

Notes of the meeting of the Essex Pension Fund Advisory Board (PAB), held at 2:00pm as an online video conference on 22 September 2021

1. Membership, Apologies and Declarations of Interest

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

Membership

Present:

Independent Chairman

Nicola Mark MBE	Independent
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Employer Representatives

Cllr L Barber	Essex County Council
Cllr M Bracken	Chelmsford City Council
James Durrant	Essex Police, Fire and Crime Commissioner Fire and Rescue Authority
Cllr J Duffin	Thurrock Borough Council

Scheme Member Representatives

Andrew Coburn	UNISON (Vice Chairman)
Stuart Roberts	Shenfield High Academy
Debs Hurst	Chelmsford College

The following Officers and Advisers were also present in support of the meeting:

Jody Evans	Director for Essex Pension Fund
Samantha Andrews	Investment Manager
Daniel Chessell	Retirement Manager
Sara Maxey	Employer Manager
Amanda Crawford	Compliance Manager
Marcia Wong	Compliance Officer
Karen McWilliam	Independent Governance and Administration Adviser (IGAA) Aon

It was noted that the meeting would be recorded to assist with the notes for the meeting.

Apologies for Absence

Apologies were received from Essex Pension Fund Strategy Board (PSB) Scheme Member representative, Sandra Child who was unable to attend the meeting.

Opening Remarks

The Chairman welcomed Members of the PAB, Officers and Advisers to the meeting and hoped their December meeting could be carried out face-to-face.

The Director for Essex Pension Fund reiterated that the current Essex County Council (ECC) Policy only allowed decision-making Boards/Committees to meet in person. Members were informed that Fund Officers had recently procured a Meeting OWL to enable a hybrid approach to be adopted going forward so those wishing to attend virtually could do so, while others attend in person.

Members were also informed of the recent change in that the Local Government Pension Scheme (LGPS) was no longer under the Government's Ministry of Housing, Communities & Local Government (MHCLG) remit but was now under the, Department for Levelling Up, Housing and Communities (DLUHC).

Declarations of Interest

Declarations were received:

Nicola Mark declared she was in receipt of a LGPS Pension from another Fund;

Andrew Coburn declared he was in receipt of an Essex LGPS Pension;

Cllr M Bracken declared that his sister was in receipt of an Essex LGPS Pension;

Debs Hurst and James Durrant declared they were active Essex LGPS Members; and

Stuart Roberts declared that he and his wife were also active Essex LGPS Members.

2. Notes of the previous meeting held on 07 July 2021

Notes of the meeting of the PAB held on 07 July 2021 were approved as a correct record and signed by the Chairman.

The following points were raised for noting:

- confirmation that Officers had written to Cllr Walsh and Cllr Hebb on 30 July 2021 thanking them for their contribution to the work of the Board over the duration of their terms;
- the PAB Annual Report was shared with the Local Government Association (LGA) for onward submission to the Scheme Advisory Board (SAB) on 21 July 2021; and
- an update on Members Training would be provided at Agenda Item 3.

Resolved:

The Board noted the updates provided.

3. Essex Pension Fund Strategy Board (PSB) Update

The Board received a presentation from the Director for Essex Pension Fund on the outcome of that morning's PSB meeting. The main areas of discussion were in relation to the following:

- Outcome of Individual Training Needs Analysis (TNA) and proposal for Online Training;

It was explained that the PAB Training Plan was agreed by the PSB at their earlier meeting. An overview was then provided to Members to explain the content of their Plan. In addition, Members were advised that they should now be in receipt of their Individual Training Plans and that a hard copy booklet would be posted to them.

Members were also made aware that all Training Plans would be updated periodically.

It was noted that the PSB had agreed for the Fund to sign up to the Hymans Robertson LGPS Online Learning Academy (LOLA) to enable elements of the Training Plans to be carried out by Members in their own time and at their own pace.

- External Audit Update;

The Board were advised that a key topic of discussion at the PSB was in regard to the significant risk around further delays to the External Audit and the ability of BDO LLP to complete their audit by the revised deadline of the November Audit, Governance and Standards Committee meeting.

The Board discussed the impact on the Fund's Scorecard measure which would result in a red measure on the Fund's September Scorecard and how they thought it would be good to draw out the cause in the narrative so it would be clear it is out of the Fund's control.

The Board understood that a letter had been written to the Chairman of the Audit, Governance and Standards Committee and that the PSB would monitor the situation.

The Investment Manager provided reassurance that Fund Officers were in weekly discussions with BDO in regard to their progress.

