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| <b>Essex Pension Fund<br/>Strategy Board</b> | <b>PSB 09bi</b> |
| <b>Date: 06 July 2022</b>                    |                 |

## **Essex Pension Fund Advisory Board (PAB): Quarterly Report**

Report by the Compliance Manager

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 18 March 2022 was discussed in full and no issues were raised.

The PAB Annual Workplan was discussed in detail by PAB Members along with the agreement to set up a Task and Finish Group to look into The Role of the PAB item.

## **1. Purpose of the Report**

- 1.1 To provide the Board with an update on the 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 the 18 March 2022.

### **4. Report of the meeting of PAB on 18 March 2022**

- 4.1 The PAB received a presentation from Fund Officers outlining the work undertaken by the PSB at their 18 March meeting which had taken place that morning.
- 4.2 Points covered were:
- an update regarding the 2020/21 External Audit noting that the Fund were in receipt of the Audit Completion Report however that it had not yet been signed off by the Audit Governance and Standards Committee;
  - the progress against the Business Plan with forty-two areas of activity completed and of the remaining three one was not applicable and the remaining two would be completed by 31 March 2022. PAB Members acknowledged the efforts of everyone involved in achieving this;
  - the three movements within the Fund's Scorecard, two improvements and one decline. These being: the successful appointment of Christopher Downes as the New Scheme Member Representative on the PAB, which had resulted in turning a red measure green; a red measure was discussed as a result of only 67% attendance at the 15 December 2021 PAB meeting; and the final movement was an increase in the number of positive Member Survey responses resulting as green;
  - the reassessment of two Risks: one upgraded due to the heightened likelihood of a Cyber related incident; and one downgraded due to more certainty around Local Government Pension Scheme (LGPS) reform and its implications on the Fund;

- the PAB were advised of four Essex Pension Fund Policies and Publications that had been approved by the PSB that morning, these being:
  - the Three-Year Business Plan and 2022/23 Budget which included the approval of the PAB Annual Workplan;
  - the Stakeholder Engagement Strategy which formalised how the Fund engages with its Stakeholders building on a set of core values and behaviours;
  - the final version of the Administration Strategy detailed minor amendments following consultation with Fund Employers. The consultation included a YouTube training video which had been viewed sixty-six times;
  - the Draft Cyber Policy, a confidential Part Two Agenda Item, had also been provided to the PAB as part of their oversight role;
- the PAB were made aware of two updates that the PSB had received in relation to the Local Government Reform, these being;
  - National Pensions Dashboard; and
  - McCloud;
- PAB Members received confirmation that the PSB had approved the extension to PAB Member Debs Hurst's Term of Appointment for an additional two years;
- the PAB noted that the PSB received the final outcome of the PAB Governance Effective Review.
- the PAB were made aware of the proposed Actuarial Valuation timetable for the year ahead and were invited to attend the Pre-Valuation Webinar which took place on 29 March 2022; and
- the final items PAB Members were alerted to, was the outcome of the AVC Review; the Employer Risk Review and the Independent Governance and Administration Adviser (IGAA) contractual Review.

- 4.3 The PAB discussed in detail the PAB Annual Workplan and discussed the recommendation that a Task and Finish Group be set up to assist with the Role of the PAB task. PAB Members agreed to formalise the Task and Finish Group out of committee and would report back to the next meeting.
- 4.4 PAB Members also discussed the possibility of holding an Annual Networking Day to allow PAB Members to meet at least once a year face to face. It was subsequently agreed that this would form part of their next Meeting.

## **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 18 March 2022 meeting.
- 7.2 PSB Minutes of 18 March 2022 meeting.