <p>Failure to maintain proper records leading to inadequate data resulting in failure to pay the correct pensions to the right people at the right time.</p>	4	4	<ol style="list-style-type: none"> 1. Data cleansing exercises take place at least annually or as and when required. Common and Scheme Specific data checks are carried out. 2. Essex Pension Fund (EPF) ensure the System is tested regularly to ensure compliance with regulations. 3. Robust checking and validation of data takes place in calculations and receipt of information from employers. 4. EPF ensures staff are adequately trained by developing and implementing training plans along with encouraging staff to undertake professional qualifications. 5. Payroll is conducted earlier than required to allow issues to be rectified prior to payment. 6. Liaise with Essex County Council (ECC) Supplier and Service team to ensure ECC BACS system is secure, (cont.) 	3



Exceptions - Administration

Risk Details	13 Dec Rating	Current Rating	Controls / Mitigations	Target Score
A3. Data Management Continued.....	4	4	<ul style="list-style-type: none">6. (cont.) reliable and up-to-date with required software on an ongoing basis. There is reliance on ECC BACS software solution to ensure payroll is completed at the required point in time.7. EPF conducts monthly and year-end data cleansing.8. EPF has its own General Ledger on 'My Oracle' separate from ECC.9. EPF hold their own Bank Account which was appointed via ECC through the relevant Framework. This contract is currently under review by ECC and EPF are ensuring they are plugged into this to ensure the preferred provider can carry out all aspects of the current provider and that transition, if applicable, is smooth and does not cause any issues with the BACS Cloud solution and the payment to the Fund's Pensioners.	3

Essex Pension Fund Strategy Board	PSB 05a 
Date: 20 March 2024	

Essex Pension Fund Policies and Publications: Essex Pension Fund Three Year Business Plan and 2024/25 Budget

Report by the Director for Essex Pension Fund

Enquiries to Jody Evans on 03330 138489

This Report requires a decision

Executive Summary

Report Type: Governance

New activities on the 2024/25 Business Plan include:

- the review of Fund Policies including: Risk Management Strategy; Business Continuity Policy; Cyber Policy; Stakeholder Engagement Strategy; and Investment Managers Engagement Strategy;
- the review of Cashflow Management;
- the exploration of a Policy and Metrics for Taskforce on Nature-related Financial Disclosures (TNFD);
- the implementation of the Net Zero Journey Plan;
- the retender of the Independent Investment Adviser (IIA); and
- the development of the Fund's new website.

A Budget of £7.17m has been proposed to support the Fund's 2024/25 Business Plan areas of activities.

1. Purpose of the Report

- 1.1 To submit the Essex Pension Fund (EPF) Three Year Business Plan for 2024/25 to 2026/27 and proposed 2024/25 Budget for approval.

2. Recommendation

2.1 That the Board **approve** the:

- EPF Three Year Business Plan for 2024/25 to 2026/27; and
- Budget for 2024/25 of £7.17m as detailed in the Business Plan.

3. Background

- 3.1 It is recommended best practice for Local Government Pension Schemes (LGPS) to prepare a Business Plan and Budget which are approved by the Board/Committee discharged with decision making responsibilities. This recommendation was reinforced by the work undertaken by Hymans Robertson on behalf of the Scheme Advisory Board (SAB) in regard to the Good Governance Project in the LGPS.
- 3.2 In addition, Regulation requires pension fund assets to be ring-fenced. The Fund is run on behalf of over 770 Active Employers and 181,267 Scheme Members, from a range of public, private, and quasi-public organisations across Essex. All the costs (and efficiencies) of administering the Fund are met by (or benefit) the Fund.
- 3.3 Each year the Essex Pension Fund Strategy Board (PSB) approves the EPF Business Plan and Budget for the forthcoming financial year with progress against each area of business activity measured and progress reported back to the Board on a quarterly basis.

4. 2024/25 to 2026/27 Business Plan

- 4.1 This is the fifth iteration of the Three-Year Business Plan with the Board approving the first at their 04 March 2020 meeting.
- 4.2 In line with the previous approved version, the 2024/25 to 2026/27 Business Plan continues to document key priorities to achieve the Fund's strategic objectives including: governance of the Fund and decision making; its strategic goals; areas of activity; staff and financial resource implications as well as a further look at the challenges that are on the horizon for the Fund.

5. 2024/25 Budget

- 5.1 It is also best practice to include a Budget within the Business Plan. As such, the Fund's Business Plan includes the proposed 2024/25 Budget.
- 5.2 The EPF internal operational budget (staff, overheads, general expenses) for 2024/25 has been set in line with and follows Essex County Council's (ECC's) budgetary setting process as laid out by the S151 Officer. Separately from this, a budget allocation has been made in respect of all main external third-party support/advice provided to EPF.

5.3 The Fund is proposing a Budget of £7.17m. This is made up of £4.42m operational budget and £2.75m for third party supplier support/advice.

5.4 The table below sets out the current 2023/24 Budget, Forecast and proposed 2024/25 Budget:

Budget Area	2023/24 Budget	2023/24 Final Forecast	2024/25 Proposed Budget	Movement compared to 2023/24 Budget	
	£m	£m	£m	£m	%
Operating Budget	4.02	4.00	4.42	0.40	10.0%
Governance	0.32	0.29	0.38	0.06	18.5%
Funding	0.11	0.11	0.16	0.04	45.5%
Investments	1.01	0.97	1.10	0.09	8.9%
Administration	0.92	0.98	1.01	0.09	9.8%
Communications	0.10	0.01	0.10	0.00	0.0%
Total	6.48	6.36	7.17	0.69	10.7%

5.5 The increase in the 2024/25 Budget is driven largely by inflationary increases in the third-party supplier's support/advice budget lines along with the 2025 valuation wrap up costs.

5.6 The Operating budget line of £4.42m is set by ECC budgetary process and all operational costs will be recharged back by ECC to EPF.

5.7 The third-party supplier support/advice lines reflect the work required to meet statutory obligations arising from the LGPS Reform and the Fund's 2024/25 strategic activities.

5.8 The 2024/25 to 2026/27 Business Plan along with the 2024/25 Budget has been provided at Appendix A of this Report for approval by the Board.

6. PAB Annual Workplan

6.1 In line with the 2023/24 Business Plan, Fund Officers have developed the third iteration of the Essex Pension Fund Advisory Board (PAB) Annual Workplan which sets out the work to be undertaken by the PAB to support the PSB work programme during 2024/25.

6.2 The activities within the Workplan include:

- contribution to the Fund's Website Review;
- the review of the Fund's Management of Risk including the Risk Management Strategy, Business Continuity Policy and the Cyber Policy;
- the review of the PAB Pamphlet;
- the work to be undertaken to ensure compliance with both:
 - The Pensions Regulator's (TPR's) new General Code; and
 - the pending Statutory Guidance that will be issued by Department for Levelling Up, Housing and Communities (DLUHC) in regard to the Scheme Advisory Board (SAB) Good Governance Project.

6.3 The Workplan has been provided at Appendix B for the Board's consideration.

7. Link to Essex Pension Fund Objectives

7.1 Identifying and monitoring EPF activity via the Business Plan assists the Fund in achieving all of its strategic objectives, and in particular to:

- provide a high-quality service whilst maintaining value for money;
- ensure the Fund is managed and its services delivered by people who have the appropriate knowledge and expertise;
- act with integrity and be accountable to our stakeholders;
- deliver a high quality friendly and informative service to all beneficiaries and employers at the point of need;
- continually measure and monitor success against our objectives; and
- ensure our communications are useful and easy to follow.

8. Risk Implications

- 8.1 Failure to develop and publish a Three-Year Business Plan could result in:
- failure of governance arrangements to match up to statutory requirements and recommended best practice leading to financial loss and reputational damage.

9. Communication Implications

- 9.1 The Three-Year Business Plan will be published on the Fund's website.
- 9.2 Other than ongoing reporting to the Board, there are no communication implications.

10. Finance and Resource Implications

- 10.1 To deliver the activities outlined in the Business Plan for 2024/25 a Budget of £7.17m has been estimated which includes an operational internal budget of £4.42m and a budget allocation for third party provider support/advice of £2.75m. This will be periodically kept under review.

11. Background Papers

- 11.1 EPF Three Year Business Plan, PSB 05a, 22 March 2023.

Business Plan

2024/25 to 2026/27

March 2024



Essex Pension Fund

Business Plan



Introduction

This Business Plan explains how the Essex Pension Fund 'the Fund' intends to develop and improve its services over the next three years.

It enables the Fund to focus on its key priorities, the achievement of its objectives and assists Stakeholders in their understanding of how they contribute to the overall success of the Fund.

About the Essex Pension Fund ('the Fund')

Key Facts

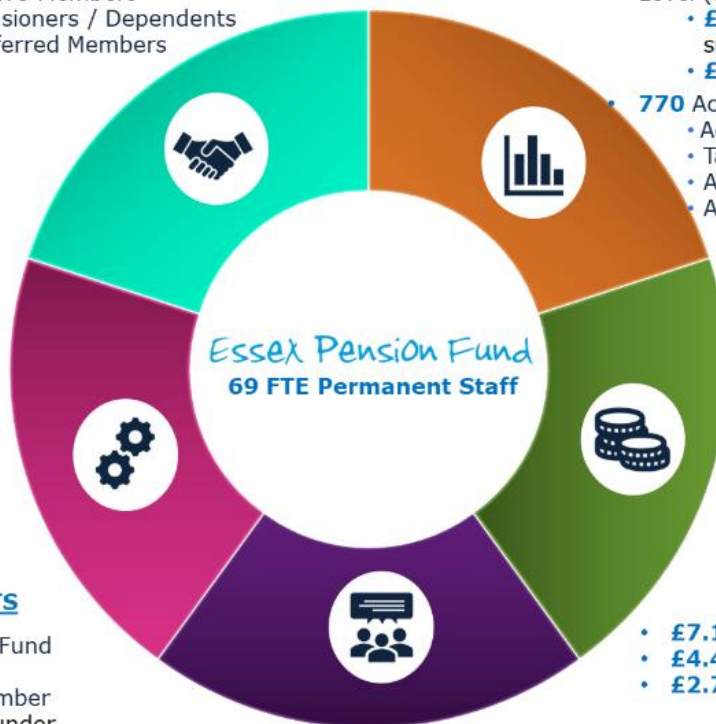
The Fund is one of the 86 Funds* making up the Local Government Pension Scheme (LGPS) in England and Wales.

FUND MEMBERSHIP

- **181,267** Members (31 March 2023)
 - **59,160** Active Members
 - **49,770** Pensioners / Dependents
 - **72,337** Deferred Members

FUNDING/EMPLOYERS

- **94.8%** Interim Valuation Funding Level (31 March 2023)
 - **£8.18bn** Assets (based on a smoothed 6-month average)
 - **£8.63bn** Liabilities
- **770** Active Employers, including:
 - Administering Authority (ECC)
 - Tax Raising Bodies
 - Admission Bodies
 - Academies



INVESTMENTS

- **c£9.6bn** Value of Fund (31 March 2023)
- **ACCESS Pool** member
- **64.3%** of assets under pooled governance as at 31 March 2023

FINANCIAL

- **£7.17M** Total Budget
- **£4.42M** Operational Budget
- **£2.75M** Third Party Contractor Expenses**

GOVERNANCE

- **PSB** Essex Pension Fund Strategy Board
- **ISC** Investment Steering Committee
- **PAB** Essex Pension Fund Advisory Board

**This excludes Investment related management fees and expenses

Essex Pension Fund

Business Plan



Who Manages and Runs the Fund

ECC's functions as the Administering Authority are delegated to the Essex Pension Fund Strategy Board (PSB), the Essex Pension Fund Investment Steering Committee (ISC) and its Officers. The membership of the PSB is detailed below.

In addition, the Local Pensions Board (Essex Pension Fund Advisory Board (PAB)) has an oversight role to assist the Administering Authority in securing compliance with regulations by acting as a 'critical friend' to the PSB and the ISC, ensuring the efficient and effective governance and administration of the Fund.

Membership of the Essex Pension Fund Strategy Board

Representatives of the Administering Authority (ECC)



Cllr. S. Barker (Chairman)



Cllr. M. Platt (Vice Chairman)

Cllr. A. Goggin
Cllr. A. Hedley
Cllr. M. Hoy
Cllr. D. King
Cllr. C. Souter
Cllr. M. Durham (Conservative Substitute)
Cllr. M. Mackrory (Liberal Democrat Substitute)

Representative of Scheme Members

B. Pereira (UNISON)

Representatives of the City / District / Borough Councils in Essex (nominated by Essex Borough and District Leaders' Group)

Vacant

Representatives of Unitary Councils

Cllr. J. Lamb (Southend-on-Sea City Council)

Representative of Other Employing Bodies

R. Hadley (Chelmer Housing Partnership)

Essex Pension Fund

Business Plan

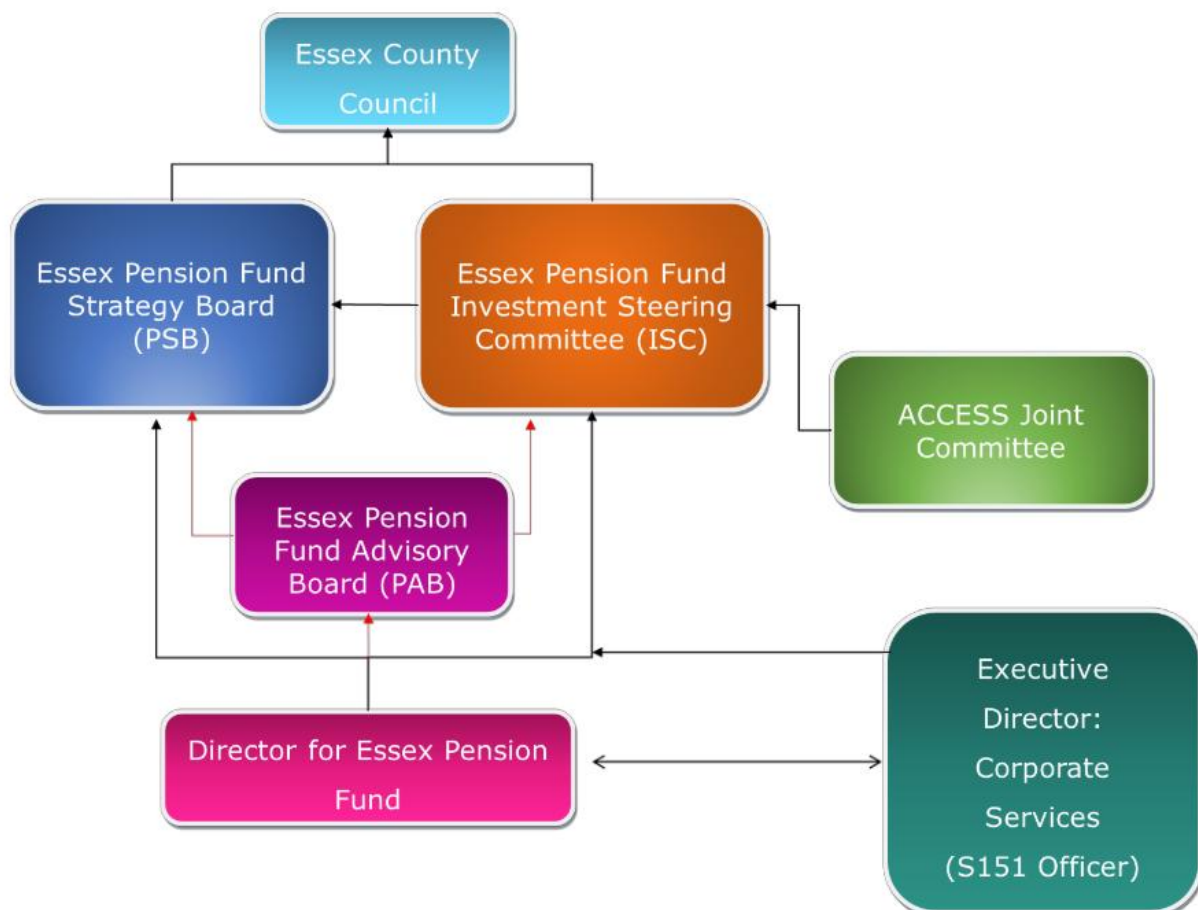


ACCESS Pool

The Fund is one of eleven like minded LGPS Funds working collaboratively under the name ACCESS (A Collaboration of Central, Eastern and Southern Shires) who are committed to working together to optimise benefits and efficiencies in relation to investments on behalf of their individual and collective stakeholders.

