

<b>Essex Pension Fund Investment Steering Committee</b>	<b>ISC 05</b>
<b>Date: 26 June 2019</b>	

## **Essex Pension Fund Investment Steering Committee (ISC) Revised Terms of Reference (TOR)**

Joint Report by the Independent Governance & Administration Advisor (IGAA) and the Director for Essex Pension Fund

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

- 1.1 To provide the Committee with the proposed revised Terms of Reference (TOR) for the ISC.

### **2. Recommendation**

- 2.1 That the Committee consider the proposed revised terms of reference for the ISC for recommendation by the Pension Strategy Board (PSB) and approval by Full Council.

### **3. Background**

- 3.1 During the March PSB meeting, the PSB agreed that the TOR for each of the Pension Strategy Board, Investment Steering Committee and Pension Advisory Board should be reviewed and that the review will be done in accordance with the following timetable:

<b>Board/Committee</b>	<b>Meeting Date</b>	<b>To agree</b>
PAB	June 2019	PAB TOR
ISC	June 2019	ISC TOR
PSB	July 2019	PAB, ISC & PSB TORs
Constitution Working Group	September 2019	PAB, ISC & PSB TORs
Full Council	October 2019	PAB, ISC & PSB TORs

- 3.2 The proposed ISC TOR at Annex A may be subject to further changes as it goes through PSB, Constitution Working Group and Full Council. It is also subject to a further detailed review by the Council's Director of Legal and Assurance (Monitoring Officer). Any substantial changes will be communicated to ISC members.
- 3.3 Once approved, the revised TOR will be incorporated into the Fund's Governance Policy and Compliance Statement, which in turn will be published in the Fund's Annual Report and Accounts.

### **4. ISC Terms of Reference**

- 4.1 The ISC TOR has been reviewed by the Fund in consultation with the Independent Governance & Administration Advisor (IGAA) and the Director of Legal and Assurance. In carrying out this review, the IGAA has provided advice on best practice in other LGPS administering authorities.
- 4.2 The proposed revised ISC TOR is attached at Annex A for the Committee to consider. The key changes and the reasons for them are summarised below.
- 4.3 Membership – additions have been made to clarify who the members of the ISC are and how they are nominated or appointed, including the Chairman and Vice-Chairman.

- 4.4 Essex Pension Fund Advisory Board – a paragraph has been added to clarify attendance and participation at the ISC by Advisory Board members. A similar addition is also being proposed for the Pension Strategy Board.
- 4.5 Role and Functions – several additions have been made, mainly focussing on the new responsibilities relating to asset pooling, responsible investments and cost transparency.
- 4.6 Training – a paragraph has been added to clarify expectations in relation to training for ISC members. A similar addition is also being proposed for the Pension Fund Strategy Board.

## **5. Background Papers**

- 5.1 Governance Policy and Compliance Statement & PAB review paper, PSB 06, 06 March 2019.