



Essex County Council

# Essex Pension Fund Advisory Board

This meeting is not open to the public

<b>14:00</b>	<b>Wednesday, 20 September 2023</b>	<b>Committee Room 2, County Hall, Chelmsford, CM1 1QH</b>
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**For information about the meeting please ask for:**

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## How to take part in/watch the meeting:

**Participants:** (Officers and Members) will have received a personal email with their login details for the meeting. Contact the Compliance Team if you have not received your login.

		<b>Pages</b>
<b>1</b>	<b>Essex Pension Fund Advisory Board (PAB) Membership, Apologies and Declarations of Interest</b>	<b>3 - 4</b>
	To receive a report from the Head of Fund Compliance and Governance	
<b>2</b>	<b>Notes of PAB meeting held on 05 July 2023</b>	<b>5 - 16</b>
	To approve as a correct record the Notes of the Board meeting held on 05 July 2023	
<b>3</b>	<b>Essex Pension Fund Strategy Board (PSB) Update</b>	<b>17 - 18</b>
	To receive a report and presentation from the Director for Essex Pension Fund	

<b>4</b>	<b>Essex Pension Fund Advisory Board (PAB) Annual Workplan</b>	<b>19 - 44</b>
	To receive a report and presentation from the Head of Fund Compliance and Governance in consultation with the Independent Governance and Administration Adviser (IGAA)	
<b>5</b>	<b>Papers provided to the Essex Pension Fund Advisory Board (PAB)</b>	<b>45 - 46</b>
	To receive a report from the Head of Fund Compliance and Governance	
<b>6</b>	<b>Schedule of Future Meetings and Events</b>	<b>47 - 50</b>
	To receive a report from the Head of Fund Compliance and Governance	
<b>7</b>	<b>Any Other Business</b>	
	To raise any other business	

<b>Essex Pension Fund Advisory Board</b>	<b>PAB 01</b>
<b>Date: 20 September 2023</b>	

## **Essex Pension Fund Advisory Board (PAB) Membership, Apologies and Declarations of Interest**

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

### **Executive Summary**

**Report Type: Governance**

One Membership change has occurred since the last meeting with Lloyd Williamson, Deferred Member succeeding outgoing Active Member Stuart Roberts.

The Board continues to carry one vacancy for the Borough, City and District Councils representative (formerly Councillor Martin Bracken).

No apologies have been received at the time of writing.

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

- 1.1 To present Membership, Apologies and Declarations of Interest for the 20 September 2023 PAB.

## **2. Recommendation**

- 2.1 That the Board should note:

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

### **3. Membership**

(Quorum: 4)

9 members consisting of:

- one Independent Chairman;
- four Scheme Member representatives; and
- four Employer representatives.

#### **Membership**

#### **Representing**

Nicola Mark

Independent Chairman

#### **Scheme Members Representatives**

Andrew Coburn

Pensioner, ex Essex County Council, UNISON

Debs Hurst

Active Member, Chelmsford College

Lloyd Williamson

Deferred Member, ex Essex County Council

Christopher Downes

Active Member, Essex County Council

#### **Employer Representatives**

James Durrant

Essex Police, Fire and Crime Commissioner  
Fire and Rescue Authority (Essex PFCC FRA)

Vacant

Borough, City and District Councils

Councillor Graham Snell

Thurrock Council

Councillor Chris Siddall

Essex County Council

## Notes of the meeting of the Essex Pension Fund Advisory Board (PAB), held in Committee Room 1 at 1:30pm on 05 July 2023

### 1. Networking Session

As agreed at the PAB meeting on 18 March 2022, this being the first meeting of the municipal year, PAB Members attended in person to enable them to network for the first 30 minutes of the meeting.

### 2. Membership, Apologies and Declarations of Interest

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

The Board noted two membership changes since the previous meeting: Councillor Chris Siddall had been appointed as the Essex County Council Employer representative and a vacancy had arisen for the Borough, City and District Councils representative following the departure of Councillor Martin Bracken.

#### Membership

##### Present:

##### Independent Chairman

Nicola Mark MBE Independent

##### Employer Representatives

James Durrant	Essex Police, Fire and Crime Commissioner
	Fire and Rescue Authority (Essex PFCC FRA)
Cllr Chris Siddall	Essex County Council

##### Scheme Member Representatives

Andrew Coburn	UNISON (Vice Chairman)
Christopher Downes	Essex County Council
Stuart Roberts	Shenfield High Academy
Debs Hurst	Chelmsford College

In addition, newly appointed Scheme Member representative, Lloyd Williamson, attended as an Observer of the meeting.

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

Jody Evans	Director for Essex Pension Fund
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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
Suzanne Sinclair	Compliance Analyst
Senita Kaur	Compliance Analyst
Mary Lambe	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) Member, Sandra Child, as an Observer of the meeting.

Cllr Graham Snell, Employer representative for Thurrock Council, was absent from the meeting.

### **Opening Remarks**

The Chairman welcomed Members of the PAB, Officers and the IGAA, Mary Lambe, to the meeting.

A special welcome was extended to new Employer representative Cllr Chris Siddall (Essex County Council), and Compliance Analysts Senita Kaur and Suzanne Sinclair who were attending their first PAB meeting.

It was noted that this would be Stuart Roberts' final meeting and the Chairman thanked him on behalf of the Board for his commitment and service to the PAB during his term. It was also noted that Lloyd Williamson, who will replace Stuart, was now a deferred member of the Essex Pension Fund.

The Chairman thanked Marcia Wong, Compliance Officer, for all her support to the PAB and its Members over many years, noting that Marcia had now retired from the Fund.

### **Declarations of Interest**

The following Declarations of Interest 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;

Lloyd Williamson declared he was a deferred Member of the Essex LGPS; and

James Durrant, Stuart Roberts, Debs Hurst and Christopher Downes declared they were active Essex LGPS Members.

**Resolved:**

The Board noted the content of the report.

**3. Appointment of the Vice Chairman of the Essex Pension Advisory Board**

The Chairman invited Board Members to make nominations for the appointment of the Vice Chairman. One nomination was received and then seconded; following a show of hands, Andrew Coburn was re-appointed as Vice Chairman of the PAB.

**Resolved:**

Andrew Coburn be re-appointed as the Vice Chairman of the PAB for this municipal year.

**4. Notes of the meeting held on 22 March 2023**

Notes of the meeting of the PAB held on 22 March 2023 were approved as a correct record and signed by the Chairman.

One matter arising was discussed noting that at a previous meeting, Debs Hurst had invited Officers to attend a professional development event at Chelmsford College organised for their staff. As part of this, Dan Chessell, Chris Pickford and Jennifer Rice, representing the Fund, ran two sessions which included providing an overview of the Fund, the benefits of the LGPS, promoting Member Online and explaining the 50:50 option.

Debs informed the Board that excellent feedback had been received about the clarity of the information given and the level that the information had been pitched. Debs formally thanked the team and stated she would invite them back again. Dan Chessell thanked Debs for the invitation to the event and highlighted to the Board that pre-Covid, Fund Officers had regularly run in-person Scheme Member events. During the pandemic, by necessity, these events had to move online, ranging from one-to-one Microsoft Teams meetings with Scheme Members as part of Virtual Pension Surgeries to a Retirements webinar which more than a thousand people registered to attend and a recording of which was available to view on YouTube.

It was further explained that since the rules had been relaxed, attendance at in-person events had resumed and Fund Officers were increasingly being approached by other Employers. The Board were informed that three members of staff had recently run a stall at a well-being fair at Epping District Council and further events were already scheduled in for the coming months.