Governance of the Fund

The relationship between the key decision-making bodies and day-to-day management of the Essex Pension Fund is illustrated below:



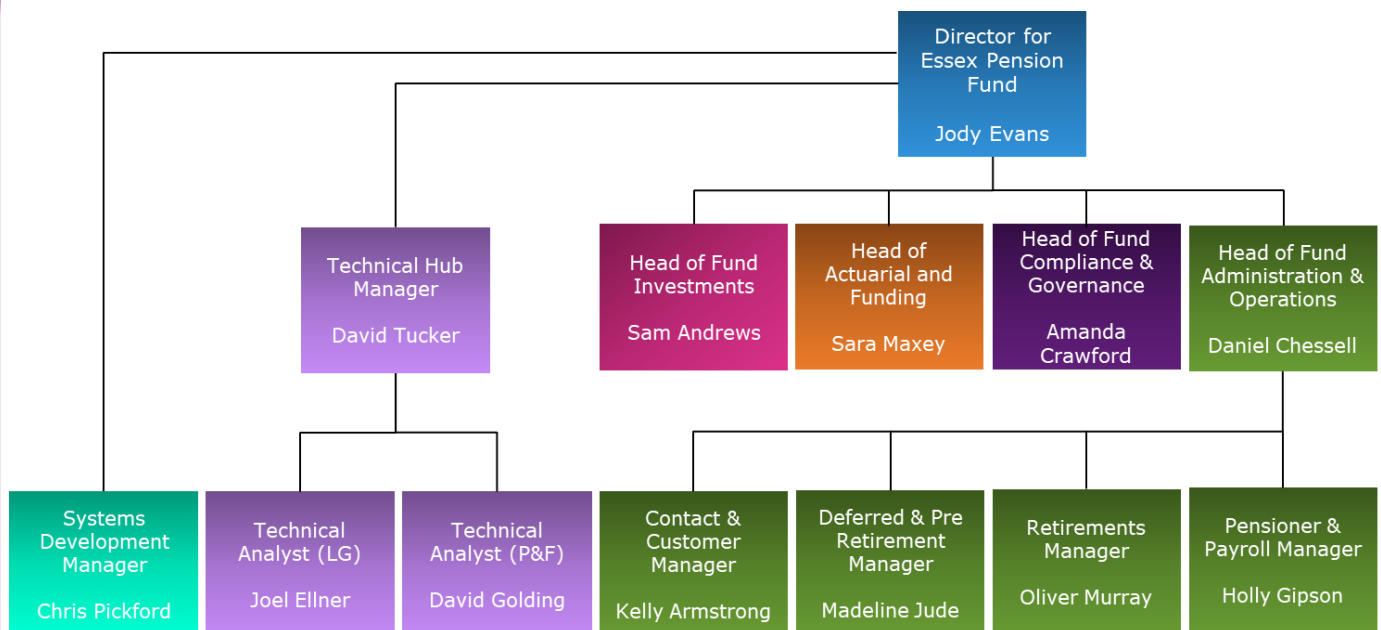
Essex Pension Fund

Business Plan



Staffing Structure of the Fund

The day-to-day management of the Essex Pension Fund is illustrated below:





Strategic Goals of the Fund

The strategic goals of the Fund are detailed below:



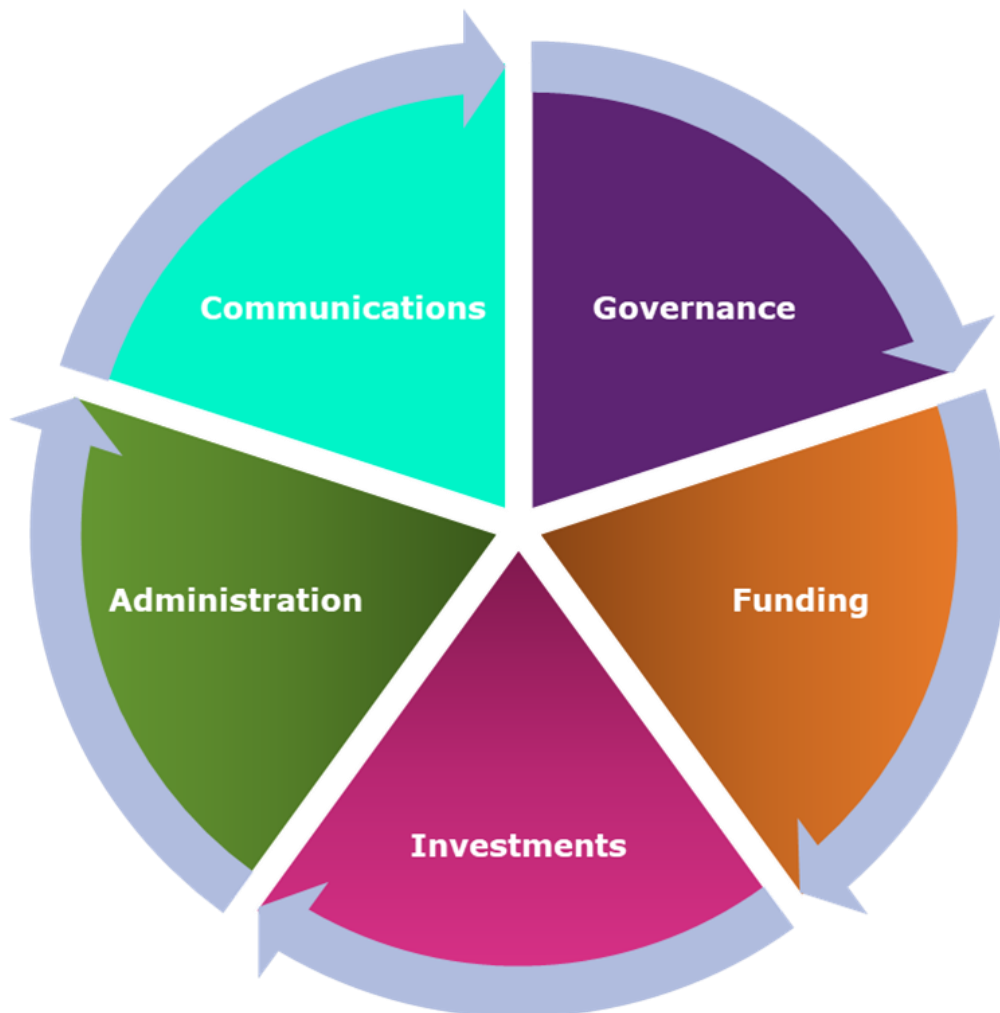
Essex Pension Fund

Business Plan



The Fund's Priorities

The Fund's priorities for the three years 2024/25 to 2026/27 are linked to the five key areas of business: Governance; Funding; Investments; Administration; and Communications. The following sections outline: the Fund's objectives; area of activity, including strategic Business as Usual (BAU); financial; staff resource and third party support requirements; and training required to deliver the outcomes of the Business Plan.

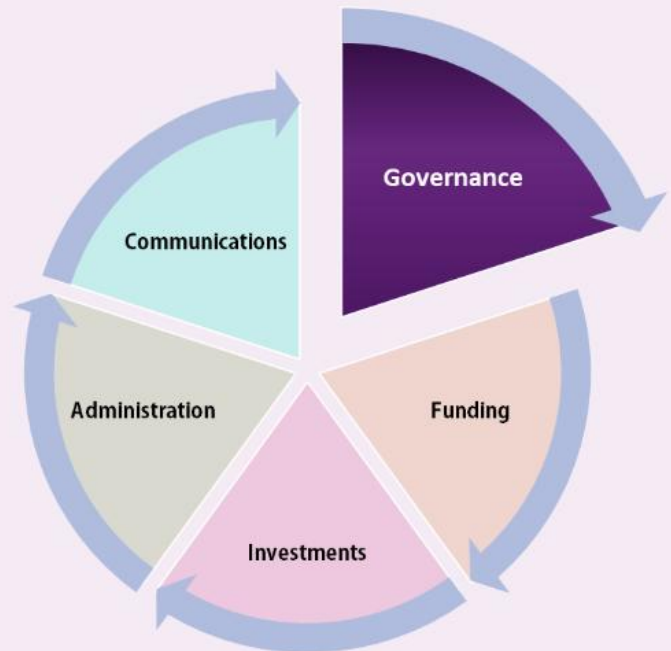


Essex Pension Fund

Business Plan



Governance



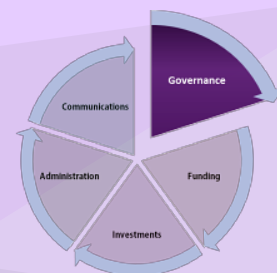
Objectives

We aim to:

- Provide a high-quality service whilst maintaining Value for Money;
- Ensure compliance with the LGPS regulations, other relevant legislation and The Pensions Regulator's Codes of Practice;
- Ensure the Fund is managed and its services delivered by people who have the appropriate knowledge and expertise;
- Evolve and look for new opportunities, ensuring efficiency at all times;
- Act with integrity and be accountable to our stakeholders;
- Understand and monitor risk and compliance;
- Continually measure and monitor success against our objectives; and
- Ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved.

Essex Pension Fund

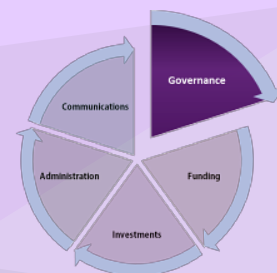
Business Plan



Area of Activity including strategic BAU	2024/25	2025/26	2026/27
Policies and Publications			
Business Plan & Budget	Annual	Annual	Annual
Governance Policy and Compliance Statement	-	-	Review
Terms of Reference for PSB/ISC/PAB	Annual	Annual	Annual
Policy for the Recording and Reporting Breaches of the law	-	-	Review
Conflict of Interest Policy	-	Review	-
Risk Management Strategy	Review	-	-
Business Continuity Policy	Review	-	-
Business Continuity Plan (including Cyber security) and Testing	Ongoing	Ongoing	Ongoing
Cyber Policy (including TPR Cyber Guidance)	Review	-	-
Stakeholder Engagement Strategy including Equality, Diversity and Inclusion (EDI)	Review	-	-
Members' knowledge and understanding - Knowledge and Skills Strategy	-	Potential Review	-
Members' knowledge and understanding - Training Plan and Training Needs Analysis	-	Potential Review	-
Statement of Accounts including compliance with CIPFA requirements (including compliance with any new requirements)	Annual	Annual	Annual
PAB Workplan	Annual	Annual	Annual
PSB and PAB Member Appointments	As required	As required	As required
Electoral / Succession Planning for PSB/ISC Members	Implement	-	-
Reviews			
Fund's Strategic Objectives	As required	As required	As required
Governance Review and Effectiveness Survey	-	-	Review

Essex Pension Fund

Business Plan



Area of Activity including strategic BAU	2024/25	2025/26	2026/27
Reviews			
LGPS Reform / Consultations / Changes to the Scheme	Ongoing	Ongoing	Ongoing
Scheme Advisory Board (SAB) Good Governance Project outcomes	Expected	Review	Implement
The Pensions Regulator General Code of Practice	Review	Implement	BAU
AVC Review	As required	Review	As required
Procurements			
Independent Governance & Administration Adviser (IGAA) Review	-	Retender preparation	Retender Implementation

Internal Staff Resources and Support from Third Party Suppliers

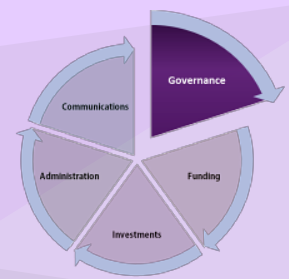
To deliver the above activities and BAU, the internal staff resources and support from third party suppliers are as follows:

Internal Staff Resources	FTE*
Director for Essex Pension Fund	0.60
Investment Team	0.40
Funding Team	0.50
Compliance Team	3.00
Administration Team	0.25
Technical Team	0.10
Systems Team	0.25
Total	5.10

*These are estimated figures and are subject to change.

Essex Pension Fund

Business Plan



Support from Third Party Suppliers

External Third Party Support

Aon - Independent Governance Administration Adviser (IGAA)

Barnett Waddingham LLP - Fund Actuary

Hymans Robertson LLP - Institutional Investment Consultant (IIC)

Mark Stevens - Independent Investment Adviser (IIA)

Budget

To deliver the above activities in 2024/25, the budget allocated for third party support is £380k.

Training

Training offered/delivered to our Committee/Board Members to increase knowledge, enabling robust decision making:

Training	2024/25	2025/26	2026/27
Formal Induction/Refresher training to ensure the PSB/ISC can carry out its role as decision maker	As required	As required	As required
Formal Induction/Refresher training to ensure the PAB can carry out its role	As required	As required	As required
EPF Training Modules	As required	As required	As required
Review of PSB and PAB Training Provision	As required	Possible review	As required
Relevant LOLA Modules covering CIPFA and TPR General Code of Practice	Ongoing	Ongoing	Ongoing
PLSA LA Conference	Annual	Annual	Annual
LGA Governance Conference	Annual	Annual	Annual
Attendance at training days for Board Members	As required	As required	As required
Any other Governance training as necessary	As required	As required	As required

Essex Pension Fund

Business Plan



Funding



Objectives

We aim to:

- Recognise in drawing up its funding strategy the desirability of Employer contribution rates that are as stable as possible;
- Prudently set levels of Employer contributions that aim to achieve a fully funded position in the timescales determined in the Funding Strategy Statement;
- Manage Employers' liabilities effectively, having due consideration of each Employer's strength of covenant, by the adoption, where necessary, of Employer specific funding objectives;
- Ensure consistency between the investment strategy and funding strategy;
- Maintain liquidity in order to ensure benefits can be met as and when they fall due over the lifetime of the Fund; and
- Adopt appropriate measures and approaches to reduce the risk, as far as possible, to the Fund, other Employers and ultimately the tax payer from an Employer defaulting on its pension obligations to minimise unrecoverable debt on termination of Employer participation.

Essex Pension Fund

Business Plan



Area of Activity including strategic BAU	2024/25	2025/26	2026/27
Policies and Publications			
Funding Strategy Statement	As required	Triennial	As required
Reviews			
Actuarial Valuation	-	Triennial	Implement
Employer Risk Exercise	Ongoing	Ongoing	Ongoing
Longevity Analysis of Fund	-	Triennial	-
Interim Funding review	Annual	-	Annual
Employing Authority discretions and delegations	As required	As required	As required
McCloud Preparation/Implementation	Implement*	BAU*	BAU*
Employer Training Webinars	Ongoing	Ongoing	Ongoing
Procurements			
Actuarial Contract review	-	Retender preparation	Retender Implementation

*In line with Regulatory Change and pending relevant Guidance

Essex Pension Fund

Business Plan



Internal Staff Resources and Support from Third Party Suppliers

To deliver the above activities and BAU, the internal staff resources and support from third party suppliers are as follows:

Internal Staff Resources	FTE*
Director for Essex Pension Fund	0.10
Investment Team	-
Funding Team	5.80
Compliance Team	0.10
Administration Team	-
Technical Team	0.30
Systems Team	0.75
Total	7.05

*These are estimated figures and are subject to change.

Support from Third Party Suppliers

External Third Party Support

Barnett Waddingham LLP - Fund Actuary
Dun & Bradstreet - Employer Risk Analysis
Hymans Robertson LLP - Institutional Investment Consultant (IIC)

Budget

To deliver the above activities in 2024/25, the budget allocated for third party support is £160k.