- Update on Pension Fund Activity;

Progress against the Fund's Business Plan, Budget, Scorecard and Risk Register was provided showing that out of the 45 priorities, 13 were completed, 24 were in progress and 7 were not yet due to commence.

The Budget was currently forecasting a 7% underspend largely resulting from extended lead time in recruiting staff into posts.

The two positive movements within the Risk Register were explained to the Board noting the improvements were due to the continuation of Business as Usual during the pandemic and the lifting of restrictions which resulted in the risk ratings returning to their target scores. As a consequence, this had also positively impacted the Fund's Scorecard, resulting in a movement from amber to green in regard to the percentage of risks at their target score.

The Independent Governance and Administration Adviser (IGAA) highlighted to the Board that the progress detailed within the Scorecard in regard to the rollout of Scheme Member and Employer Online was notable.

The Board asked for the makeup of those using Member and Employer Online. Fund Officers agreed to take that action away.

Other areas of business included:

- an update in regard the Scheme Member Representative recruitment with three applications being received by the closing date of 17 September 2021;
- the agreement to the proposed timetable for the recruitment of the Independent Chairman;
- the Out of Committee Decisions made in August 2021 including:
 - the agreement to award Adare Sec Ltd as the Fund's Printing and Posting Supplier; and
 - the agreement to the HM Treasury Consultation Responses on Discount rate methodology and Cost control mechanism.
- the bitesize training provided by the IGAA in regard to the Wider LGPS Landscape and that the recording would be provided to PAB Members to assist those who were unable to attend the meeting earlier;
- an update in regard to the current liquidations of Fund Employers;

- the Fund's first Deferred Debt Arrangement (DDA) application was also discussed; and
- the termination of the Aon Combination with Willis Towers Watson.

Actions:

- Officers to look at the feasibility of providing the makeup of the Members and Employers using Member and Employer Online to a future meeting; and
- Officers to provide PAB Members with the Wider LGPS Landscape training recording.

Resolved:

The Board noted the papers reviewed by the PSB.

4. PAB Governance Effectiveness Review

The Board received a report from the IGAA providing an overview on how the PAB Governance Effectiveness Review would be carried out.

The Chairman questioned whether the PAB were a decision-making Board and was not sure how decisions of the PAB would be reviewed for their effectiveness. The IGAA confirmed that the PAB do make decisions in regard to how the PAB oversees the management of the Fund.

It was brought to the attention of the Board that a Review of the PAB had been previously carried out and should be considered when this Review is undertaken as well as the TNA conclusions that have already been shared with the IGAA.

Action:

- IGAA to attach a copy of the PAB's Terms of Reference to the Governance Effectiveness Survey;
- Members to complete the Survey and return by 15 October 2021; and
- Members to raise any issues with the Survey with Fund Officers.

Resolved:

The Board noted the content of the report.

5. Papers provided to Essex Pension Fund Advisory Board (PAB)

The Compliance Manager presented a report which listed all the communications which had been issued to the Board since their last meeting.

The Director for Essex Pension Fund brought to the attention of the Board that as a result of the TNA one to one meetings, Officers had introduced Executive Summaries for each of the Fund's Reports. The Board welcomed and applauded the approach.

Resolved:

The Board noted the content of the report.

6. Schedule of Future Meetings and Events

The Board received a report detailing the planned PSB and Investment Steering Committee (ISC) meeting dates for the remainder of this municipal year along with a reminder of the LGA three-day Fundamentals course that was due to commence in October. It was requested to contact the Compliance Team at Members earliest convenience, should they wish to undertake this training.

The Board were reminded that their meetings would be held on the same day as the PSB with a scheduled start time of 2pm.

Essex Pension Fund Strategy Board

15 December 2021 10am - 1pm

23 March 2022 10am - 1pm

Investment Steering Committee

13 October 2021 10am - 1pm

29 November 2021 10am - 4pm

23 February 2022 10am - 1pm

Training Days

EPF Back to Basics 03 November 2021 Timings to be confirmed

Resolved:

The Board noted the content of the report.

7. Any Other Business

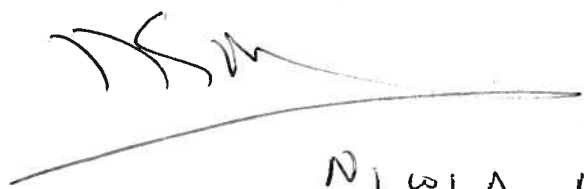
There was none.

8. Closing Remarks

There being no further business the meeting closed at 3:03pm.

Signed as a true record 15 December 2021

Chairman


NIWLA MARK