**Resolved:**

The Board noted the update from the matters arising.

**5. Essex Pension Fund Advisory Board (PAB) Terms of Reference**

Board Members noted minor amendments to the Terms of Reference (TOR) in regard to remuneration and expenses as agreed at Full Council on 16 May 2023.

The Board were reminded that the PAB TOR had been revised and agreed by the PSB at its meeting on 07 December 2022. Fund Officers had subsequently reviewed the TOR and recommended that no further amendments were required at this time.

**Resolved:**

The Board noted the TOR as set out in Appendix A of the report.

**6. Essex Pension Fund Advisory Board (PAB) Annual Report**

The Director for Essex Pension Fund explained that the PAB is required by LGPS legislation to produce an Annual Report of the work undertaken in the previous year for inclusion within the Annual Report and Accounts and for onward submission to the Scheme Advisory Board (SAB).

The Board received the 2022/23 PAB Annual Report, which had been approved by the Independent Chairman, Nicola Mark and the Vice Chairman, Andrew Coburn in June 2023.

The Vice Chairman suggested that it would be interesting to look at other Funds' reports to see how they compare. It was noted that there was not a standard approach across Funds to the information included in the report and how it was presented. It was understood that the SAB collated the data within these reports to aid the production of the SAB Annual Report. James Durrant suggested that, when submitting the Annual Report to the SAB, it would be useful to include a covering note from the Fund, asking if the reports were benchmarked and to potentially append the summary of achievements, due to be discussed later on as part of the agenda, if it was ready for publication in time.

**Resolved:**

The Board noted the Annual Report prior to its onward transmission to the SAB and publication within the Annual Report and Accounts.

**7. Investment Strategy Statement (ISS) Review and Consultation Process**

The Head of Fund Investments reminded the Board that the Fund is required to maintain an ISS setting out its principles for governing the Fund's assets. The Investment Steering Committee (ISC) must review the ISS at least every three years and it was last approved in October 2020.



A revised draft ISS had been presented to the ISC on 14 June 2023 and was approved for release for full consultation with stakeholders including the PAB. Following the conclusion of the consultation period, the outcome would be brought back to the ISC meeting in October 2023 for consideration, after which the ISS would be revised as appropriate, and the final document published.

The ISS incorporated much of the Fund's work on investments over the past three years, including de-risking, reviewing and aligning mandates to the Responsible Investment (RI) policy and the Fund's approach to Environmental, Social and Governance (ESG) factors. It was explained that the consultees included:

- PSB, ISC and PAB Members;
- Fund Employers via email and Newsletter;
- Scheme Members via their Annual Benefit Statements (ABS) and Member Online;
- Fund Advisers;
- the Fund's Investment Managers, ACCESS Operator and the ACCESS Support Unit;
- the Fund's Custodian; and
- all Essex Pension Fund staff.

PAB Members applauded the comprehensiveness of the consultation. The Chairman also noted that the Statement was interesting and engaging to read and much easier to understand than in previous years. It was highlighted that the draft ISS was now live on the Fund's website and Member Online. As part of the feedback expressed during the previous ISS consultation in 2020 the Fund had also included brief commentary on what the Fund has been doing in regard to low carbon and impact investing and reaffirmed to readers that changes in the approach to investment would not affect Scheme Member benefits that were set out in Statute.

It was explained that the Fund was keen to increase the response rate to the consultation and therefore PAB Members were asked to help promote the consultation by ensuring their Employers disseminated it to their staff. It was noted that there were three main ways to respond: via a survey included within the ABS, accessible via a QR code; via the Fund's website; or to a dedicated email address.

The Board was also advised that when Fund Officers attend events, e.g., well-being events and roadshows, Fund Officers would encourage Scheme Members to have their say.

The Head of Fund Compliance and Governance agreed to circulate an email to PAB Members with a link for sharing along with a short paragraph explaining the purpose of the ISS and the consultation.

It was also explained that the draft ISS would be issued to Fund Employers by the end of this week. It was suggested the Fund consider issuing a press

release to garner additional responses. Consideration would also be given to whether LinkedIn could be used.

**Resolved:**

The Board noted the content of the report as part of the Fund's stakeholder consultation process.

## **8. 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:

- Annual Report to Essex County Council (ECC)

The PSB noted the Annual Report summarising the work of the PSB and ISC during 2022/23, which had been approved by the Chairman and Vice Chairman in advance of the PSB and would be received by ECC's Full Council on Tuesday 11 July 2023.

- Update on Wider LGPS Legislation

The Director for Essex Pension Fund provided an overview of the workstreams expected by the Fund and the proposed timelines, these being:

- Pension Dashboards: a "one-stop viewing shop" enabling individuals to see all their pension pots in one place. Legislation had been pushed back to 2026 and the LGPS could be required to make data available through Dashboards at any time between 2024 and 2026;
- new Pooling Guidance: originally scheduled for 2021 but now expected at some point between now and 2024;
- McCloud remedy: the Out of Committee decision-making process had been enacted to allow a consultation response to be issued by the 30 June 2023 deadline and further guidance was awaited. Legislation was expected in early September followed by statutory guidance, which was most likely to be published after October; and
- The Pensions Regulator's (TPR's) Code of Practice: this was still waiting to be laid in Parliament and will form a significant programme of work for the PAB.

- Update on Pension Fund Activity: Quarterly Update Report

The PSB noted good progress in regard to the Business Plan objectives. Of fifty-seven priorities, three areas of work had been completed with thirty-three in progress and twenty-one not yet due to start.

The Budget at this early stage of the year was on target and an update would be available at the next meeting.

In regard to the Scorecard, as at 31 March 2023, three improvements had been reported within the Exception Report. Appointments to the PAB had resulted in a movement from red to green; seven risks now not at their target score had resulted in a movement from red to amber; and in the communications measures, further positive feedback had been received in regard to the Fund's Annual Benefit Statements (ABS) and this resulted in the measure moving from amber to green.

One improvement had been recorded within the Risk Register, with the review of the Fund's bank account moving from amber to yellow. There had been no change since the previous meeting to the number of risks not at their target score. The full Risk Register and Scorecard would be presented to the PSB at its September meeting.

In addition, the PSB agreed the addition of nine new climate risks to the Risk Register. It was noted that there was overlap within the mitigations and some were already included within the Risk Register but that, as a significant number of Freedom of Information (FOI) requests received were in regard to climate risk, there was value in recording and measuring these separately.

Members were reminded that the PAB Annual Workplan included a full review of risk, including: the Fund's Risk Strategy; Business Continuity Plan; and Cyber Risk. This workstream was due to start in December 2023 for completion by December 2024 and would include scope for consolidation.

The Fund's performance against mandatory CIPFA administration measures had been benchmarked against its peers, as requested by the PSB at a previous meeting. It was noted that the Fund sets itself challenging targets of 95%, higher than many other funds and that its performance compared extremely favourably, outperforming across all measures compared to similar sized funds who participate. The IGAA observed that it was clear from the data that the Fund's focus was firmly on Scheme Member experience. It was confirmed that the historic performance of the Fund could be reviewed by PAB Members through the Fund's Annual Report and Accounts.

The Director for Essex Pension Fund shared her view that underpinning the excellent performance was staff retention and separation of governance from the host organisation.

- Internal Audit Annual Report 2022/23

The PSB was pleased with the outcome of the Fund's Internal Audit Annual Report for 2022/23 noting that once again the Fund had

received 'Good Assurance', the highest level of assurance for over a decade with this being the fifth consecutive year with no recommendations made for improvement.