Essex Pension Fund

Business Plan



Training

Training offered/delivered to our Committee/Board Members/Fund Employers to increase knowledge, enabling robust decision making:

Training	2024/25	2025/26	2026/27
Formal Induction/Refresher training to ensure the PSB/ISC can carry out its role as decision maker	As required	As required	As required
Formal Induction/Refresher training to ensure the PAB can carry out its role	As required	As required	As required
Actuarial Valuation training	-	Triennial	-
Funding Strategy Statement training	-	Triennial	-
Interim Valuation training	Annual	-	Annual
EPF Training Modules	As required	As required	As required
Any other Employer/Funding training as necessary	As required	As required	As required
Employer Forum/Webinar	As required	As required	As required

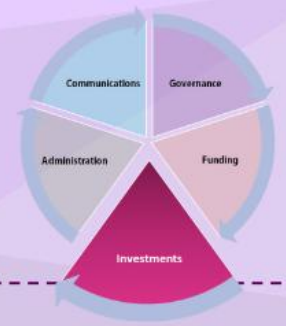
On the Horizon

- Cost Cap Mechanism
 - ◇ potential work for the Fund to revisit contribution rates and/or benefit changes back to 2019. SAB proposals included lower contribution rates for lower earners and a £75k minimum death-in-service death grant. The Government has been taken to court for including remedy costs in the mechanism, therefore making Scheme Members pay for the Government's age discrimination.

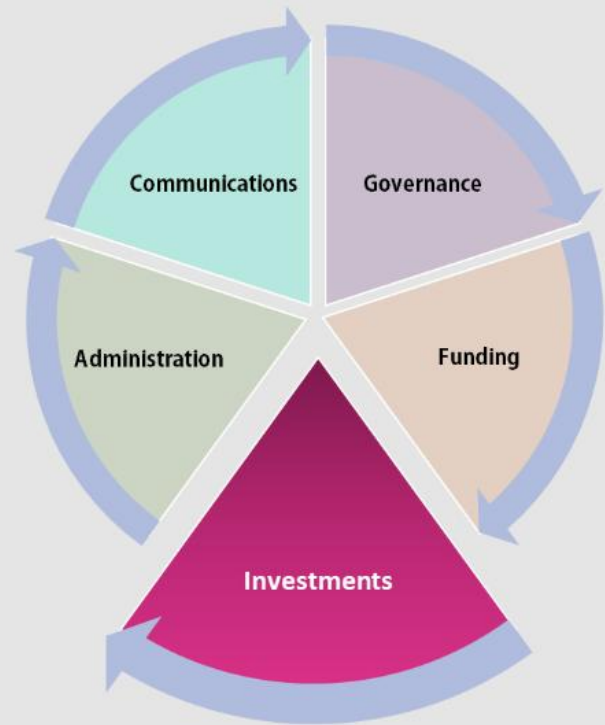
* Any projects listed under 'On the Horizon' that are formally published throughout the year will be added to the Quarterly Pension Fund Activity Report presented to the PSB.

Essex Pension Fund

Business Plan



Investments



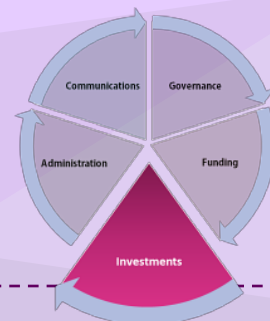
Objectives

We aim to:

- Maximise the returns from investments within reasonable risk parameters;
- Ensure the Fund's investments are properly managed before, during and after pooling is implemented; and
- Ensure investment issues are communicated appropriately to the Fund's stakeholders.

Essex Pension Fund

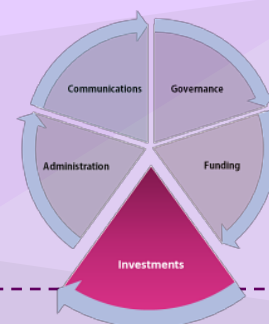
Business Plan



Area of Activity including Strategic BAU	2024/26	2025/26	2026/27
Policies and Publications			
Investment Strategy Statement review including Responsible Investment (RI) Policy	As required	As required	Triennial
Reporting on RI	Annual	Annual	Annual
Investment Managers Engagement Strategy	Review	Ongoing	Ongoing
Reviews			
Treasury Management Strategy	Annual	Annual	Annual
Review of Cashflow Management	Review	Potential Implementation	-
Strategic Asset Allocation (including Impact Investing)	Biannual	Biannual	Biannual
Asset/Liability Study (Total Fund Assessment)	-	-	Triennial
ACCESS Collaboration (pooling of illiquids as and when suitable solutions are available)	Ongoing	Ongoing	Ongoing
Individual Manager review (on an exceptional basis)	Quarterly	Quarterly	Quarterly
CEM Benchmarking/Cost Transparency	Annual	Annual	Annual
Signatory of the Financial Reporting Council (FRC) UK 2020 Stewardship Code	Annual	Annual	Annual
Annual review of all investment managers' compliance with the Fund's RI and Stewardship Policy	Ongoing	Ongoing	Ongoing
Climate Change Policy Objectives and Metrics (Taskforce on Climate-related Financial Disclosures (TCFD))	Annual	Annual	Annual
Policy and Metrics for Taskforce on Nature-related Financial Disclosures (TNFD)	Exploration	Potential Implementation	-
Net Zero Journey Plan	Implement	Ongoing	Ongoing
Voting Policies (in line with ACCESS)	Develop	Implement	-
Annual Investment Scorecard	Annual	Annual	Annual

Essex Pension Fund

Business Plan



Area of Activity including Strategic BAU	2024/25	2025/26	2026/27
Procurements			
Institutional Investment Consultant review	-	Retender Preparation	Retender Implementation
Institutional Investment Consultant – CMA review	Annual	Annual	Annual
Independent Investment Adviser review	Retender	-	-
External RI Adviser Exploration	Potential Implementation	-	-

Internal Staff Resources and Support from Third Party Suppliers

To deliver the above activities and BAU, the internal staff resources and support from third party suppliers are as follows:

Internal Staff Resources	FTE*
Director for Essex Pension Fund	0.10
Investment Team	3.50
Funding Team	-
Compliance Team	0.10
Administration Team	-
Technical Team	0.10
Systems Team	0.20
Total	4.00

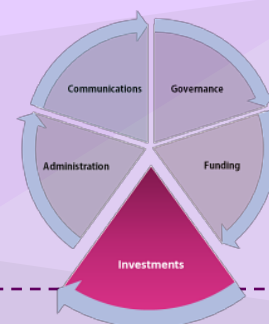
*These are estimated figures and are subject to change.

Support from Third Party Suppliers

External Third Party Support	
Hymans Robertson LLP - Institutional Investment Consultant (IIC)	
Mark Stevens - Independent Investment Adviser (IIA)	
Northern Trust - The Fund's Global Custodian	
Barnett Waddingham LLP - Fund Actuary	
Waystone - ACCESS	

Essex Pension Fund

Business Plan



Budget

To deliver the above activities in 2024/25, the budget allocated for third party support is £1.10m*.

*includes participation within ACCESS

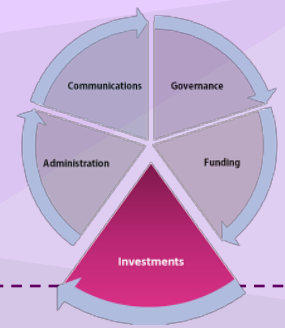
Training

Training offered/delivered to our Committee/Board Members to increase knowledge, enabling robust decision making:

Training	2024/25	2025/26	2026/27
Formal Induction/Refresher training to ensure the PSB/ISC can carry out its role as decision maker	As required	As required	As required
Formal Induction/Refresher training to ensure the PAB can carry out its role	As required	As required	As required
Bitesize Training by Asset Class	Quarterly	Quarterly	Quarterly
Investment Strategy Statement Training	-	-	Triennial
Responsible Investment Training	Ongoing	Ongoing	Ongoing
Asset / Liability Study Training	-	-	Triennial
Review Investment Management Fees / Cost Transparency	Annual	Annual	Annual
Market Commentary	Quarterly	Quarterly	Quarterly
Treasury Management (Cash Flow) Training	As required	As required	As required
EPF Training Modules	As required	As required	As required
LAPFF Members' Meetings	Quarterly	Quarterly	Quarterly
LAPFF Annual Conference	Annual	Annual	Annual
LGC Investments and Pensions Summit	Annual	Annual	Annual

Essex Pension Fund

Business Plan



Training	2024/25	2025/26	2026/27
LGC Investment Seminar	Annual	Annual	Annual
Investment & Training Seminar	-	Triennial	-
ACCESS Investor Days/Training Requirements in Relation to Pooling	Biannual	Biannual	Biannual
Any other investment training as necessary	As required	As required	As required

On the Horizon

- Structural Reform of the LGPS: Pooling of Investments.
 - ◇ Working collaboratively with ACCESS (which is made up of 10 other local authorities) to pool the Fund's investments. Over the coming months ACCESS will be working towards establishing suitable solutions to pool the illiquid assets of the funds.
 - ◇ Reporting on private markets and levelling up as part of the outcome of the Next steps on investments Consultation.
 - ◇ Any other areas that are required (comply or explain approach) to the Next steps on investments Consultation.

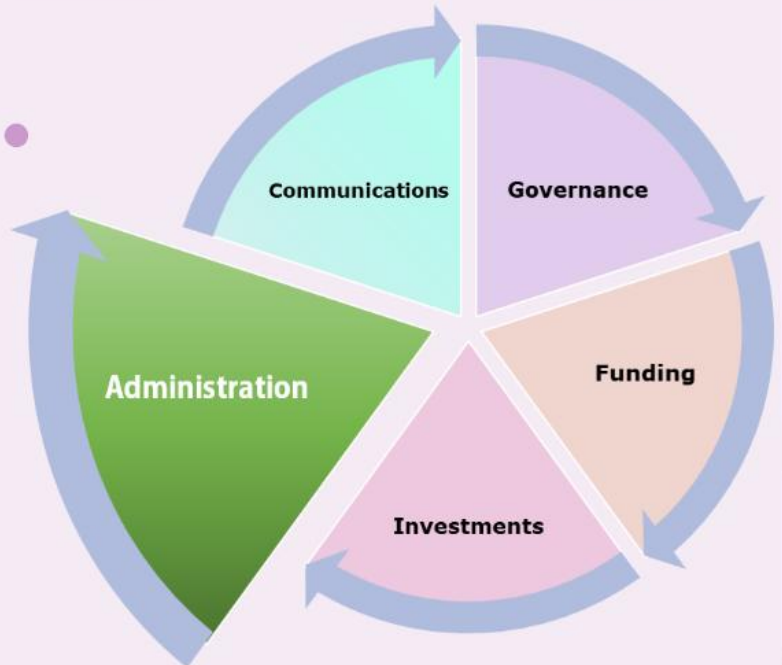
* Any projects listed under 'On the Horizon' that are formally published throughout the year will be added to the Quarterly Pension Fund Activity Report presented to the PSB.

Essex Pension Fund

Business Plan



Administration



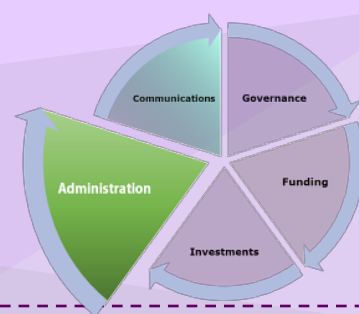
Objectives

We aim to:

- Deliver a high quality, friendly and informative service to all beneficiaries and Employers at the point of need;
- Ensure contribution income is collected from the right people at the right time in the right amount;
- Ensure benefits are paid to the right people at the right time in the right amount; and
- Ensure the Fund Employers are aware of and understand their roles and responsibilities, and carry out their functions in line with legislation, guidance and the Fund's agreed policies and procedures.

Essex Pension Fund

Business Plan



Area of Activity including Strategic BAU	2024/25	2025/26	2026/27
Policies and Publications			
Administration Strategy	Review	-	-
Data / Date Retention Policy	Continued Development	Implement	-
Review			
LGPS Reform / Changes to Scheme / Planning for Administration changes	Ongoing	Ongoing	Ongoing
Pensions Single payments	Continued Implementation	-	-
Greater Digitalisation of the Fund including Member Online and Employer Online	Ongoing	Ongoing	Ongoing
Administering Authority Discretions	-	Review	-
McCloud Preparation/Implementation	Implement*	BAU*	BAU*
National Pensions Dashboard Legislation	Expected*	Implement*	BAU*
Monthly Returns Digital Transformation	-	Review	BAU

* In line with Regulatory Change and pending relevant Guidance

Internal Staff Resources and Support from Third Party Suppliers

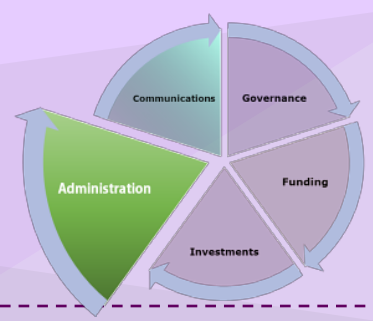
To deliver the above activities, the internal staff resources and support from third party suppliers are as follows:

Internal Staff Resources	FTE*
Director for Essex Pension Fund	0.10
Investment Team	-
Funding Team	-
Compliance Team	0.50
Administration Team	34.50
Technical Team	3.00
Systems Team	11.80
Total	49.90

*These are estimated figures and are subject to change.

Essex Pension Fund

Business Plan



Support from Third Party Suppliers

External Third Party Support

Aon - Independent Governance Administration Adviser (IGAA)
Civica - Administration System
Adare - Printing
Faraday - Tracing Bureau
Lexis Nexis - Tracing Agency
Barnett Waddingham LLP - Fund Actuary

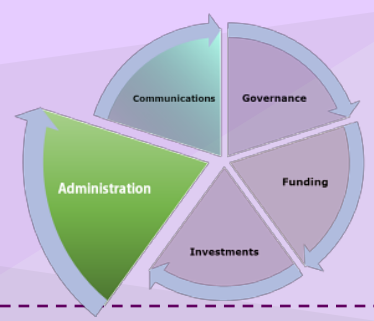
Budget

To deliver the above activities in 2024/25, the budget allocated for third party support is £1.01m.

Training

Training offered/delivered to our Committee/Board Members/Fund Employers/Fund Members to increase knowledge, enabling robust decision making:

Training	2024/25	2025/26	2026/27
Formal Induction/Refresher training to ensure the PSB/ISC can carry out its role as decision maker	As required	As required	As required
Formal Induction/Refresher training to ensure the PAB can carry out its role	As required	As required	As required
Road Shows / Surgeries / Webinars	Ongoing	Ongoing	Ongoing
Monthly Return Workshops	As required	As required	As required
Employer Online Workshops	As required	As required	As required
EPF Training Modules	As required	As required	As required
Any other administration / regulatory training as necessary	As required	As required	As required



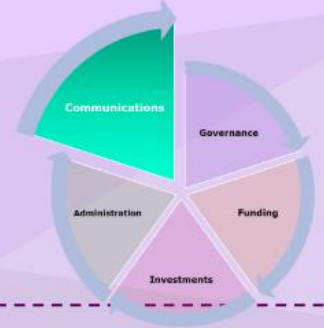
On the Horizon

- Cost Cap Mechanism
 - ◇ potential work for the Fund to revisit contribution rates and/or benefit changes back to 2019. SAB proposals included lower contribution rates for lower earners and a £75k minimum death-in-service death grant. The Government has been taken to court for including remedy costs in the mechanism, therefore making Scheme Members pay for the Government's age discrimination.
- Goodwin
 - ◇ Due to the court cases and resulting scheme changes, survivor benefits will need to be revisited and recalculated when Regulations have been amended.
 - ◇ A consultation on Regulation changes is expected.
- National Minimum Pension Age
 - ◇ The increase in the National Minimum Pension Age to 57 in 2028 is likely to result in an increase in workload due to system changes and communications to Scheme Members.