Fund Officers were applauded for their efforts.

- Update on Essex Pension Fund Draft Accounts 2022/23 and External Audit

The PSB were advised that the delays in external audit continued. The Fund's Accounts had been completed in line with the statutory deadline of 31 May 2023 and submitted to the Audit, Governance and Standards Committee on 05 June 2023. However, the S151 Officer had not felt able to certify ECC Accounts, including the Pension Fund's, Accounts as "true and fair" because the last two years' Accounts remained unaudited. BDO, the external auditors, had been asked to attend an informal Audit, Governance and Standards Committee meeting on 03 July 2023 to provide a realistic timeframe for completion of the 2020/21, 2021/22 and 2022/23 audits.

It was noted that the issues with external audit were widespread, and it was cited that only 9% and 12% of local authorities had their audits completed for the 2020/21 and 2021/22 financial years respectively.

The Director for Essex Pension Fund further explained that the old Accounts would need to remain open, and Employers would not be able to place reliance on them until such time as they could be signed off by BDO.

Other areas of business included:

- the Chairman and Vice Chairman arrangements for the Essex Pension Fund;
- the amendments to the PSB and PAB TORs;
- the work undertaken by the ISC at their 14 June 2023 meeting;
- the work undertaken by the PAB at their 22 March 2023 meeting;
- an update in regard to PAB Scheme Member and Employer representation;
- the PAB Annual Report, noting that this had been covered as agenda item 6 above;
- an update in regard to the PSB/ISC Training Plan;
- a further update in regard to the PAB's Training Plan;
- an update in regard to Employer Exits from the Fund;
- an update in regard to the Employer Risk Analysis undertaken by the Head of Actuarial and Funding; and
- an update in regard to the AJC meeting held on 05 March 2023.

**Resolved:**

The Board noted the papers reviewed and considered by the PSB.

## 9. Essex Pension Fund Advisory Board (PAB) Annual Workplan

The Head of Fund Compliance and Governance provided PAB Members with a progress update on the PAB Annual Workplan for 2023/24, covering:

- the Fund's Policy for Recording and Reporting Breaches of the Law: noting that Fund Officers had completed a light touch review, ensuring that the Fund's Policy aligned with TPR Code of Practice 14, but await publication of the new Code of Practice to ensure key elements are covered;
- the Fund's Website review: noting that Fund Officers will issue a survey to PAB Members seeking their views on what they would like from the new website as Members of the PAB, Scheme Members and Employers;
- Management of Risk: noting that this workstream was due to commence in Quarter 4 of 2023/24;
- TPR Code of Practice: noting that this workstream would commence following publication of the new Code of Practice, now expected in Autumn 2023; and
- the SAB Good Governance Project: noting that this would commence once further guidance had been issued by SAB and/or the Department for Levelling Up, Housing and Communities (DLUHC).

It was also proposed that the following items be added to the Annual Workplan:

- the PAB's review of the ISS as part of the Stakeholder Consultation process; and
- the Fund's Achievements with an initial draft presented for discussion. It was explained that this piece of work was requested by James Durrant at the December 2022 PAB meeting to provide Employers with an overview of the Fund's achievements. The Board suggested the following amendments:
  - the inclusion of the Retirements Webinar which more than 1,000 people registered for and attended; and
  - to explain that the microsite is a recruitment tool / website hosted by ECC.

It was also suggested that the familiar brand identity of the Fund's monitoring reports (the "Trivial Pursuit pie") could be used.

It was agreed that:

- the Fund Achievement slides from the pack showing the initial draft be circulated to PAB Members for comment; and
- Fund Officers should consider submitting the latest available draft alongside the PAB Annual Report as a "work in progress" and include the final version with the 2023/24 PAB Annual Report.

### **Resolved:**

The Board discussed and noted the content of the report.

## 10. Feedback from the Local Pension Board Conference

The Board received a verbal update on the Local Pension Board Conference which took place in Birmingham in May 2023 from Andrew Coburn and Christopher Downes who had attended the event.

Christopher Downes reported that a key item of discussion was an update on TPR's forthcoming Code. The Conference had been very informative with good speakers and that there had been no big surprises. He had valued the opportunity to network with LGPS representatives from different areas.

Andrew Coburn reported that the TPR Code and McCloud guidance were expected "soon". The SAB Chairman had emphasised how integral Boards were to the LGPS, and the Local Government Association (LGA) had explained the development of the McCloud factsheet. In addition, it was suggested that Pool Board Chairmen meet regularly. Andrew could not state whether there would be value in PAB Members attending next year as it would depend very much on the agenda and, in particular, whether the TPR Code had been published. In addition, it was felt that offering two venues, one in the North and one in the South, would be well-received.

### **Resolved:**

The Board noted the update.

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

The Board received a report from the Head of Fund Compliance and Governance which listed all the communications which had been issued to the Board since their last meeting. It was noted that another LGPC Bulletin would be circulated imminently.

### **Resolved:**

The Board noted the content of the report.

## 12. Schedule of Future Meetings and Events

Board Members were reminded of the PAB meeting dates for the remainder of the municipal year, which were as follows:

### Essex Pension Fund Advisory Board

Wednesday 20 September 2023 14:00 – 16:00

Wednesday 13 December 2023 14:00 – 16:00

Wednesday 20 March 2024 14:00 – 16:00

The Board were also reminded that the PSB meetings would be held on the same days with a start time of 10:00am. In addition, the Fund would hold an Annual Back to Basics Training Day with the date to be confirmed in due course.

Board Members were also notified of two external events:

- the LGA Fundamentals Training Programme 2023, which was recommended for new Board Members or those in need of a refresher and would take place over three days between October and December in Westminster or online. In order to get the best from this training, attendance at all three days (six half-days if attending online) was strongly recommended; and
- the Annual Governance Conference in York in January 2024. However, it was noted that the agenda was yet to be published and therefore no recommendation was made to attend as yet.

**Resolved:**

The Board noted the content of the report.

There being no further business the meeting closed at 4:20pm.

**Chairman**  
**20 September 2023**





<b>Essex Pension Fund Advisory Board</b>	<b>PAB 03</b>
<b>Date: 20 September 2023</b>	

## **Essex Pension Fund Strategy Board (PSB) Update**

Report by the Director for Essex Pension Fund

Enquiries to Jody Evans on 03330 138489

### **Executive Summary**

**Report Type: Governance**

This report summarises the items discussed at the PSB earlier today. The Director for Essex Pension Fund will highlight the key items for the PAB to discuss.

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

- 1.1 To provide the Board with an update from the Essex Pension Fund Strategy Board (PSB) meeting held on 20 September 2023.

#### **2. Recommendation**

- 2.1 The Board note the papers reviewed by the PSB.

### **3. Background**

- 3.1 Since the last Board meeting, one PSB meeting has been held on 20 September 2023. Board Members (PAB) were sent copies of the Agenda Pack for this meeting and were given the opportunity to observe.
- 3.2 Each agenda item from the 20 September 2023 PSB has been noted in Section 4 to encourage discussion by the Board after observing the PSB prior to this meeting.


### **4. Update on PSB meeting 20 September 2023**

- 4.1 The Board are invited to discuss the items that were provided to the PSB at their meeting that took place earlier today. Areas available to discuss are as follows:

- Update on Pension Fund Activity: Quarterly Update Report;
  - Including the Annual Review of the full Scorecard and full Risk Register for noting by the PAB;
- Update on External Audit;
- PSB Member Representation;
- PAB Quarterly Report;
- PAB Scheme Member Representation;
- McCloud Consultation;
- Fund Surveys;
- 2023 Actuarial Funding Level Update;
- Annual Review of Cyber Risks;
- Website Procurement; and
- Employer Update.

### **5. Background Papers**

- 5.1 PSB Agenda Pack for the 20 September 2023 meeting.

<b>Essex Pension Fund Advisory Board</b>	<b>PAB 04</b> 
<b>Date: 20 September 2023</b>	

## **Essex Pension Fund Advisory Board (PAB) Annual Workplan**

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

### **Executive Summary**

#### **Report Type: Governance**

This Report provides an update on the work undertaken in regard to the Essex Pension Fund Advisory Board (PAB) Annual Workplan which was approved by the Essex Pension Fund Strategy Board (PSB) at their 22 March 2023 meeting.

The update shows that one of seven tasks should be completed after this meeting with four more in progress.

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

- 1.1 To provide the Board with a progress update on the work to be undertaken by the Board as detailed in the PAB Annual Workplan.

## **2. Recommendations**

### **2.1 That the Board note:**

- the content of the progress report at Appendix A;
- the deadline to complete the Survey in regard to the Funds website is 30 November 2023; and
- the presentation in regard to the Review of Risk.

### **2.2 That the Board review:**

- the Policy for Recording and Reporting Breaches of the Law, at Appendix B for onward transition to the PSB; and
- the Fund Achievements at Appendix C for onward transition to the PSB.

### **3. Background**

- 3.1 At the 22 March 2023 PSB meeting, the PSB approved the Fund's Three-Year Business Plan which incorporated the second edition of the PAB Annual Workplan.

### **4. PAB Annual Workplan**

- 4.1 The PAB Annual Workplan identifies upfront key areas of activity that the PAB can assist and carry out throughout the year to support the work activities of the PSB and Fund Officers.
- 4.2 The areas of activity include:
- Breaches of the Law – to assist in the review of the Policy;
  - Website Review – to assist in the development of the Fund's new website;
  - Investment Strategy Statement (ISS) Review – to provide feedback on the Draft ISS as part of the stakeholder consultation;
  - Fund Achievements – to develop a summary of Fund Achievements;
  - Management of Risk – to assist the Fund in its review of the Risk Strategy, Cyber Policy and Business Continuity Policy;
  - The Pensions Regulator's (TPR) new Code of Practice – to ensure compliance with the new Code of Practice; and
  - Department for Levelling Up, Housing and Communities (DLUHC) Statutory Guidance in regard to the Scheme Advisory Board (SAB) Good Governance Project – to ensure compliance with the Statutory Guidance.
- 4.3 The progress report against the Annual Workplan has been provided at Appendix A with further detail provided in the Sections below.

### **5. Breaches of the Law**

- 5.1 Fund Officers, in consultation with the Independent Governance and Administration Adviser (IGAA) have undertaken a light touch review of the Policy for Recording and Reporting Breaches of the Law due to the pending new Code of Practice to be issued by TPR.

- 5.2 An updated training presentation in regard to Breaches of the Law will be provided to PAB Members at their 20 September 2023 meeting.
- 5.3 In addition to tweaks of wording and some presentational amendments, the key changes to the Policy include:
- a new section titled 'Fund Procedures' to show how the Fund monitor the breaches recorded in the Breaches Log; and
  - a footnote to highlight that the Policy has been reviewed in line with the guidance contained in TPR Code of Practice 14 which is due to be replaced by the new Code of Practice.
- 5.4 The revised Policy has been provided at Appendix B for the Board to review for onward transition to the PSB for approval.

## **6. Website Review**

- 6.1 Fund Officers have issued surveys to PSB, Investment Steering Committee (ISC) and PAB Members to seek their views on what they would like from the new website.
- 6.2 From the feedback received so far:
- the majority have stated they would definitely utilise a Member only section where Board/Committee Members could log in to view Agenda Packs, Training Plans etc;
  - the majority have also stated that they feel they would find this section of the website very useful;
  - the majority also felt that an investments page to state the latest update in regard to the Fund's Investments would be somewhat useful; and
  - if the training videos created by the Fund were held on this website, the majority would be more inclined to watch them.
- 6.3 PAB Members are reminded that this survey does not close until 30 November 2023 so if they have not yet provided their view to Fund Officers, there is still time to take part.
- 6.4 The Fund are also in the process of surveying Essex Pension Fund staff.

- 6.5 In addition, the Draft Website Specification was presented to the PSB at their 20 September 2023 meeting for approval.

## **7. Fund Achievements**

- 7.1 The first draft of the Fund Achievements was presented to the PAB at the 05 July 2023 meeting to encourage discussion and feedback to be provided to Fund Officers.
- 7.2 It was agreed that a tweaked version of the Fund Achievements should be issued to the SAB as an appendix to the PAB Annual Report. This was issued to the SAB on 12 July 2023. The SAB Secretariat have confirmed that this would be issued to the Compliance and Reporting Committee on 23 October 2023 for comment.
- 7.3 Feedback discussed at the 05 July 2023 meeting was taken on board and amendments were made with the second draft issued to PAB Members for further review and comment. With no further comments received, the final draft has been provided at Appendix C for sign off for onward transition to the PSB for approval.

## **8. Management of Risk**

- 8.1 Fund Officers, in consultation with the IGAA, have discussed the timeline and scope for this piece of work which includes the review of the Fund's:
- Risk Strategy;
  - Cyber Policy; and
  - Business Continuity Policy and Plan.
- 8.2 The planned scope and timeline will be presented to the PAB at the 20 September 2023 meeting.

## **9. Link to Essex Pension Fund Objectives**

- 9.1 Provide a high-quality service whilst maintaining value for money.
- 9.2 Ensure the Fund is managed and its services delivered by people who have the appropriate knowledge and expertise.
- 9.3 Act with integrity and be accountable to our stakeholders.

- 9.4 Deliver a high quality friendly and informative service to all beneficiaries and employers at the point of need.
- 9.5 Continually measure and monitor success against our objectives.
- 9.6 Ensure our communications are useful and easy to follow.

## **10. Risk Implications**

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

## **11. Communication Implications**

- 11.1 The PAB Annual Workplan is published on the Fund's website.
- 11.2 Other than ongoing reporting to the Board, there are no communication implications.

## **12. Finance and Resource Implications**

- 12.1 None.

## **13. Background Papers**

- 13.1 PAB Annual Workplan, PAB 09, 05 July 2023.
- 13.2 EPF Three Year Business Plan, PSB 04a, 22 March 2023.
- 13.3 PAB Annual Workplan, PAB 04, 22 March 2023.