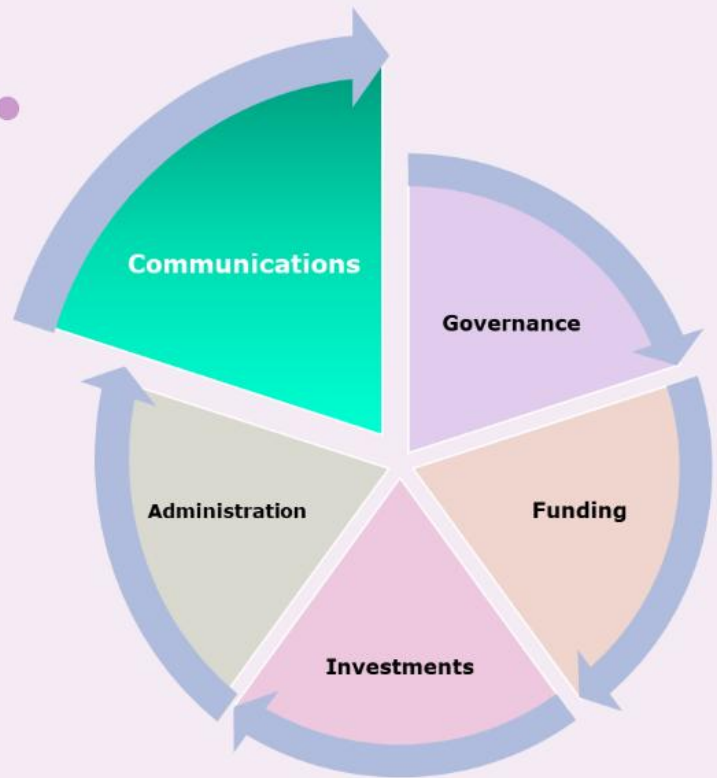
* Any projects listed under 'On the Horizon' that are formally published throughout the year will be added to the Quarterly Pension Fund Activity Report presented to the PSB.

Essex Pension Fund

Business Plan



Communications



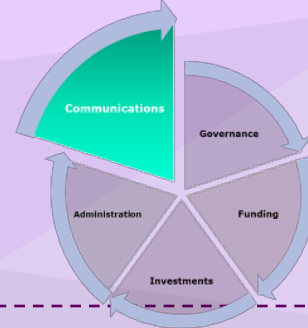
Objectives

We aim to:

- Communicate in a friendly, expert and direct way to our stakeholders, treating all our stakeholders equally;
- Ensure our communications are useful and easy to follow;
- Deliver information in a way that suits all types of stakeholders including providing more accessibility through greater use of technology; and
- Aim for full appreciation of the pension scheme benefits and changes to the Scheme by all the Scheme Members, prospective Scheme Members and Employers.

Essex Pension Fund

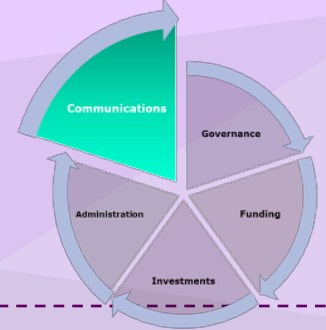
Business Plan



Area of Activity including Strategic BAU	2024/25	2025/26	2026/27
Policies and Publications			
Communications Policy	-	Review	-
Stakeholder Engagement Strategy including Equality, Diversity and Inclusion (EDI)	Review	-	-
Reviews			
LGPS Reform / Communications of: Consultations / Changes to the Scheme	Ongoing	Ongoing	Ongoing
Greater Digitalisation of the Fund including the exploration of Electronic Communications / Strategy	Ongoing	Ongoing	Ongoing
McCloud Implications	Ongoing	BAU	BAU
New Website	Develop	Go Live	Ongoing
Digital Developments of Annual Benefit Statements	Annual	Annual	Annual
Fund Surveys	Ongoing	Review	Ongoing
External Activities			
Consultations (DLUHC, SAB, LGA etc)	As required	As required	As required
Board/Committee Task and Finish Groups	As required	As required	As required

Essex Pension Fund

Business Plan



Internal Staff Resources and Support from Third Party Suppliers

To deliver the above activities, the internal staff resources and support from third party suppliers are as follows:

Internal Staff Resources	FTE*
Director for Essex Pension Fund	0.10
Investment Team	0.10
Funding Team	0.20
Compliance Team	1.30
Administration Team	0.25
Technical Team	-
Systems Team	1.00
Total	2.95

*These are estimated figures and are subject to change.

Support from Third Party Suppliers

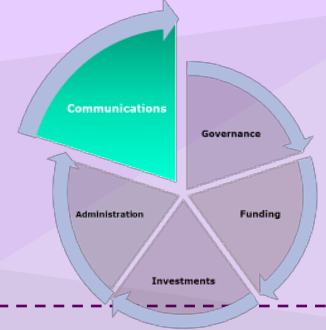
External Third Party Support
Aon - Independent Governance Administration Adviser (IGAA)
Barnett Waddingham LLP - Fund Actuary
Hymans Robertson LLP - Institutional Investment Consultant (IIC)

Budget

To deliver the above activities in 2024/25, the budget allocated for third party support and website procurement is £100k.

Essex Pension Fund

Business Plan



Training

Training offered/delivered to our Committee/Board Members to enabling robust decision making:

Training	2024/25	2025/26	2026/27
Formal Induction/Refresher training to ensure the PSB/ISC can carry out its role as decision maker	As required	As required	As required
Formal Induction/Refresher training to ensure the PAB can carry out its role	As required	As required	As required
Ad hoc Communications Training	As required	As required	As required
Media training	As required	As required	As required
Website training	As required	As required	As required

On the Horizon

- Goodwin
 - ◇ Due to the court cases and resulting scheme changes, survivor benefits will need to be revisited and recalculated when Regulations have been amended.
 - ◇ A consultation on Regulation changes is expected.
- National Minimum Pension Age
 - ◇ The increase in the National Minimum Pension Age to 57 in 2028 is likely to result in an increase in workload due to system changes and communications to Scheme Members.

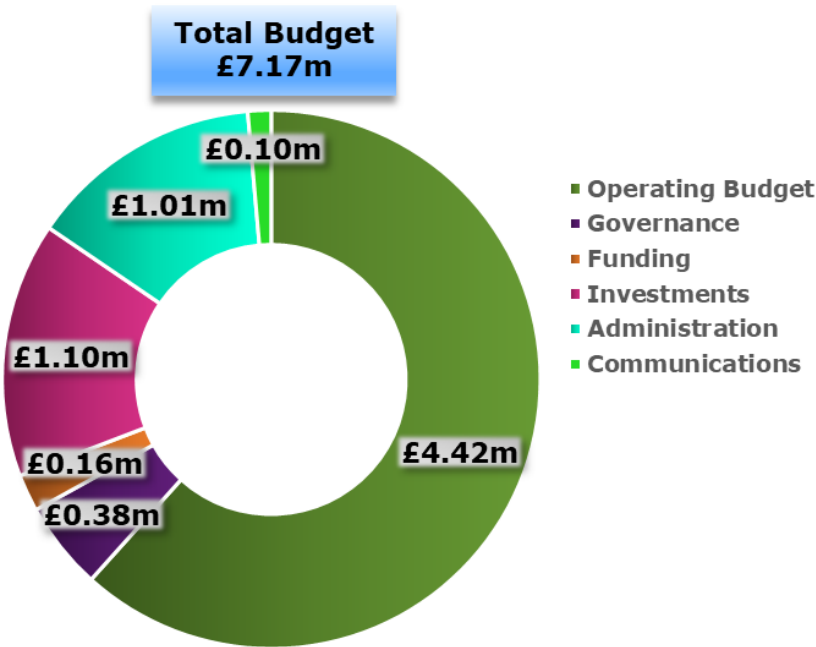
* Any projects listed under 'On the Horizon' that are formally published throughout the year will be added to the Quarterly Pension Fund Activity Report presented to the PSB.



Additional Information

Budget

The 2024/25 operational and third party supplier support budget is shown below:



Third party suppliers/ support provided by:

- Aon
- Barnett Waddingham
- Hymans Robertson
- Mark Stevens
- Civica
- Northern Trust
- Adare
- Faraday Tracing Bureau
- Lexis Nexis
- Waystone
- Dun & Bradstreet

*Investments excludes Investment Management Fees and associated expenses

**Investments section includes £155k which relates to the ACCESS Partnership arrangements

Essex Pension Fund

Business Plan



Key Policy Documents

For further information on the Essex Pension Fund, please visit our website



www.essexpensionfund.co.uk

- Administration Strategy
- Annual Report & Accounts
- Business Continuity Policy
- Communications Policy
- Conflict of Interest Policy
- Cyber Policy
- Funding Strategy Statement
- Governance Policy & Compliance Statement
- Investment Engagement Strategy
- Investment Strategy Statement
- Knowledge and Skills Strategy
- Policy for Recording and Reporting Breaches of the Law
- Responsible Investment Policy
- Risk Strategy
- Stakeholder Engagement Strategy
- Treasury Management Strategy

Further Information

If you require further information about anything in or related to this Business Plan, please contact:

Jody Evans, Director for Essex Pension Fund

Email: Compliance.team@essex.gov.uk

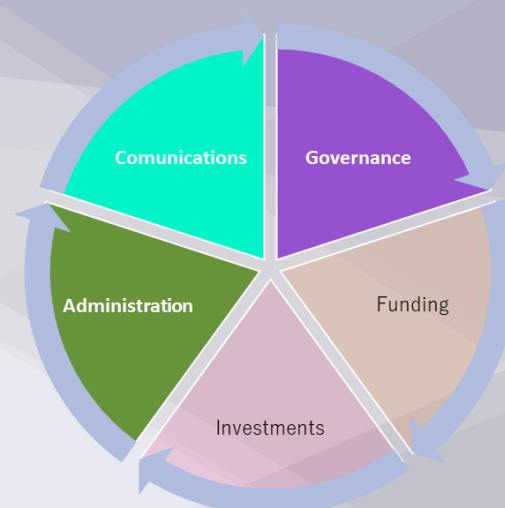
**Essex Pension Fund
Seax House
Chelmsford
Essex
CM1 1QH**

Essex Pension Fund

Essex Pension Fund Advisory Board (PAB)

2024/25 Workplan

March 2024



Essex Pension Fund

PAB 2024/25 Workplan

Proposed Workplan for PAB for 2024/25

Subject	Commitment	Due end date
Essex Pension Fund Communications Link to Essex Pension Fund Objectives Governance and Communications: Pages 8 and 24 of the Business Plan refers		
Website Review	PAB Members are invited to contribute ideas in the development of the Fund's Website, acting as a sounding board to ensure that the new website will be a greater communication tool with the Fund's Stakeholders.	31 March 2025
Management of Risk (Business Continuity Policy and Cyber Policy)	In preparation for the review of the Risk Management Strategy in 2024/25, PAB Members will be consulted on the content and how it links in with Essex County Council's Risk Management Strategy, the Fund's Business Continuity Policy and Plan and the Fund's Cyber Policy prior to reporting to the PSB in 2024/25.	31 December 2024
Review of PAB Pamphlet	PAB Members will be consulted on the review of the PAB Pamphlet as part of the Three-Year Business Plan prior to reporting to the Essex Pension Fund Strategy Board (PSB).	31 March 2025
The Pensions Regulator (TPR) Link to Essex Pension Fund Objectives Governance: Page 8 of the Business Plan refers		
TPR General Code	Once the new TPR General Code comes into force on 27 March 2024, PAB Members will work with Fund Officers to ensure compliance as part of their oversight role. This will be a large piece of work including a wide variety of areas e.g. data, cyber, internal controls etc.	31 March 2025
Scheme Advisory Board (SAB) Link to Essex Pension Fund Objectives Governance: Page 8 of the Business Plan refers		
SAB Good Governance Project	On publication of Statutory Guidance or relevant consultation from Department for Levelling Up, Housing and Communities (DLUHC) in regard to Good Governance, PAB Members will work with Fund Officers to ensure compliance as part of their oversight role.	31 March 2025

*The items listed above are in addition to the PAB's normal annual activities, including but not limited to the Annual Review of the Risk Register, PAB Annual Report to SAB and assisting with Breaches of the Law etc

Essex Pension Fund Strategy Board	PSB 05b
Date: 20 March 2024	

Essex Pension Fund (EPF) Policies and Publications: Knowledge and Sills Strategy

Report by the Head of Fund Compliance and Governance in consultation with the Independent Governance and Administration Adviser (IGAA)

Enquiries to Amanda Crawford 03330 321763

This Report requires a decision

Executive Summary

Report Type: Governance

As part of the Fund's 2023/24 Business Plan, all Board/Committee Members were asked to participate in the Hymans Robertson Knowledge and Skills Assessment. From the results, a new two-year Training Plan has been developed based on the LGPS Online Learning Academy (LOLA) and The Pensions Regulator's General Code of Practice.

In addition, a new Knowledge and Skills Strategy for Board/Committee Members has been developed where a full review has been undertaken including the review of credits awarded and the credits required to achieve within a two-year rolling programme.

1. Purpose of the Report

- 1.1 To provide the Board with the revised Knowledge and Skills Strategy and new two-year Training Plan.

2. Recommendations

- 2.1 That the Board **approve** the revised Knowledge and Skills Strategy and two-year Training Plan.

3. Background

- 3.1 The Knowledge and Skills Strategy was last approved by the Essex Pension Fund Strategy Board (PSB) at its meeting on 16 December 2020.
- 3.2 A revised version of the Strategy is attached at Appendix A.
- 3.3 The Strategy aids PSB, Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board (PAB) Members in performing and developing personally in their individual roles, with the ultimate aim of ensuring the Fund is managed by individuals who have appropriate levels of knowledge and skills.
- 3.4 The Knowledge and Skills Strategy incorporates the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA), The Pensions Regulator (TPR), Markets in Financial Instruments Directive (MiFID II), Department of Levelling Up, Housing and Communities (DLUHC) Statute and Governance Guidance encompassed by the LGPS Online Learning Academy (LOLA) which the Board signed up to in September 2021.
- 3.5 The Knowledge and Skills Strategy will be continually reviewed in line with future reforms.

4. Revision of the EPF Knowledge and Skills Strategy

- 4.1 Fund Officers reviewed the results of the Knowledge and Skills Assessment, developed by Hymans Robertson, which took into account the modules held on LOLA.
- 4.2 From this assessment, Fund Officers were able to gauge the level of knowledge obtained by Board/Committee Members and where gaps had been identified. This has been captured at both Board/Committee level and individual level.
- 4.3 From the review of the Knowledge and Skills Strategy in line with the assessment undertaken, the Fund review the requirements of TPR's General Code of Practice and LOLA (which already incorporates CIPFA, MiFID II and DLUHC Statute and Governance Guidance).
- 4.4 In addition, Fund Officers reviewed the level of training credits required and how this would be counted going forward which have been captured within the Strategy.

- 4.5 An overview of the new areas to be undertaken within the two-year Training Plan will be presented at the 20 March 2024 meeting.
- 4.6 The revised Knowledge and Skills Strategy has been provided at Appendix A for the Board's approval.

5. Next Steps

- 5.1 The Fund will issue new Group and Individual Training Plans to each Board/Committee Member and will update them on a quarterly basis (every six months at their PSB/PAB meeting and every alternate six months through their updated Training Plans).
- 5.2 In addition, the Fund may be required to review the Strategy and Training Plan again during 2025/26 should the May 2025 elections change the Membership of the Boards/Committee to the extent where the level of knowledge held is impacted.

6. Link to Essex Pension Fund Objectives

- 6.1 Regular review of the Knowledge and Skills Strategy will assist the Board in achieving the following Fund objectives:
- Ensure compliance with the LGPS regulations, other relevant legislation and the Pensions Regulator's Codes of Practice;
 - Act with integrity and be accountable to our stakeholders; and
 - Ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved.

7. Risk Implications

- 7.1 Failure to develop and publish a Knowledge and Skills Strategy could result in:
- non-compliance with regulations caused by lack of knowledge by Board/Committee Members, changes in government policy/LGPS reforms and systems not kept up-to-date leading to reputational damage and financial loss; and

- failure of governance arrangements to match up to statutory requirements and recommended best practice leads to financial loss and reputational damage.

8. Communication Implications

- 8.1 The revised Knowledge and Skills Strategy will be published on the Fund's website.
- 8.2 Other than ongoing reporting to the PSB, there are no communication implications.

9. Finance and Resource Implications

- 9.1 External Training courses and/or Seminars/Conferences may incur a fee and therefore must not be booked until authorisation has been received from the Compliance Team in line with the ECC Foreign Travel, Gifts and Hospitality Policy.
- 9.2 Internal Training provided by the Fund may also incur charges that relate to the Fund's external Advisers.

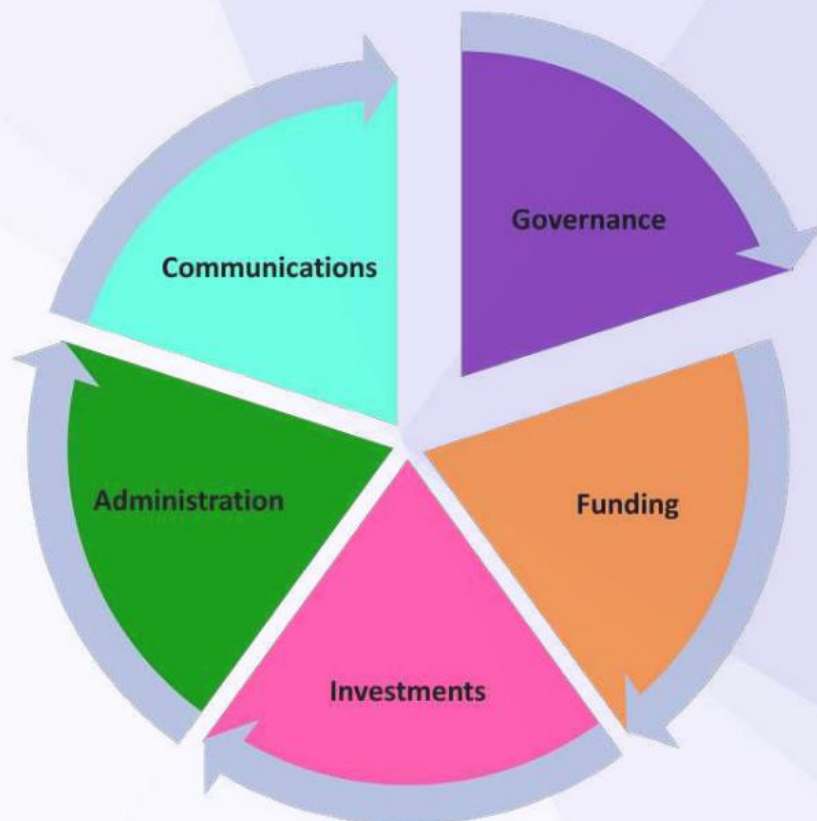
10. Background Papers

- 10.1 Outcome of Individual Training Needs Analysis (TNA) and proposal for Online Training, PSB 03, 22 September 2021.
- 10.2 Essex Pension Fund Policies, PSB 06, 16 December 2020.
- 10.3 Essex Pension Fund Policies, PSB 05, 23 September 2020.

Essex Pension Fund

Knowledge and Skills Strategy for Board/ Committee Members

March 2024



Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Background and Introduction

This is the Knowledge and Skills Strategy for the Essex Pension Fund (the “Fund”) which details the knowledge and skills strategy for Members of the Essex Pension Fund Strategy Board (PSB), Investment Steering Committee (ISC) and Pension Advisory Board (PAB).

This Knowledge and Skills Strategy has been established to aid PSB, ISC and PAB Members in performing and developing personally in their individual roles, with the ultimate aim of ensuring the Fund is managed by individuals who have appropriate levels of knowledge and skills.

All references in this document to “PSB, ISC and PAB Members” includes Substitute Members.

This Strategy has been developed covering the five key areas of the Fund:



Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Aims and Objectives

The aims and objectives of this Strategy is to:

- ensure the Fund is managed and its services delivered by people who have appropriate levels of knowledge and expertise;
- ensure Board/Committee Members receive the right training to give them the required knowledge to enable robust decision-making;
- ensure training is delivered at the right time in the most effective way;
- ensure training is compliant with the relevant statutory and best practice training requirements (see Annex A); and
- ensure refresher training takes place at the most relevant time to ensure the knowledge level of Members is appropriately maintained.

To whom this Strategy applies

In accordance with the Council's Constitution, Essex Pension Fund Board and Committee Members are expected to attend regular training sessions in order to maintain an appropriate level of knowledge and skills to perform their roles effectively.

This Knowledge and Skills Strategy applies to all members of the PSB, ISC and PAB, Scheme Member and Employer representatives.

Senior Officers within the Essex Pension Fund Management Team, the Director for Essex Pension Fund and the Executive Director: Corporate Services (Section 151 Officer) will also be required to have appropriate knowledge and skills relating to their role which is captured in a separate knowledge and skills strategy for Officers.

Chartered Institute of Public Finance and Accountancy (CIPFA) launched a Code of Practice and Technical Guidance for Representatives on Pension Fund Committees (PSB/ISC) and Local Pension Board (PAB) Members within knowledge and skills frameworks.

The Frameworks detail the knowledge and skills required for those involved in the management and decision making of LGPS funds. They cover eight areas of knowledge and skills identified as the core requirements including areas such as: Legislation; Governance; Administration; Investment matters; and Actuarial matters.

CIPFA's guidance highlights that, with the introduction of investment pooling arrangements, comes a need for a wider range of knowledge. The guidance specifies that LGPS funds will need to ensure elected members who are members of the oversight committee (ACCESS Joint Committee (AJC)) have a more in-depth level of knowledge in relation to investment pooling arrangements.

The implementation of Markets in Financial Instruments Directive (MiFID II) led to the need for the Fund to be opted up to professional status to allow the Fund to continue to access the full range of vehicles and managers needed to meet the needs of the Investment Strategy.

As part of this process the Fund had to provide evidence that PSB/ISC Members had an appropriate level of knowledge and that adequate governance arrangements were in place. In order to maintain this status, the Fund will need to continue to demonstrate the competency of existing and new PSB/ISC Members and this Knowledge and Skills Strategy with the use of LGPS Online Learning Platform (LOLA) will support that aim.

[DLUHC Statutory Governance Guidance](#) states:

- That where Members sit on a main or secondary Committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.
- In line with the Myners Principles, Members of formal Committees who take investment decisions should have sufficient expertise to be able to evaluate critically any advice they take.

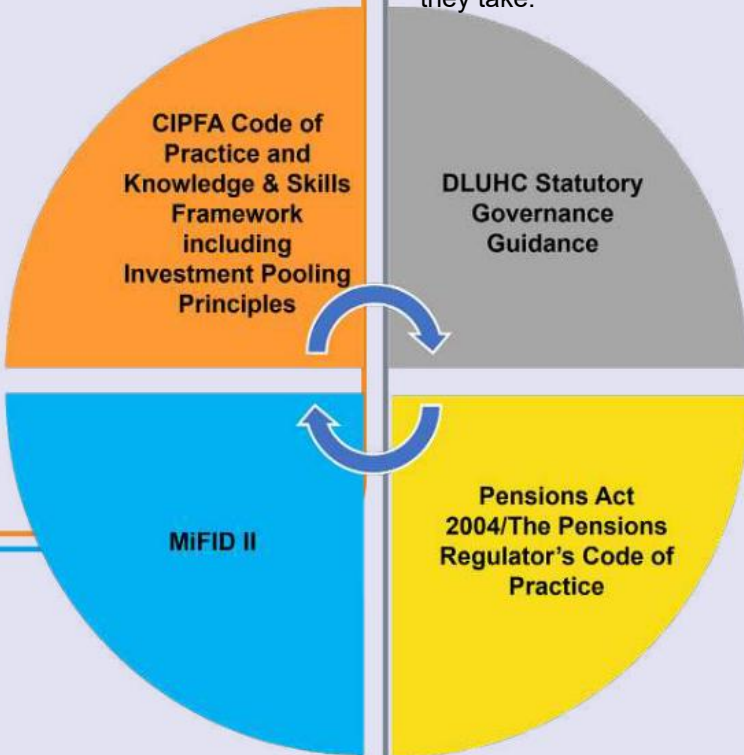
- The Administering Authority must report on the extent to which training facilities are extended to lay members sitting on either main or secondary LGPS Committees.

- That in relation to the way in which statutory and related decisions are taken by the Administering Authority, there is a clear policy on training in respect of Members involved in the decision-making process.

- That where such a policy exists it applies to all members of committees, sub-committees, advisory panels or any other form of secondary forum.

- That the Administering Authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken.

[The Pensions Act 2004](#) includes a requirement for Local Pension Board members to have a degree of knowledge and understanding appropriate for the purposes of enabling the individual to properly exercise the functions of a member of the Local Pension Board (PAB). This is expanded on in [The Pensions Regulator General Code of Practice](#).



Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Application to the Essex Pension Fund

PSB, ISC and PAB Members, Scheme Member and Employer representatives are expected to maintain an appropriate level of knowledge and skills to perform their role effectively, and to meet the requirements of overriding legislation, statutory and professional guidance.

All Board/Committee members will receive appropriate training to fill any knowledge gaps identified and must seek to maintain their knowledge.

The Fund fully supports the use of the CIPFA Code of Practice on LGPS Knowledge and Skills, and its associated Frameworks, TPR's General Code of Practice, as well as understanding the need for appropriate knowledge and skills to allow professional status to be awarded for MiFID II purposes. The Fund adopts the principles and requirements of these, and this Knowledge and Skills Strategy highlights how the Fund will strive to achieve those through the use of a two-year rolling Training Plan together with regular monitoring and reporting.

Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Delivery

The Fund recognises that attaining and maintaining relevant knowledge and skills is a continual process for PSB/ISC Members and PAB Members, and that training is a key element of this process. The Fund has, therefore, developed a two-year rolling Training Plan based on the following key elements and is provided at Appendix A to this Strategy.

Induction Training

- On joining the PSB, ISC or PAB, a new Member will be provided with electronic documentation to assist in providing a basic understanding of the Fund, e.g. the Fund's three-year Business Plan, Annual Report and Policies.
- Within 6 months of appointment, a new Member will also receive formal Induction Training carried out by Fund Officers as part of a one-to-one briefing or, if there is more than one new member, in-house training.
- In addition, an individual training plan will be developed to assist each PSB/ISC Member and PAB Member in achieving, within 24 months of assessment, their identified individual training requirements (captured by the completion of the Training Needs Analysis).

Individual Training Needs Analysis

- An individual Training Needs Analysis has been developed for the main roles of PSB/ISC Members and PAB Members customised appropriately to the key areas in which they should be proficient. This will include areas highlighted within CIPFA Knowledge and Skills Frameworks and TPRs General Code of Practice. The Fund will also utilise assessments offered by Advisers as and when required.
- Training will be required in relation to each of these areas and will be delivered in the most effective way e.g. one-to-one briefing, training days or Bite size Training for all Members as part of a Board/Committee meetings.

Bite size Training

- A Training Plan has been developed to ensure appropriately timed training is provided in relation to hot topic areas, such as a high risk area or an area of change for the Fund. An example of this would be Valuation training leading up to the Valuation process.
- This training will usually be delivered through PSB, ISC or PAB meetings as bite size training to effectively cover the required topic and to aid decision-making where applicable.

General Awareness

- PSB/ISC Members and PAB Members are expected to maintain a reasonable knowledge of ongoing developments and current issues, which will allow them to have a good level of general awareness of pension related matters appropriate for their roles and which may not be specific to the Fund.
- This training will be covered throughout the 24 month period and an assessment will be made on how the training is most effectively delivered, either through: in-house training days provided by Fund Officers and/or external Advisers / Suppliers; training as part of meetings (bite size training) provided by Fund Officers and/or external Advisers; external training events; circulation of reading material; attendance at seminars and conferences offered by industry-wide bodies; attendance at meetings and events with the Fund's investment managers and advisers; links to on-line training and webinars; and access to the Essex Pension Fund website where useful Fund specific material will be available.

LOLA

- In September 2021, the PSB signed up to the use of LOLA to allow access to the required training material that can be completed at a pace that suits the Members. In addition, LOLA enables the knowledge to be tested and for Fund Officers to monitor progress and the level of knowledge attained by the PSB/ISC and PAB Members.

Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Monitoring Knowledge and Skills

In order to identify whether we are meeting the objectives of this Strategy we will:

1. Compare and report on attendance at training based on the following:
 - Induction training – ensuring initial induction training is completed by new Members within 6 months of appointment;
 - Individual Training Needs Analysis (for new Members) – ensuring a Training Needs Analysis is undertaken for each new Member within 6 months of appointment with the identified training requirements delivered within 24 months of assessment;
 - Individual Training Needs Analysis (for existing Members) – ensuring a Training Needs Analysis is undertaken for each individual at least once every 2 years with the identified training delivered within 24 months of the assessment;
 - EPF in-house training – ensuring attendance by at least 80% of the required PSB/ISC/PAB Members at planned EPF training days and Bite size Training sessions as part of Board/Committee meetings;
 - LOLA - ensure PSB/ISC and PAB Members complete 100% of all modules by the end of the 2 year period;
 - General Awareness – each PSB/ISC Member and PAB Member achieving the required training credits within a two-year rolling period.
2. Ask our Independent Governance and Administration Adviser (IGAA) to assist in the biennial evaluation on the governance of the Fund each year, a key part of which will focus on the delivery of the requirements of this Strategy.

Key Risks

The key risks to the delivery of this Strategy are contained within the Fund's Risk Register which can be found on the www.essexpensionfund.co.uk website.

Reporting

The following information will be included in the PSB, ISC and PAB meeting Agenda Packs:

- the training provided / attended at an individual level in booklet form every 6 months; and
- the training provided / attended at an individual level and results of the measurements identified above as a presentation on alternate 6 month period.

In addition, quarterly reporting through the Fund's Scorecard will be provided to the PSB and PAB at each meeting in regard to the progress in achieving the above.

Furthermore, at each PSB, ISC and PAB meetings, Members will be provided with details of forthcoming seminars, conferences and other relevant training events that are on the horizon.

Essex Pension Fund

Knowledge and Skills Strategy for Board/Committee Members

Approval, Review and Consultation

This Knowledge and Skills Strategy was approved on ** ***** **** by the PSB. It will be formally reviewed and updated by the PSB at least every three years or sooner if the training arrangements or other matters included within it merit reconsideration.

Further Information

If you require further information about this Strategy, please contact:

Amanda Crawford, Head of Compliance and Governance, Essex Pension Fund

Email – Amanda.Crawford@essex.gov.uk

Jody Evans, Director for Essex Pension Fund

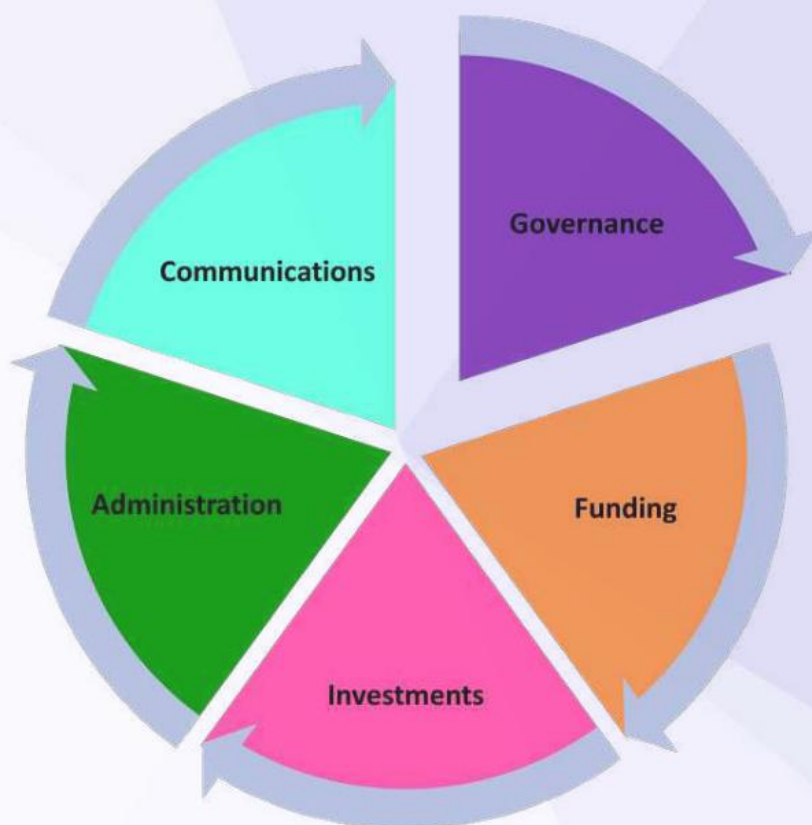
Email – Jody.Evans@essex.gov.uk

Essex Pension Fund
Seax House
County Hall
Chelmsford
Essex
CM1 1QH

Essex Pension Fund

Training Plan for Board/Committee Members

March 2024



Essex Pension Fund

Training Plan for Board/Committee Members

Objective

The objective of this Training Plan is to deliver informative and relevant training to the Essex Pension Fund Strategy Board (PSB), Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board (PAB) Members, on a two-year rolling programme to enable efficient and effective decision-making and oversight of the Fund's processes.