Essex Pension Fund

# PAB Annual Workplan

## Progress Report

Page 25 of 50

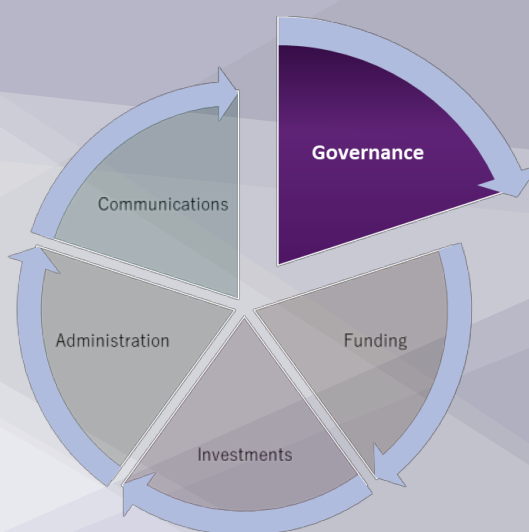
# Progress Update

Work to be carried out	Due Date	Current Status	Commentary
Breaches of the Law	30 September 2023	In Progress	The revised Policy for Recording and Reporting Breaches of the Law has been provided to the 20 September 2023 PAB meeting for review by the PAB.
Website Review	31 March 2024	In Progress	PAB Members were invited to participate in a survey in regard to the Website Review on 01 September 2023. An overview of feedback has been provided to the 20 September 2023 PAB meeting.
Investment Strategy Statement (ISS) Review	31 March 2024	In progress	PAB Members were invited to provide their feedback on the Draft ISS through their July meeting and in the follow up email issued 06 July 2023. The deadline for comments is 24 September 2023.
Fund Achievements	31 March 2024	In progress	The Fund Achievements (initial draft) presented at the July 2023 meeting was circulated to PAB Members for comment with the final draft being presented at the 20 September 2023 meeting for sign off.
Management of Risk	31 December 2024	In progress	Fund Officers are working with the IGAA in regard to this piece of work and a presentation will be provided to the PAB at the 20 September 2023 meeting.
TPR Code of Practice	31 March 2025	Not due to start	This will commence once the TPR Code of Practice has been published (now expected Autumn 2023).
SAB Good Governance Project	31 March 2025	Not due to start	This will commence once further guidance has been issued by SAB and/or DLUHC.

# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

\*\*\*\*\* 2023



# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

### Background and Introduction

This Policy sets out the procedure to be followed by certain persons involved with the Essex Pension Fund (the “**Fund**”) in relation to identifying, recording and where necessary reporting breaches of the law to the Pensions Regulator (the “**Regulator**”).

Breaches can occur in relation to a wide variety of the tasks normally associated with the administrative function of a scheme such as keeping records, internal controls, calculating benefits and making investment-related decisions.

The procedure set out in this Policy has been developed to:

- assist the Fund in ensuring it is aware of all breaches of the law in relation to the Fund and that these are appropriately recorded and then dealt with; and
- assist those individuals who have a legal responsibility to report certain breaches to the Regulator in determining whether a breach they have identified should be reported.

### Requirements and to whom this Policy applies

The following persons, or any other person who has responsibility to report breaches of the law in relation to the Fund, are strongly encouraged to follow this Policy should they identify such a breach:

- all members of the Essex Pension Fund Strategy Board (PSB), Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board (PAB);
- all Officers involved in the management or administration of the Fund including the Fund’s Management Team, Director for Essex Pension Fund, the Monitoring Officer and the Executive Director Corporate Services (Section 151 Officer);
- any professional Advisers or Suppliers including: Actuaries; Investment Institutional Consultants; Independent Investment Advisers; Independent Governance and Administration Advisers; Legal Advisers; Fund Custodians; Investment Managers; and Administration Software Providers<sup>1</sup>;
- Internal and External Auditors;
- Officers of Employers participating in the Fund who are responsible for pension matters.

Throughout this Policy, any person to whom this Policy applies, as a result of them identifying a breach or potential breach, will be referred to as the “**individual**”.

<sup>1</sup> However, these Advisers should note that the application of this Policy relates to the reporting of legal breaches relating to the administration of the Fund, rather than any breaches relating to their role and responsibilities that do not affect the administration of the Fund. For example, if an investment manager has breached the investment association guidelines, then this would not be reportable under this Essex Pension Fund Policy for Reporting Breaches (albeit the Administering Authority would still expect this information to be recorded separately and notified to it).

# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

An individual has a legal responsibility to report a matter to the Regulator as soon as is reasonably practicable if they have reasonable cause to believe that:

- a) a legal duty relating to the administration of the scheme has not been or is not being complied with; **and**
- b) the failure to comply is likely to be of material significance to the Regulator.

However, under this Policy, the individual would be expected to report the matter to the Director for Essex Pension Fund or Technical Hub Manager for their assistance in the first instance, provided that requesting this assistance will not result in alerting those responsible for any serious offence (where the breach is in relation to such an offence).

A person can be subject to a civil penalty if he or she fails to comply with this requirement without a reasonable excuse.

The duty to report breaches under the Pensions Act 2004 (the “Act”) overrides any other duties the individuals listed above may have. However, the duty to report does not override ‘legal privilege’<sup>2</sup>.

Details of this legal requirement is provided in the [Regulator’s Code of Practice](#)<sup>3</sup> including in the following areas:

- implementing adequate procedures to consider and record breaches;
- judging whether a breach must be reported;
- submitting a report to the Regulator;
- whistleblowing protection and confidentiality.

Even where a breach of the law is not required to be reported, it is important that it is notified to the Director for Essex Pension Fund or the Technical Hub Manager so that it can be assessed and recorded.

### Essex Pension Fund Breaches Procedure

The following procedure details how individuals responsible for reporting and whistleblowing can identify, assess, record and report (if appropriate) a breach of the law relating to the Fund. It reflects the requirements contained in the Regulator’s Code of Practice.

It aims to ensure individuals responsible are able to meet their legal obligations and avoid placing any reliance on others to report. The procedure will also assist in providing an early warning of possible malpractice and reduce risk.

There are four key steps to this procedure:

<sup>2</sup> Legal privilege means that, generally, communications between a professional legal adviser and their client, or a person representing their client, in connection with legal advice being given to the client, do not have to be disclosed.

<sup>3</sup> This Policy has been reviewed against TPR Code of Practice 14. A review of this Policy will be carried out upon publication of the new TPR Code of Practice.

### 1

#### Understanding the law and what is a breach

Individuals may need to refer to regulations and guidance when considering whether or not there has been a breach of the law. Some of the key provisions are shown below:

- Section 70(1) and 70(2) of the Pensions Act 2004;
- Employment Rights Act 1996;
- Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (Disclosure Regulations);
- Public Service Pension Schemes Act 2013;
- Local Government Pension Scheme Regulations pre 2014 schemes and 2014 scheme; and
- The Pensions Regulator's Code of Practice.

Further guidance and assistance can be provided by the Director for Essex Pension Fund, provided that requesting this assistance will not result in alerting those responsible for any serious offence (where the breach is in relation to such an offence).

### 2

#### Determining whether a suspected breach is an actual breach

Individuals need to have reasonable cause to believe that a breach of the relevant legal provision has occurred, not just a suspicion. Where a breach is suspected the individual should carry out further checks to confirm the breach has occurred.

Where the individual does not know the facts or events, it will usually be appropriate to check with the Director for Essex Pension Fund, Technical Hub Manager or other Management Team member who are able to explain what has happened. However, there are some instances where it would not be appropriate to make further checks, for example, if the individual has become aware of theft, suspected fraud or another serious offence and they are also aware that by making further checks there is a risk of either alerting those involved or hampering the actions of the police or a regulatory authority; in these cases, the Regulator should be contacted without delay.

### 3

**Determining whether the breach is likely to be of material significance and so should be reported to the Regulator**

Should an individual have reasonable cause to believe that a breach of the law has occurred, they must then decide whether that breach is likely to be of material significance to the Regulator, and therefore should be reported to the Regulator. To do this, an individual should consider the following, both separately and collectively:

- cause of the breach (what made it happen);
- effect of the breach (the consequence(s) of the breach);
- reaction to the breach; and
- wider implications of the breach.

The Director for Essex Pension Fund can assist with determining whether the breach should be reported and can also assist in completing the document to report the breach. However, the individual is ultimately responsible for determining what should be included in the report and for submitting the report to the Regulator.