References in this document to "PSB, ISC and PAB Members" include Substitute Members in all cases, except under Training Credits.

Delivery Methods

The delivery of training will be carried out through the following channels:

- One-to-one briefing with a Fund Officer(s);
- Members' briefing notes as part of Boards/Committee Agenda Packs;
- Bite size Training - delivered during Boards/Committee meetings;
- In-house training events / workshops - delivered by Fund Officers and/or Advisers;
- External Conferences and Seminars;
- LGPS Online Learning (LOLA); and
- E-learning and Webinars.

Induction Training

On joining the PSB, ISC or PAB, a new Member will be provided with:

- Electronic documentation to assist in providing a basic understanding of the Fund;
- Within six month's of appointment, a formal Induction Training session will be carried out by Fund Officers; and
- Completion of a Training Needs Analysis to assist in the development of an individual training plan and the Boards/Committee training plans.

The formal Induction Training Session will cover:

- Governance Structure including the role of the:
 - Administering Authority;
 - S151 Officer; and
 - PSB/ISC/PAB Members including Scheme Employer and Scheme Member representatives.
- LGPS Landscape;
- Actuarial Valuation;
- Funding Strategy;
- Investment Strategy including RI Policy;
- ACCESS - Investment Pooling;
- Administration of the Fund; and
- How the Fund communicates with its stakeholders.

Essex Pension Fund

Training Plan for Board/Committee Members

Training Credits

Training credits will be awarded to each Board/Committee Member where training events (approved / recommended by the Fund) has been undertaken either in person or by virtual means.

Method of attaining credit	No. of credits awarded for Members who are on both PSB and ISC	No. of credits awarded for PSB only Members and all PAB Members	No. of credits awarded for PSB / ISC Substitute Members
Bitesize Training within meetings	1 credit per bitesize training received		
Fund Specific Training Days (i.e. RI Workshop and Back to Basics)	2 credits for a full day's attendance 1 credit for a half day's or less attendance		
Fund Specific Training Video	1 credit per video viewed		
Completion of any LOLA module	1 credit per module passed		
Attendance at ACCESS Joint Committee led meetings	1 credit per meeting		
Attendance at an approved conference, seminar or external training event / meetings	2 credits for a full day's attendance 1 credit for a half day's or less attendance		
Expected number of credits to be achieved within a 2-year rolling period	40 credits	20 credits	10 credits

Training Plan

The Training Plan has been developed in totality and is detailed below. However, there will be some subject areas that will not be relevant to all Members. In addition, the Training Plan has been designed to incorporate the "chessboard" style that features in Members' individual Training Plans and therefore references which grid of the chessboard each area relates to.

Essex Pension Fund

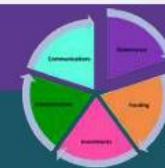
Training Plan for Board/Committee Members



Essex Pension Fund	1. Pensions Legislation - Landscape including pensions context and wider LGPS Landscape: LGPS Regulations; Department for Levelling Up, Housing and Communities (DLUHC); Scheme Advisory Board (SAB); Pensions Ombudsman; and Regulatory Reform	2. Pensions Legislation - The Pensions Regulator (TPR) including compliance with the General Code of Practice	3. Pensions Legislation - Board/Committee Roles including the roles of the PSB, ISC and PAB including Scheme Employer and Scheme Member representatives	4. Pensions Governance - Structure including the Fund's Governance Structure including Essex County Council as Administering Authority, the S151 Officer, the Monitoring Officer and the Senior Officers in the Fund	5. Pensions Governance - Fund Strategy including Business Plan, Budget, Scorecard and Risk Strategy
	6. Pensions Governance - Policies and Procedures including the management of Conflicts of Interest and the Recording and Reporting of Breaches of the Law	7. Pensions Governance - Stakeholder Engagement including the Stakeholder Engagement Strategy and the Fund's Communications Policy	8. Pensions Governance - Compliance including the Fund's Governance Policy and Compliance Statement	9. Pensions Governance - Risk Management and Internal Controls including the Fund's Risk Management processes including Business Continuity and Cyber Policy	10. Pensions Administration - Strategy including the Fund's Pensions Administration Strategy and the benefit structure
	11. Pensions Administration - Employers including the different types of Employer, Employer Responsibilities, Employer Exits and Employer Risks Analysis	12. Pensions Administration - Discretions including the Administering Authority and Employer Discretions	13. Pensions Administration - Digitalisation including the Fund's ambition for greater digitalisation and Digital Transformation	14. Pensions Administration - Data including the maintenance of accurate Member data	15. Pensions Accounting and Audit Standards including statutory requirements for the compliance with Account and Audit Regulations including the roles of Internal and External Audit
	16. Procurement and Relationship Management including an understanding of how the Fund procures, monitors and manages its 3rd party suppliers	17. Investment Performance and Risk Management - Strategy including the awareness of the Fund's Investment Strategy	18. Investment Performance and Risk Management - Assets including the risk and return characteristics of the main asset classes (equities, bonds, property etc) and the role of the Global Custodian and Treasury Management	19. Investment Performance and Risk Management - Pooling including investment Pooling Collaboration and the Fund's role within the ACCESS Pool	20. Investment Performance and Risk Management - Responsible Investment including Environmental, Social and Governance factors, and Taskforce for Climate-Related Financial Disclosures (TCFD)
	21. Investment Performance and Risk Management - Monitoring including key aspects of Investment Strategy, Investment Manager performance monitoring and CEM Benchmarking	22. Financial Markets and Product Knowledge including the Fund's Investment Tables, Markets in Financial Instruments Directive (MiFID II) and market volatility	23. Actuarial Methods, Standards and Practices including the Actuarial Valuation process, developing the Funding Strategy in conjunction with the Fund Actuary including the role of the Actuary		



1. Governance



Training Title	Training Need	Linked to:
Pensions Legislation - Landscape (Grid 1)	<p>An understanding of pensions context and wider LGPS Landscape including the LGPS Regulations, DLUHC, Scheme Advisory Board (SAB), Pensions Ombudsman, TPR and Regulatory Reform</p> <p>Awareness of relevant statutory guidance and the Chartered Institute of Public Finance and Accountancy (CIPFA), the Pension Regulator's General Code of Practice and SAB Good Governance Project</p>	<ul style="list-style-type: none"> Current LGPS Regulations Historic LGPS Regulations CIPFA Training Modules TPR General Code of Practice DLUHC
Pensions Legislation - The Pensions Regulator (TPR) (Grid 2)	An understanding of compliance with the General Code of Practice	<ul style="list-style-type: none"> TPR General Code of Practice Specific areas of the Code, including Cyber and Internal Controls that Board/Committee Members need to be aware of
Pensions Legislation - Board/Committee Roles (Grid 3)	An understanding of the roles of the PSB, ISC and PAB including Scheme Employer and Scheme Member representatives	<ul style="list-style-type: none"> Governance Policy and Compliance Statement
Pensions Governance Structure (Grid 4)	An understanding of the Fund's Governance Structure including the roles of: Essex County Council as Administering Authority; the S151 Officer; Monitoring Officer and the Senior Officers within the Fund	<ul style="list-style-type: none"> Induction / Refresher Training Governance Policy and Compliance Statement
Pensions Governance - Fund Strategy (Grid 5)	An understanding of the Essex Pension Fund's Funding Strategy including Business Plan, Budget, Scorecard and Risk Strategy	<ul style="list-style-type: none"> Fund Strategy LGPS Regulations 2013 Business Plan Scorecard Risk Strategy Risk Register



1. Governance

Training Title	Training Need	Linked to:
Pensions Governance - Policies and Procedures (Grid 6)	An understanding of the Fund's Policies, Strategies and Procedures	<ul style="list-style-type: none"> Governance Policy and Compliance Statement Cyber Policy Policy for Record and Reporting Breaches of the Law Conflicts of Interest Policy
Pensions Governance - Stakeholder Engagement (Grid 7)	An understanding of the Stakeholder Engagement Strategy and the Fund's Communications Policy	<ul style="list-style-type: none"> Stakeholder Engagement Strategy Communications Policy
Pensions Governance - Compliance (Grid 8)	An understanding of the Fund's Governance Policy and Compliance Statement	<ul style="list-style-type: none"> Governance Policy and Compliance Statement
Pensions Governance - Risk Management and Internal Controls (Grid 9)	An understanding of the Fund's Risk Management processes including Business Continuity and Cyber Policy	<ul style="list-style-type: none"> Business Continuity Policy Cyber Policy Risk Strategy Risk Register
Pensions Accounting and Audit Standards (Grid 15)	The statutory requirements for the compliance with Account and Audit Regulations including the roles of Internal and External Audit	<ul style="list-style-type: none"> Accounting Standards Communications Policy Annual Report and Accounts Audit Regulations
Procurement and Relationship Management (Grid 16)	An understanding of how the Fund procures, monitors and manages its 3rd party suppliers	<ul style="list-style-type: none"> LGPS National Frameworks Public Procurement Regulations



2. Funding		
Training Title	Training Need	Linked to:
Actuarial Methods, Standards and Practices (Grid 23)	An understanding of the Actuarial Valuation process, developing the Funding Strategy in conjunction with the Fund Actuary including the role of the Actuary	<ul style="list-style-type: none"> The latest Actuarial Valuation Report Public Service Pensions Act 2013 Public Service Pensions Act 2016 (management and investment of Funds) Public Service Pensions (valuations and employer cost cap) Directions 2014 Funding Strategy Statement Annual Interim Review Government Actuary's Department (GAD)



3. Investments		
Training Title	Training Need	Linked to:
Investment Performance and Risk Management - Strategy (Grid 17)	An understanding of how the Fund carry out Investment Performance measurement, awareness of the Fund's Investment Strategy and the Fund's Responsible Investment Policy	<ul style="list-style-type: none"> Investment Strategy Statement Responsible Investment Policy Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016
Investment Performance and Risk Management - Assets (Grid 18)	An understanding of the risk and return characteristics of the main asset classes (equities, bonds, property etc) and the role of the Global Custodian and Treasury Management	<ul style="list-style-type: none"> Treasury Management Strategy ACCESS Pooling Investment Strategy Statement Custody arrangements
Investment Performance and Risk Management - Monitoring (Grid 19)	An understanding of the Fund's Investment Strategy, Investment Manager performance monitoring and CEM Benchmarking	<ul style="list-style-type: none"> Investment Strategy Statement Investment Tables Investment and RI Manager Ratings
Investment Performance and Risk Management - Responsible Investment (RI) (Grid 20)	An understanding of RI including Environmental, Social and Governance factors, and Taskforce for Climate-Related Financial Disclosures (TCFD)	<ul style="list-style-type: none"> Investment Strategy Statement Myner's Principles Responsible Investment Policy Stewardship Code Annual RI Engagement Meetings
Investment Performance and Risk Management - Pooling (Grid 21)	An understanding of the Investment Pooling Collaboration and the Fund's role within the ACCESS Pool	<ul style="list-style-type: none"> Inter-Authority Agreement Investment Strategy Statement ACCESS Pooling Annual TCFD measurement
Financial Markets and Product Knowledge (Grid 22)	An understanding of the Fund's Investment Tables, Markets in Financial Instruments Directive (MiFID II) and market volatility	<ul style="list-style-type: none"> Investment Statement Strategy Financial Conduct Authority Quarterly Market Commentary



4. Administration



Training Title	Training Need	Linked to:
Pensions Administration - Strategy (Grid 10)	An understanding of the Fund's Administration Strategy and the benefit structure	<ul style="list-style-type: none"> Administration Strategy Automatic Enrolment Internal Dispute Resolution Procedure (IDRP) Annual Allowance Legislation AVCs in the LGPS Retirement Planning
Pensions Administration - Employers (Grid 11)	An understanding of the different types of employer including Employer Responsibilities, Employer Exits and Employer Risks Analysis	<ul style="list-style-type: none"> The latest Actuarial Valuation Report Fund Strategy
Pensions Administration - Discretions (Grid 12)	The requirements for Administering Authority Discretions and what these mean for the Fund	<ul style="list-style-type: none"> Administering Authority Policy on Discretions
Pensions Administration - Digital Transformation (Grid 13)	An understanding of the Fund's ambition for greater Digitalisation of the Fund and Digital Transformation and delivery methods and what this involves	<ul style="list-style-type: none"> Business Plan Communications Policy Stakeholder Engagement Strategy
Pensions Administration - Data (Grid 14)	An understanding of how the Fund maintains accurate Member data	<ul style="list-style-type: none"> Administration Strategy General Data Protection Regulations (GDPR) Current LGPS Regulations



5. Communications		
Training Title	Training Need	Linked to:
Pensions Governance - Stakeholder Engagement (Grid 7)	An understanding of the Stakeholder Engagement Strategy and the Fund's Communications Policy	<ul style="list-style-type: none"> Stakeholder Engagement Strategy Communications Policy
Pensions Administration - Digital Transformation (Grid 13)	An understanding of the Fund's ambition for greater Digitalisation of the Fund and Digital Transformation and delivery methods and what this involves	<ul style="list-style-type: none"> Business Plan Communications Policy Stakeholder Engagement Strategy

Essex Pension Fund

Training Plan for Board/Committee Members



Conferences and Seminars

Examples of Board/Committee Conferences is detailed below:

Conference / Seminar	Time of year / frequency	Board / Committee
LGA Annual LGPS Governance Conference	January / Annual	PSB / PAB
LGC Investment Seminar	March / Annual	ISC
CIPFA Local Pension Board Training	As and when advertised	PAB
ACCESS Investor Days	Biannual	ISC
PLSA LA Conference	May / Annual	PSB
LGC Investments & Pension Summit	September / Annual	ISC
Investment & Training Seminar	October / Triennial	ISC
LGA LGPS Fundamentals	October – December / Annual (3x1 day sessions Induction/ Refresher)	PSB / ISC / PAB
LAPFF Members Meetings	Quarterly	ISC Chairman / Vice Chairman
LAPFF Annual Conference	December / Annual	ISC Chairman / Vice Chairman

Essex Pension Fund Strategy Board	PSB 06a
Date: 20 March 2024	

Investment Steering Committee (ISC) Quarterly Report

Report by the Head of Fund Investments

Enquiries to Samantha Andrews on 03330 138501

This Report is for noting

Executive Summary

Report Type: Investments

The ISC has met on one occasion since the last Essex Pension Fund Strategy Board (the Board) meeting, on 28 February 2024. Owing to publishing deadlines the Board have written updates on the ISC meetings held on 29 November 2023 and 28 February 2024.

At both the November 2023 and February 2024 meetings, the ISC received regular reports on market returns and the global economy, quarterly investment manager monitoring and Responsible Investment (RI) engagement.