### 4

**Recording the breach, even if it is not reported, so that remedial steps can also be monitored**

The Director for Essex Pension Fund will maintain a log of all breaches identified and the breaches log may be relevant in deciding whether to report a breach (for example it may reveal a systemic issue). Therefore, individuals should provide the following information to the Director for Essex Pension Fund so that all identified breaches can be recorded:

- copies of reports submitted to the Regulator; and
- copies of information relating to any other breach the individual has identified.

A key purpose of the breaches log is to ensure there is a clear record of what action has been taken to resolve that breach but also to ensure that the necessary controls have been put in place to ensure that the breach does not reoccur.



# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

Further details on the above four considerations in determining the significance of a breach can be accessed [here](#).

In addition, the individual should use the [traffic light framework](#) to help assess the material significance of a breach and to formally support and document their decision.

Where a breach has been identified relating to the Fund, including a breach identified by a Supplier or Adviser, the individual in relation to the identification of the breach must alert the Director for Essex Pension Fund immediately. They must produce a preliminary report setting out an assessment of the breach.

The preliminary assessment must contain;

- the circumstances leading to the breach;
- the impact and scale of the breach, both financial and with regard to the impact of service on members or other affected persons/organisations;
- the steps that have been taken to rectify the breach; and
- a preliminary assessment, based on the Regulator's traffic light flowchart, of the materiality of the breach.

The Director for Essex Pension Fund can assist with the production of this report.

For the avoidance of doubt all breaches of the law (regardless of whether they are deemed material) must be reported to the Director for Essex Pension Fund in this way.

### Reporting a breach to the Essex Pension Fund and Pensions Regulator

Reports must be submitted to the Director for Essex Pension Fund, [Jody.evans@essex.gov.uk](mailto:Jody.evans@essex.gov.uk) and copied to the Fund's Technical Hub Manager, [David.tucker@essex.gov.uk](mailto:David.tucker@essex.gov.uk).

If the individual decides the breach is of material significance to the Regulator, reports must also be submitted in writing via the Regulator's online system at <https://login.thepensionsregulator.gov.uk>, or by post, or email and should be marked urgent if appropriate. If necessary, a written report can be preceded by a telephone call. Further details on how to report can be found on the Pensions Regulator website <https://thepensionsregulator.gov.uk>.

The Act and the Regulator's Code require that, if an individual decides to report a breach, the report must be made in writing as soon as reasonably practicable.



# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

### Confidentiality

If requested, the Regulator will do its best to protect the identity of an individual who has reported a breach and will not disclose information except where it is lawfully required to do so.

An employee may also have protection under the Employment Rights Act 1996 if they make a report in good faith in relation to their employer.

### Reporting to the Essex Pension Fund Strategy Board

Material breaches which have been reported to the Regulator will be included within the Fund's Scorecard and reported to the PSB on a quarterly basis. This information will also be shared with the PAB.

### Fund Procedures

The Head of Fund Compliance and Governance supports the Director for Essex Pension Fund and the Fund's Technical Hub Manager to evaluate any recurrent non-reportable breaches to ensure patterns are identified and considered further by the Management Team. This is in order to minimise the risk of such breaches becoming more significant (and potentially reportable) in the future.

Fund Officers monitor compliance with LGPS Regulations and TPR's Code of Practice through:

- report analysis;
- monitoring of Key Performance Indicators (KPIs) within the Fund's Scorecard; and
- training on Breaches and internal reporting process to all Fund Staff on an annual basis.

In addition, the Fund can seek assistance from the PAB in the identification and management of Breaches of the Law in relation to Fund matters as described within the PAB's Terms of Reference.

### Training

The Director for Essex Pension Fund will ensure that all relevant Officers and Members of the PSB, ISC and PAB receive appropriate training on this Policy at the commencement of their employment or appointment to the PSB or PAB as appropriate and on an ongoing basis.

# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

Suppliers and Advisers must ensure that all staff with responsibilities in relation to the Fund receive appropriate training with regard to this Policy and their obligations under it. They must advise the Director for Essex Pension Fund immediately if they do not feel they have the appropriate training to discharge their responsibility, and training will be arranged for them by the Director for Essex Pension Fund.

### Approval and Review

This Recording and Reporting Breaches Policy was approved on \*\* December 2023 by the PSB. It will be formally reviewed and updated by the PSB at least every three years or sooner if breaches arrangements or other matters included within it merit reconsideration, including if there are any changes to the LGPS or other relevant Regulations or Guidance which need to be taken into account.

### Further Information

If you require further information about reporting breaches or this Policy or wish to discuss reporting a breach, please contact:

David Tucker, Technical Hub Manager, Essex Pension Fund  
Email – [David.tucker@essex.gov.uk](mailto:David.tucker@essex.gov.uk)

Jody Evans, Director for Essex Pension Fund  
Email – [Jody.evans@essex.gov.uk](mailto:Jody.evans@essex.gov.uk)

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

# Essex Pension Fund

## Policy for Recording and Reporting Breaches of the Law

### Determining whether a breach is likely to be of material significance

To decide whether a breach is likely to be of material significance individuals should consider the following elements, both separately and collectively:

#### The cause of the breach

Examples of causes which are likely to be of concern to the Regulator are provided below:

- Acting, or failing to act, in deliberate contravention of the law.
- Dishonesty.
- Incomplete or inaccurate advice.
- Poor administration, i.e. failure to implement adequate administration procedures.
- Poor governance.
- Slow or inappropriate decision-making practices.

When deciding whether a cause is likely to be of material significance individuals should also consider:

- whether the breach has been caused by an isolated incident such as a power outage, fire, flood or a genuine one-off mistake
- whether there have been any other breaches (reported to the Regulator or not) which when taken together may become materially significant

#### The effect of the breach

Examples of the possible effects (with possible causes) of breaches which are considered likely to be of material significance to the Regulator in the context of the LGPS are given below:

- PSB/ISC/PAB members not having sufficient knowledge and understanding, resulting in them not fulfilling their roles, resulting in the Fund not being properly governed and administered and/or breaching other legal requirements
- Conflicts of interest of PSB, ISC and PAB members, resulting in them being prejudiced in the way in which they carry out their role and/or the ineffective governance and administration of the Fund and/or breaching legal requirements
- Poor internal controls, leading to schemes not being run in accordance with their scheme regulations and other legal requirements, risks not being properly identified and managed and/or the right money not being paid to or by the Fund at the right time
- Inaccurate or incomplete information about benefits and scheme information provided to members, resulting in members not being able to effectively plan or make decisions about their retirement
- Poor member records held, resulting in member benefits being calculated incorrectly and/or not being paid to the right person at the right time
- Misappropriation of assets, resulting in scheme assets not being safeguarded
- Other breaches which result in the Fund being poorly governed, managed or administered

### The reaction to the breach

A breach is likely to be of concern and material significance to the Regulator where a breach has been identified and those involved:

- do not take prompt and effective action to remedy the breach and identify and tackle its cause in order to minimise risk of recurrence
- are not pursuing corrective action to a proper conclusion, or
- fail to notify affected scheme members where it would have been appropriate to do so.

### The wider implications of the breach

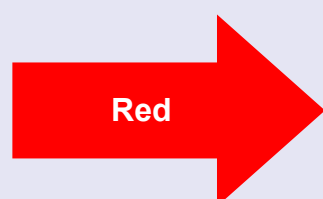
Reporters should also consider the wider implications when deciding whether a breach must be reported. The breach is likely to be of material significance to the Regulator where the fact that a breach has occurred makes it more likely that further breaches will occur within the Fund or, if due to maladministration by a third party, further breaches will occur in other pension schemes.

# Essex Pension Fund

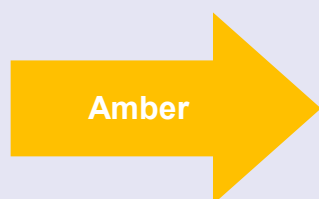
## Policy for Recording and Reporting Breaches of the Law

### Traffic Light Framework for deciding whether or not to report

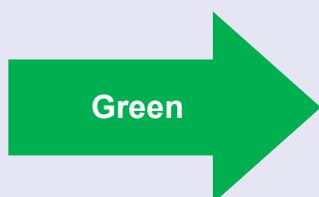
The Administering Authority recommends those responsible for reporting to use the traffic light framework when deciding whether to report to the Regulator. This is illustrated below:



Where the cause, effect, reaction and wider implications of a breach, when considered together, are likely to be of material significance. These must be reported to the Pensions Regulator.  
Example: Several members' benefits have been calculated incorrectly. The errors have not been recognised and no action has been taken to identify and tackle the cause or to correct the errors.



Where the cause, effect, reaction and wider implications of a breach, when considered together, may be of material significance. They might consist of several failures of administration that, although not significant in themselves, have a cumulative significance because steps have not been taken to put things right. You will need to exercise your own judgement to determine whether the breach is likely to be of material significance and should be reported.  
Example: Several members' benefits have been calculated incorrectly. The errors have been corrected, with no financial detriment to the members. However the breach was caused by a system error which may have wider implications for other public service schemes using the same system.



Where the cause, effect, reaction and wider implications of a breach, when considered together, are not likely to be of material significance. These should be recorded but do not need to be reported.  
Example: A member's benefits have been calculated incorrectly. This was an isolated incident, which has been promptly identified and corrected, with no financial detriment to the member. Procedures have been put in place to mitigate against this happening again.

All breaches should be recorded even if the decision is not to report.

When using the traffic light framework individuals should consider the content of the red, amber and green sections for each of the cause, effect, reaction and wider implications of the breach, before you consider the four together. Some useful examples of this is framework is provided by the Regulator at the following link

<https://www.thepensionsregulator.gov.uk/-/media/thepensionsregulator/files/import/pdf/ps-reporting-breaches-examples-traffic-light-framework.ashx>





# Essex Pension Fund



Page 39 of 50



Achievements

# In 2022/23 the Fund achieved.....



- **Winner of the DB Pension Scheme of the Year Award 2023**

*This has recognised the Fund amongst its peers, including the private sector, as a Fund which has risen to the investment and regulatory challenges facing the DB pension space today and as such serves as an inspiration to other schemes in the pensions marketplace*

- **Winner of the LGPS Investment Strategy of the Year Award**

*The Investment Strategy is key to the success of the LGPS. This has recognised the Fund as being able to set out how the goals and objectives of the investment strategy were set, how well the strategy has been implemented, and the extent to which strategy goals have been achieved*

- **Signatory to the FRC 2020 UK Stewardship Code**

*Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society and this achievement has recognised that the Fund effectively manages the Stewardship of the Fund*

- **Overwhelmingly positive feedback from Fund Stakeholders**

*The Fund receives compliments on a regular basis from its Stakeholders and up to 31 March 2023 the Fund received 179 compliments. In addition, the Fund survey a range of Stakeholders after events and individual contact with Fund Officers and have received 96% positive responses from Scheme Members and 100% positive responses from Scheme Employers.*



# Throughout the Covid pandemic.....



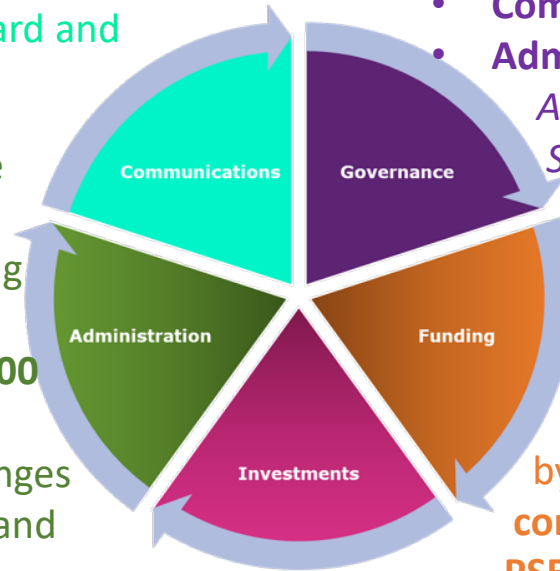
- Fund Officers were classed as **keyworkers** as we still had to ensure payments were made to our Pensioner Members as well as meeting all our Statutory Requirements;
- by advertising our hours during Covid, we continued to be **available** for Scheme Members to visit our offices as and when required, i.e. hand in death certificates, retirement forms, etc;
- we kept our **working hours the same** throughout ensuring the phones and email inboxes were monitored to 5.30pm Monday to Thursday and to 5pm on Friday;
- our **positive survey responses and compliments** received from Stakeholders did not decline;
- we **maintained the same level of service to our Stakeholders** whilst getting to grips with a new way of working (majority home based with small office cover in the week to ensure no breaching of social distancing measures);
- we still **completed** our 2019/20 and 2020/21 Business Plans which was applauded by the Essex Pension Fund Strategy Board (PSB) and Essex Pension Fund Advisory Board (PAB);
- the Investment Steering Committee (ISC), through their long term investment approach, kept the funding level relatively **stable** through the volatility of the markets;
- the Fund were also able to maintain a good Funding level: since the 2019 Valuation (**97%**) the Fund dropped 1% in 2020 to **96%**, then increased by 3% in 2021 to **99%** and the result of the 2022 Valuation was a further increase of 3% taking the Funding level to **102%**.

# Throughout 2022/23 we have also.....



The Fund's Boards/Committee developed **Pamphlets** to assist in any future recruitment activities including election processes. The Pamphlets outline the **different roles and responsibilities** of the **PSB, ISC** and Essex Pension Fund Advisory Board (**PAB**) and explain their importance to Scheme Members and Employers. The Pamphlets include **personal testimonials** from Board and Committee Members.

The Fund continues to grow, both in terms of Scheme Members and Employers, delivering a full range of services to over **180,000** Scheme Members and paying **£22million** each month to over **49,000** Pensioners. Member Online uptake has increased, with over **36,500** Scheme Members now registered and using this tool regularly which allows them to update and make changes to their personal data, calculate their own estimates and even initiate retirement themselves.



The Fund revised several Policies and Publications including:

- the Fund's Boards/Committee **Terms of Reference**;
- **Conflicts of Interest Policy**;
- **Communications Policy**; and
- **Administering Authority Discretions**.

*All of which were **approved** by the Essex Pension Fund Strategy Board (**PSB**).*

The results of the **Actuarial Triennial Valuation** saw the Fund achieve a **102.3%** funding position with the Actuarial Valuation Report and the **Funding Strategy Statement (FSS)** being published on the Fund's website by the statutory deadline of 31 March 2023. The FSS was **consulted on** with Fund Employers and **approved** by the **PSB** ahead of the publication deadline.

The Fund is committed to being a responsible investor and achieving **Net Zero carbon emissions** by 2050. To help achieve this the Investment Steering Committee (**ISC**) **agreed** to commit **£1bn** (10% of its allocation) to **impact investing opportunities** and have so far committed **£100m** to the **Stafford Carbon Offset Opportunity Fund** with further commitments to be made in 2023/24.