In addition, at its meeting in November 2023 the Committee received a training presentation around impact investing in real estate and a presentation from ACCESS's UK Property Manager, CBRE, following which the ISC agreed to ratify their previous decision to appoint CBRE as the Fund's new UK Property Manager. Members also agreed a 5% commitment to ACCESS's Fidelity Investment Grade Credit strategy. Members also noted progress on the development of a Net Zero Journey Plan and reviewed the Fund's Independent Investment Adviser (IIA) contract.

Executive Summary (cont.)

In February 2024, the ISC approved the 2024/25 Treasury Management Strategy. Members received training in carbon emissions and noted the outcome of the re-measurement of carbon metrics against the “metrics and targets” pillar of the Taskforce for Climate Related Financial Disclosures (TCFD) and, following training on the Fund’s Private Equity portfolio and Impact Investing in Private Equity, reviewed the Fund’s Private Equity annual 2024/25 commitment.

The Committee received a quarterly Pooling update and was briefed on the implications for the Fund of the Government’s response to the Next Steps on Investments Consultation. Finally, Members reviewed the outcome of the fourth Competition and Markets Authority (CMA) Strategic Objective Assessment for Hymans Robertson, the Fund’s Institutional Investment Consultant.

1. Purpose of the Report

- 1.1 To provide a report on ISC activity since the last Board meeting.

2. Recommendations

- 2.1 The Board note the content of the report.

3. Background

- 3.1 In accordance with its Terms of Reference, the ISC is required to submit quarterly reports on its activities to the Board.
- 3.2 Since the last quarterly report was received the ISC has met on two occasions, 29 November 2023 and 28 February 2024 and written updates on both these meetings are provided below.

4. Report of the ISC meeting on 29 November 2023

- 4.1 The Independent Investment Adviser (IIA) reported on market returns and the global economy for quarter 3 of 2023, noting that inflation, whilst coming down, remained inconsistent; rate rises appeared to have peaked but were expected to stay “higher for longer”; new geopolitical risks had emerged alongside the continuing Russia/Ukraine conflict; and although an improvement had been seen in supply and storage of gas in Europe, oil prices remained vulnerable to shocks. Looking ahead to 2024, the key question was whether the UK could expect a “soft landing” rather than a full recession in the context of an expected divergence in inflation and economic outlook globally, leading to future desynchronisation of monetary policy internationally.
- 4.2 An update was given on progress against the Fund’s RI Project Plan, highlighting that eight out of fifteen areas of activity were now complete with five further areas in progress. The Committee noted the outcome of six engagement meetings with alternatives Managers and that Officers and Advisers (O&A) had also met with Private Equity and Direct Lending Managers since the production of the agenda.
- 4.3 The IIA updated the Committee on the value of the Fund and its constituent portfolios, performance against benchmarks and assets under ACCESS Pool Governance as at 30 September 2023, explaining that the Fund was valued at £9.868bn at the end of the quarter, up £700m compared with the same period in 2022. Alternatives had performed well while active equity had underperformed and the artificial intelligence euphoria noted during the previous quarter had dissipated. The Fund was ahead of benchmark by 0.6% overall in terms of three-year annualised returns – a good news story in the context of current market conditions.

- 4.4 The Committee received an update on the development of the Fund's Net Zero Journey Plan which would form a substantial part of the 2024/25 RI Project Plan, founded on the four pillars of portfolio emissions, climate solutions and opportunities, alignment and engagement.
- 4.5 Members received a presentation from CBRE on UK property investment. Following the presentation, Members ratified their October 2023 decision to appoint the ACCESS manager, CBRE as the Fund's new UK Core Property Mandate manager. In addition, the Committee received bitesize training and a presentation on real estate impact investing.
- 4.6 Following due diligence on the options on the ACCESS platform, agreement was reached on allocating 5% of the Fund to Fidelity's Sterling Investment Grade Credit in line with the Investment Strategy.
- 4.7 The ISC agree to offer the IAA a one-year contract extension.
- 4.8 The outcome of the recent Government Consultation on the Next Steps for Investments was discussed and it was agreed that an analysis of the implications for the Fund should be brought to a future ISC meeting.

5. Report of the ISC meeting on 28 February 2024

- 5.1 The IIA reported that quarter 4 of 2023 had seen a turnaround with global growth driven by the resilience of the US market and stimulus in China but that was still expected to slow in 2024. Equity markets had rallied, giving their best return since 2019, and inflation had fallen more than expected across major advanced economies, boosting hopes of rate cuts, improving sentiment towards conventional bonds and the fundamental outlook for UK commercial property.
- 5.2 The Committee approved the Fund's Treasury Management Strategy for 2024/25. This was largely unchanged from the 2023/24 Strategy. However, forecasts had been revised throughout with a surplus cashflow projection for 2023/24 and 2024/25 and the Institutional Counterpart Lending List had also been revised in line with recommendations from Essex County Council's (ECC's) Treasury Management Team.

- 5.3 An update was received on the RI Project Plan, noting that eleven out of sixteen areas of activity were now complete and the remaining areas were in progress and expected to be completed by the end of the year. Members noted the outcomes of four engagement meetings with the Fund's Private Equity, Direct Lending, Timberland and Index Tracking Equity Managers and that O&A were due to meet the Fund's three Global Equity and two Emerging Market Equity managers during March and April 2024 respectively.
- 5.4 Members reviewed the Fund's RI engagement priorities and agreed to continue to focus on the subset of RI Priorities of: climate change; resource scarcity; employee relations; and company board structure over the medium term to allow meaningful progress to be tracked and monitored. The Committee was updated on progress with the Fund's FRC UK Stewardship Code Submission for 2024 and approved the use of the Out of Committee Decision Making Process to agree the final Submission and all annual Submissions thereafter.
- 5.5 Members received a training presentation on carbon emissions from Hymans Robertson. Members were updated on the re-measurement versus 2021 baseline for the Fund's overall carbon baseline in line with the same "metrics and targets" pillar of the Taskforce for Climate Related Financial Disclosures (TCFD) for the calendar year 2023.
- 5.6 The outcome of the 2023 assessment showed that the Fund has made substantial progress in decarbonising the portfolio as compared to the 2021 Baseline, in that it had reached its 2030 target of 50% decarbonisation compared to its 2021 Fund baseline and was just shy of reaching its target of 50% decarbonisation versus the 2021 baseline benchmark. It was explained that this progress was largely driven by the ISC's decision to move to more sustainable/low carbon index tracking strategies and the replacement of Stewart Investors, the emerging market manager, with Columbia Threadneedle and Robeco emerging market mandates.
- 5.7 The assessment also showed a large variation in carbon intensities and coverage for the alternative assets, making it difficult to draw overall conclusions. It was noted that data quality and coverage for these assets would continue to be a key point of engagement with the Fund's investment managers during 2024.

- 5.8 Representatives from Hamilton Lane joined the meeting and delivered a training presentation on impact investing in Private Equity along with a market update and outline of the performance of Essex's portfolio after which the Committee reviewed its annual Private Equity commitment, agreeing a further top up of £70m for 2024/25.
- 5.9 The Director for Essex Pension Fund summarised activity at the ACCESS Joint Committee (AJC) meeting on 4 December 2023, noting that the AJC had approved the budget to support the proposed 2024/25 Business Plan for recommendation back to each ACCESS Local Authority. The Committee agreed the AJC's recommendation of its contribution to the ACCESS 2024/25 Budget. The AJC received updates on the Third-Party Review and the forthcoming Operator re-procurement. A discussion was also held on the Government's response to the Pooling Consultation and ACCESS's next steps.
- 5.10 The ISC was taken through an initial assessment of the impact on the Fund of the Government's proposals for Pooling. Fund Officers expressed the view that the Fund was able clearly to demonstrate its commitment to pooling with around 77% of its assets pooled to date and a further 7% to be pooled imminently. In regard to the other proposals, the Members noted that the Fund was in a good place as and when new guidance is released.
- 5.11 The Committee noted the outcome of the 2023 assessment of the strategic objectives of the Fund's Institutional Investment Consultant, Hymans Robertson.

6. Link to Essex Pension Fund Objectives

6.1 Investments:

- to maximise returns from investments within reasonable risk parameters;
- to ensure the Fund's investments are properly managed before, during and after pooling is implemented; and
- ensure investment issues are communicated appropriately to the Fund's stakeholders.

7. Risk Implications

- 7.1 The current investment risks associated with the Fund's investment strategy are those detailed in the Investment Strategy Statement and the Fund's Risk Register.
- 7.2 No new risks have been identified during the quarter.

8. Communication Implications

- 8.1 The Fund was a signatory on the ACCESS proposal to Government in February and July 2016.
- 8.2 The Fund has maintained signatory status to the FRC UK Stewardship Code for 2023.

9. Finance and Resources Implications

- 9.1 In addition to the work undertaken by Officers, the cost of ACCESS pool participation per Fund is estimated to be £141,727 in 2023/24.
- 9.2 The cost to the Fund was:
- £106,832 in 2022/23;
 - £98,184 in 2021/22;
 - £78,426 in 2020/21;
 - £62,866 in 2019/20;
 - £116,000 in 2018/19;
 - £94,000 in 2017/18; and
 - £80,000 in 2016/17.

10. Background Papers

10.1 ISC meeting of 29 November 2023 – Agenda and Minutes.

10.2 ISC meeting of 28 February 2024 – Agenda and Draft Minutes.

Essex Pension Fund Strategy Board	PSB 06bi
Date: 20 March 2024	

Essex Pension Fund Advisory Board Quarterly Report

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

This Report is for noting

Executive Summary

Report Type: Governance

The Essex Pension Fund Strategy Board (PSB) meeting that was held on 13 December was discussed in full.

The PAB undertook the first part of the Review of Risk within their PAB Annual Workplan looking at the Fund's Business Continuity Policy and Plan and how they interlink with the Essex County Council (ECC) Business Continuity Plan and the Fund's Risk Register.

1. Purpose of the Report

- 1.1 To provide the Board with an update on PAB activity since the last Board meeting.

2. Recommendations

- 2.1 That the Board should note the content of the report.

3. Background

- 3.1 The Essex Pension Fund Advisory Board (PAB) was established as the Local Pensions Board for Essex in accordance with Section 5 of the Public Service Pension Act 2013 and Part 3 of the Local Government Pension Scheme (LGPS) Regulations 2013.
- 3.2 Since the PSB's last meeting, the PAB has met on one occasion, on 13 December 2023.

4. Report of the meeting of PAB on 13 December 2023

- 4.1 The PAB received a presentation from the Director for Essex Pension Fund outlining the work undertaken by the PSB at their 13 December 2023 meeting which had taken place that morning. Points covered were:
- the quarterly update on Pension Fund activity, noting:
 - good progress on business plan activity. Of fifty-seven areas of activity in the Business Plan, ten had been completed, thirty-eight were in progress and nine were not due to commence;
 - a slight underspend of 0.6% was reported in the budget, largely driven by the positive net effect of Service Level Agreement income covering operating expenditure and reduced Custodian fees which offset the overspend of increased postage costs and additional administration work required;
 - three scorecard movements had been recorded: one in Governance from red to green, relating to the completion of 3rd Party Transaction forms by PAB Members; and two in Administration from amber to green, relating to the annual Administration measures;
 - three governance measures were assessed as red in relation to External Audit and the continuing vacancies on the PSB and PAB;

- six measures had been assessed as amber: two in Governance - namely eight risks not at their target score - and one due to attendance at the Quarter 1 PSB (70% attendance against a target of 80%). The remaining four were due to annual Administration measures not at their target score;
 - risk register movements - one governance risk upgraded to the highest level of red which was due to the failure to sign off the Essex County Council (ECC) Accounts resulting in the Essex Pension Fund now having three years of draft Annual Report and Accounts published on the Fund's website without an audit opinion. A total of eight risks were reported as not at their target score (unchanged from last meeting);
- an update on Wider LGPS, noting the appointment of two new Ministers following the Cabinet reshuffle in November 2023;
- an update on PSB Member representation noting approval of the appointment of UNISON's nominee, Brian Pereira, Essex Police, to replace Sandra Child from 01 April 2024;
- the work undertaken by the PAB at their 20 September meeting, including expressing its thanks to James Durrant, PAB Employer Representative, for suggesting the development of the Fund Achievements document concept;
- an update on member training plans noting a training session to be scheduled in January 2024 for the completion of LGPS Online Learning Academy (LOLA) for those Members with outstanding modules;
- confirmation that the Fund had been shortlisted for three 2024 Pensions Age Awards: DB Scheme of the Year, Best Communications and Best Investment Strategy; and
- an update regarding other areas of business including:
 - EPF External Audit;
 - work undertaken by the Essex Pension Fund Investment Steering Committee (ISC) at their 11 October 2023 meeting;

- the approval of both the Policy for Recording and Reporting Breaches of the Law and the Governance Policy and Compliance Statement;
 - an update on Pooling and the ACCESS Joint Committee (AJC);
 - contract reviews of the Independent Governance and Administration Adviser (IGAA) and Fund Actuary; and
 - Employer Exits along with the latest Employer Risk Analysis.
- 4.2 The PAB received a progress update on its Annual Workplan for 2023/24 confirming that three of seven tasks – namely the Policy for Recording and Reporting Breaches of the Law, the Consultation on the Investment Strategy Statement and the Fund Achievements document – were now complete. Two more – the website review and management of risk – were in progress and two were not yet due to start.
- 4.3 The IGAA, Mary Lambe, led a workshop reviewing the Fund’s Business Continuity Policy and Business Continuity Plan, starting with a comparison between the Fund’s documents and the ECC Corporate Services equivalent documents and an assessment against predicted expectations from The Pensions Regulator’s (TPR) General Code. This was the first chapter of the Review of Risk and would be followed by a review of the Cyber Risk Policy in spring 2024.
- 4.4 The Chairman requested that actions agreed at future PAB meetings be summarised at the end of the meeting and it was agreed that meetings would in future commence at 1.30pm.

5. Link to Essex Pension Fund Objectives

- 5.1 Ensure compliance with the LGPS regulations, other relevant legislation, and the Pensions Regulator’s Codes of Practice.

6. Risk Implications

- 6.1 Non-compliance with regulations caused by lack of knowledge by staff, changes in government policy/LGPS reforms and systems not kept up-to-date leading to reputational damage and financial loss.

7. Background Papers

- 7.1 PAB Agenda and Notes of 13 December 2023 meeting.
- 7.2 PSB Minutes of 13 December 2023 meeting.

Essex Pension Fund Strategy Board	PSB 06bii
Date: 20 March 2024	

Essex Pension Fund Advisory Board (PAB) Scheme Member Representation

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

This Report is for noting

Executive Summary

Report Type: Governance

This report provides the Board with the outcome of the Scheme Member representative interviews held in January 2024 by the Appointments Panel.

1. Purpose of the Report

- 1.1 To notify the Board of the successful appointment of two new Scheme Member representatives.

2. Recommendations

- 2.1 That the Board note the content of the report.

3. Background

- 3.1 The PAB is appointed by Essex County Council as its Local Pensions Board in accordance with Section 5 of the Public Service Pensions Act 2013 and Part 3 of the Local Government Pension Scheme Regulations 2013.
- 3.2 In line with the PAB's Terms of Reference (TOR), it shall consist of nine Members and be comprised of:
- i. four Employer representatives made up of one from each of the following groups of Employers in the Essex Pension Fund:
 - Essex County Council (an elected Member);
 - the District, City and Borough Councils of Essex (an elected Member);
 - Southend-on-Sea and Thurrock Unitary Authorities (an elected Member);
 - all other Employers;
 - ii. four Scheme Member representatives of which:
 - one will be nominated by the trade unions; and
 - the rest will be drawn from the total Essex Pension Fund's active, deferred and pensioner membership;
 - iii. one Independent Chairman.

4. Update on Scheme Member Representative Recruitment

- 4.1 The Board were reminded at their 20 September 2023 meeting that Debs Hurst was appointed as a Scheme Member representative on the PAB in June 2018 for an initial term of four years. At the 18 March 2022 PSB meeting, the Board agreed to extend Debs Hurst's appointment to the maximum of six years (two-year extension awarded). The Board were advised that the extended term would cease on 31 May 2024 and therefore a recruitment activity would need to take place to appoint a new Scheme Member to that role.