Page 42 of 50

# Throughout 2022/23 we have also.....



- held a **webinar** for our Scheme Members in regards to retirements (for which 1,000 individuals registered), took part in a Wellbeing event for one of our Employers and offer these services to all our Stakeholders;
- held **Virtual Pension Surgeries** enabling our Scheme Members to speak and see a member of the team face to face over Microsoft Teams – these have been very successful;
- held **celebration days** to celebrate Diwali, Christmas, Fund achievements and days where we all come to the office to work together as a whole team.;
- had several **internal promotions** within the team and it is great to see our staff grow over time;
- had some **external talent** enter our doors joining our Essex Pension Fund family and we look forward to helping them on their journey in the Fund. Our recruitment page on the Working For Essex **Microsite** has been pivotal in our recruitment with our adverts simplified and an increase in the number of applications received;
- utilised Essex County Council's **kickstart recruitment programme** helping those who can't find work obtain work experience with us whilst being paid. Some of our kick starters have now joined our team full time;
- **onboarded Graduates and Apprentices**, again utilising Essex County Council's recruitment campaigns, which have also been extremely successful and we have enjoyed watching them grow and develop and, of course, passing their exams!

# Over the last ten years the Fund has been awarded...



- in 2023, **winner** of the Pensions Age Awards for DB Pension Scheme of the Year
- in 2022, **winner** of the LAPF Investment Awards for LGPS Investment Strategy of the Year
- in 2021, **shortlisted** for the LAPF Investment Awards for the Good Governance Award
- in 2020, **winner** of the Pension Age Awards for Best Risk Management Exercise
- in 2019, **winner** of the LAPF Investments Awards for Scheme Governance and **winner** of the Alternative Investments Institute Peer to Peer Awards for Best Use of Private Equity
- in 2018, **highly commended** in the LAPF Investments Awards for LGPS Fund of the Year (assets over £2.5 billion)
- in 2017, **winner** of the Pensions Age Awards for Best Administration
- in 2016, **winner** in the LGC Investment Awards for Best Collaboration: Project Pool and **highly commended** for Fund of the Year (above £5 billion)
- in 2015, **winner** of the Pensions Age Awards for DB Pension Scheme of the Year; **highly commended** in the You Make the Difference in Essex Awards for Partnership Working; and **finalist** in the Professional Pensions, Pension Scheme of the Year Awards for DB Scheme of the Year (Asset Value of over £2.5 billion)
- in 2014, **winner** of the Professional Pensions, Pension Scheme of the Year Awards for Public Sector Scheme of the Year
- in 2013, **winner** of the LGC Investments Awards for Fund of the Year (above £2 billion)

<b>Essex Pension Fund Advisory Board</b>	<b>PAB 05</b>
<b>Date: 20 September 2023</b>	

## Papers provided to Essex Pension Fund Advisory Board (PAB)

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

### Executive Summary

#### **Report Type: Communications**

This report sets out all the communications the Fund has issued to the PAB since its last meeting.

## 1. Purpose of the Report

1.1 To note the distribution of the items detailed below since the last meeting of the PAB.

1.2 Essex Pension Fund Strategy Board (PSB):

**Meeting of 05 July 2023** - Minutes and Slides e-mailed 21 July 2023

**Meeting of 20 September 2023** - Agenda pack e-mailed 11 September 2023

#### **Main Points to note:**

Agenda item 03 - Update on Pension Fund Activity

Agenda item 05 - PSB Scheme Member Representation

Agenda item 06b - PAB Scheme Member Representation

Agenda item 07 - McCloud Consultation

Agenda item 09 - Actuarial Funding Level Update

Agenda item 12 - Annual Review of Cyber Risks

Agenda item 13 - Website Review

1.3 Essex Pension Fund Advisory Board (PAB):

**Meeting of 05 July 2023** - Notes and Slides e-mailed 21 July 2023

**Meeting of 20 September 2023** - Agenda pack e-mailed 11 September 2023

**Main Points to note:**

Agenda item 03 - PSB Update

Agenda item 04 - PAB Annual Workplan

1.4 ACCESS Joint Committee:

Meeting of 05 June 2023 - Agenda Pack and Briefing Notes e-mailed 07 September 2023

1.5 Other:

LGPC Bulletin 239 - E-mailed 21 July 2023

Fund Achievements - E-mailed 28 July 2023

LGPC Bulletin 240 - E-mailed 07 September 2023

LGPC Bulletin 241 - E-mailed 07 September 2023

**2. Recommendation**

2.1 That the Board should note the above communications.

<b>Essex Pension Fund Advisory Board</b>	<b>PAB 06</b>
<b>Date: 20 September 2023</b>	

## **Schedule of Future Meetings and Events**

Report by the Head of Fund Compliance and Governance

Enquiries to Amanda Crawford on 03330 321763

### **Executive Summary**

**Report Type: Governance**

This report details the upcoming Essex Pension Fund Advisory Board (PAB) meeting dates for PAB Members to note along with internal and external Training Events for consideration.

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

- 1.1 To provide the Board with an update on the schedule of future meetings and events for 2023/24.

#### **2. Recommendation**

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

### 3. Background

- 3.1 Dates of events and PAB meetings are provided below for the Board to note and to invite Members to attend any training sessions available.

### 4. Upcoming Event(s)

- 4.1 Fund Officers will continue to ensure a review of advertised Conferences/ Seminars is carried out in line with the Knowledge and Skills Strategy taking into consideration individuals' Training Needs Analysis and the Fund's carbon footprint and will communicate any suitable Conferences either through emails and/or this Agenda Item. The upcoming events that PAB Members should be made of aware include:

Training Events	
<b><u>Fundamentals Training Programme 2023</u></b> (for new Members or those in need of a refresher) <i>(To get the best from this training, you should try and attend all three days. If attending online you should attend both half day sessions)</i>	
<b>Day 1</b> 12 October – Westminster (London) <i>or</i> 19/26 October – Online	9.30 am – 4.15 pm 9.55 am – 1.00 pm
<b>Day 2</b> 2 November – Westminster (London) <i>or</i> 16/23 November – Online	9.30 am – 4.15 pm 9.55 am – 1.00 pm
<b>Day 3</b> 05 December – Westminster (London) <i>or</i> 11/19 December – Online	9.30 am – 3.45 pm 9.55 am – 1.00 pm



<b><u>Annual Governance Conference</u></b>	
Thursday 18 and Friday 19 January 2024, Principal Hotel in York	Agenda and timings to be advised. Please note that without the agenda there is no recommendation for attendance at this point in time

## **5. Schedule of Meetings**

- 5.1 The schedule of future meetings agreed for the municipal year 2023/24 is as follows:

<b>Pension Advisory Board</b>	
Wednesday 13 December 2023	2pm – 4pm
Wednesday 20 March 2024	2pm – 4pm

- 5.2 The PSB meetings are planned to be held on the same day and will commence at 10.00am on the dates listed above.
- 5.3 The Back to Basics Training Day has been scheduled as:

<b>Training Days</b>	
Back to Basics	Friday 26 January 2024

## **6. Finance and Resources Implications**

- 6.1 All costs for training are met within the Fund's existing 2023/24 Budget and must be approved by the Head of Fund Compliance and Governance and booked by the Fund.

## **7. Background Papers**

- 7.1 Schedule of Future Meetings and Events, PAB 12, 05 July 2023.