- 4.2 At the 20 September 2023 PSB meeting, an Appointments Panel was set up in line with the PAB's TOR which included:
- the Chairman of the PSB;
 - the Scheme Member representative from the PSB; and
 - the Director for Essex Pension Fund.
- 4.3 It was also agreed that due to the current PSB Scheme Member representative, Sandra Child, stepping down from her position on the PSB in March 2024, the recruitment activity be undertaken prior to 31 March 2024.
- 4.4 The Scheme Member representative was appointed through a clear and transparent process via advertisement through various communication media including the use of the PAB Pamphlet.
- 4.5 The Fund received a total of four applications by the required deadline of 30 November 2023. All four candidates were invited to interview however one interviewee subsequently withdrew their application. The remaining three candidates were interviewed by the Appointments Panel on 09 January 2024.
- 4.6 Following the interviews, Debs Hurst, Chelmsford College was successfully appointed to the role for a term of four years in line with the PAB's TOR. The term will commence following the end of Debs' current term (commencing 01 June 2024).
- 4.7 In addition, Fund Officers had been made aware that Lloyd Williamson had changed his Scheme Member status from 'active' to 'deferred' having ceased employment with Essex County Council. Lloyd has since decided that he will be transferring his benefits to his new LGPS Employer and therefore will no longer be able to be a Member on the PAB.
- 4.8 Therefore, the Appointments Panel saw fit to appoint Catherine Calder, Tendring District Council who was also deemed successful in the interview process carried out on 09 January 2024. The term will commence on 01 June 2024 for a term of four years in line with the PAB's TOR.

5. Link to objectives

- 5.1 Act with integrity and be accountable to our stakeholders.
- 5.2 Ensure the Pension Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise.

6. Risk Implications

- 6.1 Without full membership of the PAB, the Fund are in breach of the Public Service Pensions Act 2013 and therefore are at risk of not fulfilling their duties as a critical friend to the PSB.
- 6.2 Links to Risk Register include:
 - failure of governance arrangements to match up to statutory requirements and recommended best practice leads to financial loss and reputational damage; and
 - a lack of expertise, insufficient knowledge and maintenance of the PSB, ISC and PAB arising out of high turnover and/or changes within the LGPS benefit structure, regulations and associated directives/deliverables.

7. Communication Implications

- 7.1 The vacancy for the Scheme Member representative was advertised via Employer communications, along with news items on the Essex Pension Fund website and LinkedIn with the use of the PAB Pamphlet.
- 7.2 Other than ongoing reporting to the Board, there are no further communication implications.

8. Finance and Resource Implications

- 8.1 There are none.

9. Background Papers

- 9.1 Essex Pension Fund Advisory Board (PAB) Scheme Member Representation, PSB 06b, 20 September 2023.
- 9.2 Essex County Council Constitution and the Essex Pension Fund Advisory Board Terms of Reference therein.

Essex Pension Fund Strategy Board	PSB 08
Date: 20 March 2023	

The Pensions Regulator's (TPR's) General Code

Report by the Head of Fund Compliance and Governance in Consultation with the Independent Governance and Administration Adviser (IGAA)

Enquiries to Amanda Crawford on 03330 321763

This Report is for noting

Executive Summary

Report Type: Governance

The Pensions Regulator (TPR) laid the new General Code of Practice in Parliament on 10 January 2024 and it is expected to become effective from 27 March 2024.

The report provides the Board with a high level overview of the new code and the next steps to be taken by the Fund to ensure compliance with the new requirements.

1. Purpose of the Report

- 1.1 To provide the Board with an update on the publication of The Pension Regulator's (TPR's) General Code of Practice and its implications for Essex Pension Fund.

2. Recommendations

- 2.1 That the Board should note the content of the report.

3. Background

- 3.1 On 10 January 2024, TPR laid its long-awaited General Code of Practice, formerly known as the Single Code of Practice, (“the Code”) before Parliament. This replaces ten of the previous Codes of Practice, and for the LGPS and all Public Service Pensions Schemes replaces Code of Practice14 (Governance and Administration of Public Service Pension Schemes).
- 3.2 The Code is expected to become effective from 27 March 2024.
- 3.3 Aon’s “Spotlight”, attached at Appendix A, sets out further detail of the new Code and its application to the LGPS and all Public Service Pension Schemes.

4. TPR’s General Code

- 4.1 The Code sets out what governing bodies should do or must do in order to meet their legal responsibilities and regulatory expectations. (Appendix A provides commentary on what the term “governing bodies” means for Public Service Pension Schemes.)
- 4.2 The new Code includes many of the requirements of the current Code of Practice 14 together with a host of new areas, such as (among others) elevating cyber controls to TPR Code status and additional expectations relating to managing advisers and service providers, maintenance of IT systems and scams.
- 4.3 The 171 page document, together with a press release, is available on TPR’s website.
- 4.4 Aon also hosted a webinar with Nick Gannon from TPR in January 2024 which was attended by Fund Officers and the Chairman of the Board and discussed the changes from the previous Code and TPR’s expectations in relation to the Code.
- 4.5 The move from a dedicated code for Public Service Pension Schemes to one new General Code for all schemes will require fresh thinking in how to interpret requirements and how best to assess and demonstrate compliance.

5. Next Steps and Action Plan

- 5.1 Fund Officers have signed up to numerous webinars to obtain as much information as possible to assist in the impact assessment on the Fund.
- 5.2 Fund Officers will also assess the Fund's compliance against the code, identify gaps and develop an action plan to ensure compliance. In areas such as Cyber Controls, work to assess compliance is already underway as part of the current Risk Review activity being undertaken by the Essex Pension Fund Advisory Board (PAB).
- 5.3 The outcome of the action plan will be reported through the PAB as part of their Annual Workplan, which will be reported to the PSB through the PAB Quarterly Update report.

6. Link to Essex Pension Fund Objectives

- 6.1 Ensure compliance with the LGPS regulations, other relevant legislation, and the Pensions Regulator's Codes of Practice.

7. Risk Implications

- 7.1 Non-compliance with regulations caused by lack of knowledge by staff, changes in government policy/LGPS reforms and systems not kept up-to-date leading to reputational damage and financial loss.

8. Background Papers

- 8.1 TPR's General Code of Practice [Single code of practice consultation | The Pensions Regulator](#)
- 8.2 TPR's press release regarding the General Code of Practice [Pension trustees challenged on TPR's general code | The Pensions Regulator](#)



Spotlight

TPR General Code of Practice Issued

The Pensions Regulator (TPR) has [published](#) its new General Code of Practice which has now been laid in Parliament. It replaces the Code of Practice (no.14) for Public Service Pension Schemes. The Code is expected to come into force on 27 March 2024.

In this **Spotlight** we set out the key highlights, and what is new for Public Service Pension Schemes. Whilst the Spotlight is directed at Local Government Pension Scheme (LGPS) Administering Authorities, the majority of the points will apply equally to those running Police and Fire Pension Schemes and other Public Service Pension Schemes.

We also introduce our **TPR compliance model** which we have developed to support administering authorities with reviewing their current operations in line with the Code. In addition, we are holding a **webinar** with Nick Gannon from TPR on Monday 29 January (3-4pm) to discuss the impact of the new General Code on Public Service Pension Schemes. Please hold this slot – an invite will be sent shortly.

At a glance...

- The General Code of Practice (the “Code”) consolidates and modernises 10 previous Codes into a single Code and sets out governance standards for pension schemes.
- The Code applies to governing bodies of occupational schemes (Defined Benefit and Defined Contribution), personal pension schemes and public service pension schemes.
- For Public Service Pension Schemes specifically, the Code replaces Code of Practice 14 (Governance and Administration of Public Service Pension Schemes).
- As expected, there are five sections within the Code: The governing body, Funding and Investment, Administration, Communications and disclosure and Reporting to TPR.
- The Code will be accessible online and the paper version runs to 171 pages comprising of 51 modules (and not all modules apply to all schemes).

Contents

What is new for public service pension schemes?	2
What next?	5

Why bring you this spotlight?

To share our thoughts on what the Code means for Public Service Pension Schemes.

Next steps

- Interpret the requirements of the Code.
- Consider the modules and areas that your administering authority/scheme needs to take action on.
- Commence plans to determine how you will assess and demonstrate compliance with the Code.

Prepared for: LGPS Administering Authorities and Public Service Pension Schemes

Prepared by: Aon Public Sector Team

Date: 10 January 2024

What is new for public service pension schemes?

We have set out below our initial understanding of what is new in the General Code of Practice. Our commentary below focuses on new and good practice modules.

Governing body

The Code provides increased clarity on the definition of the governing body for Public Service Pension Schemes, including the LGPS. This is confirmed to be the scheme manager. It outlines that each Public Service Pension Scheme will need to determine who fulfils the role of scheme manager according to their regulations and local arrangements. The Code recognises that the governance of Public Service Pension Schemes needs to take into account the differing responsibilities of the scheme manager, pension board and where appropriate, pensions committee.

Good practice

In the new General Code there are a number of areas of good practice which sit alongside core modules (highlighted by an * in the list below). Whilst compliance with the good practice modules is not a legal requirement, we would suggest all administering authorities and Public Service Pension Schemes consider all areas of the new Code.

New modules

There are a number of new modules in the Code when compared with Code of Practice 14. These are:

Governing body section

- Meetings and decision-making
- Remuneration and fee policy*
- Managing advisers and service providers*
- Scheme continuity planning*
- Own risk assessment*

Funding and Investment section

- Investment governance*
- Investment monitoring*
- Climate change*

Administration

- Planning and maintaining administration
- Financial transactions

- Transfers out
- Record-keeping
- Data monitoring and Improvement
- Maintenance of IT systems
- Cyber controls*

Communications and disclosure

- General principles for member communications
- Scams

Below we have listed some of the key highlights from our initial review.

Governance

TPR states that the governing body should spend an appropriate amount of time running its scheme and should meet at least quarterly. The Code outlines the items that must be included in written meeting records. Public Service Pension Schemes will need to consider the requirements of the appointment and role of the chair module, as well as relevant aspects of the new good practice remuneration and fee policy module. These are areas we plan to discuss with TPR at our webinar on 29 January. It also recognises that arrangements for meetings and decision making for councils acting as LGPS authorities are set out in legislation and will apply to each council as appropriate.

Managing advisers and service providers

TPR expects schemes to operate an effective system of governance and this module outlines the expected controls for the selection, appointment and management of advisers and service providers. It confirms that where the governing body appoints advisers and service providers, it retains ultimate accountability and should be able to demonstrate its management of commercial relationships.

Administration

TPR have introduced a number of new administration modules, in particular in relation to planning and maintaining administration, information handling and maintenance of IT systems.

Risk management

There are areas of good practice here in respect of scheme continuity planning. TPR states that scheme managers of public service pension schemes do not have specific obligations set out in pensions legislation but considers it good practice to carry out continuity planning. Also the new area of Own Risk Assessment is listed as an area of good practice for Public Service Pension Schemes. Own Risk Assessments will identify the key governance risks facing the scheme and TPR states that the governing body should incorporate the findings into its management and decision-making processes. In our 29 January webinar we expect to cover how TPR views this, and how the overall effective system of governance requirements should be considered by Public Service Pension Schemes.

Systems of Governance

The requirement for effective systems of governance and internal controls applies to all schemes, although the standards of governance required by law depends on the type of scheme. The Code introduces greater emphasis on documented policies and procedures to demonstrate that the governing body is managing the scheme in line with the requirements.

Scheme managers of Public Service Pension Schemes are required to establish and operate appropriate internal controls in line with requirements in law.

Cyber Controls

Cyber and managing cyber risk for pension schemes is a continually evolving area and we know many Administering Authorities have commenced work in this area. As expected, the Code outlines that Governing bodies should take steps to reduce the risk of incidents occurring, and appropriately manage any incidents that arise. This is listed as a good practice module however it does also clearly set out the legal requirements for all Public Service Pension Schemes relating to internal controls.

Investment

The Code contains some good practice modules on investments for Public Service Pension Funds, including investment governance, investment monitoring and climate change. TPR states the scheme managers of Local Government Pension Schemes do not have the same obligations in pensions legislation, but it is good practice for them to approach investment governance and investment monitoring in the same way.

What next?

Here is what is coming next.

Webinar

The Code comes into force on 27 March 2024. Ahead of this we are holding a **webinar** with TPR on 29 January 2024 between 3-4pm where we will discuss key areas of the Code and what it means for the LGPS and Public Service Pension Schemes. An invite and link to book a place on the webinar will be issued shortly.

Other communications

We plan to issue further communications in the coming weeks as we digest and interpret the Code's requirements further.

TPR compliance model

The move from one dedicated code for Public Service Pension Schemes to one new General Code for all schemes will require fresh thinking in how to interpret requirements and how best to assess and demonstrate compliance with this new Code. We have developed a **new compliance model** to help LGPS funds assess compliance against the new General Code. This will produce automated information for ongoing reporting to Pensions Committees and Local Pensions Boards and will support funds in developing an action plan against areas that need further attention. We will set out more detail at our webinar.

Act now

We recommend that LGPS administering authorities and all Public Service Pension Schemes commence action now to interpret the Code carefully and consider assessing compliance. It will be key to formulate an action plan to address the changes needed, including identifying any new policies or procedures or changes to existing policies that may be required.



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Essex Pension Fund Strategy Board	PSB 09
Date: 20 March 2024	

Schedule of Future Meetings and Events

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

This Report requires a decision

Executive Summary

This report details the upcoming Board meeting dates for PSB Members to note and seeks agreement to the proposed 2025/26 meeting dates.

1. Purpose of the Report

- 1.1 To provide the Board with an update on the schedule of future meetings and events for 2024/25 and the proposed 2025/26 meeting dates for approval.

2. Recommendation

- 2.1 That the Board **agree** the provisional meeting dates for 2025/26 as stated in Section 6 of the report.
- 2.2 That the Board note the content of the report.

3. Background

- 3.1 The Board were made aware, at their meeting on 18 December 2019, that future meetings and events would be brought to each meeting to ensure, where applicable, these will be authorised according to internal Essex County Council (ECC) processes, formerly known as the Foreign Travel Committee.

4. Upcoming Event(s)

- 4.1 Fund Officers will continue to ensure a review of the advertised Conferences/ Seminars is carried out in line with the Knowledge and Skills Strategy, taking into consideration individuals' Training Needs Analyses and the Fund's carbon footprint, and will communicate any suitable Conferences either through emails and/or this Agenda Item.
- 4.2 There are no upcoming events that PSB Members should be made aware of at the time of writing this report. If any events are publicised after the March meeting, the Compliance Team will notify the Board via email.

5. Schedule of Future Meetings

- 5.1 The agreed Schedule of Future Meetings for municipal year 2024/25 is as follows:

Pension Strategy Board	
Wednesday 03 July 2024	10:00 – 13:00
Wednesday 25 September 2024	10:00 – 13:00
Wednesday 11 December 2024	10:00 – 13:00
Wednesday 19 March 2025	10:00 – 13:00

- 5.2 The annual Back to Basics training has been scheduled for Friday 24 January 2025.

6. Proposed Schedule of Future Meetings

- 6.1 The proposed Schedule of Future Meetings for Municipal Year 2025/26 are:

Pension Strategy Board	
Wednesday 02 July 2025	10:00 – 13:00 (to be agreed)
Wednesday 24 September 2025	10:00 – 13:00 (to be agreed)
Wednesday 10 December 2025	10:00 – 13:00 (to be agreed)
Wednesday 18 March 2026	10:00 – 13:00 (to be agreed)

- 6.2 The annual Back to Basics training has been scheduled for Friday 23 January 2026.

7. Finance and Resources Implications

- 7.1 If an event costs more than £500 for one member or £1,000 in total, then prior approval for any travel is compulsory by ECC.

8. Background Papers

- 8.1 Schedule of Future Meetings and Events, PSB 10, 13 December 2023.

