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| Essex Pension Fund Board | EPB/18/10 |
| Date: 15 December 2010 | |

Update on 2010/11 Business Plans

Joint Report by the Head of Investments and the Pensions Services Manager

Enquiries to Martin Quinn on 01245 431412

1. Purpose of the Report

- 1.1 To provide the Board with an update on the Essex Pension Fund 2010/11 Business Plan.

2. Recommendations

- 2.1 That the report be noted.

3. Background

- 3.1 At its meeting on 31 March 2010 the Board approved the business plan for the Pension Fund for the financial year 2010/11.

4. Progress to date against the 2010/11 Business Plan

- 4.1 An update on progress against the Business Plan is attached for information at Annex A.

5. Other Matters Arising

- 5.1 It is no surprise that unexpected work arises during the year. In recent months, two key areas have arisen that are in addition to the work within the business plan.
- 5.2 The first relates to a set of amending LGPS regulations that were produced. The Local Government Pension Scheme (Miscellaneous) Regulations 2010 were laid before Parliament on 25 August 2010 and came into effect on 30 September 2010. These amendment regulations consisted largely of relatively minor corrections to earlier drafting, however there were a couple of more major changes. The most significant change relates to the ability of a new joiner to transfer in any previous period of LGPS membership whereas prior to the change only the most recent period of LGPS membership could be transferred in. Furthermore, the changes have given all active members a window of opportunity, until 1 October 2011, to transfer in any previous LGPS membership which has not been transferred in. This has resulted in the need to undertake a massive communications exercise in order to make scheme members aware of the change. It is also likely to lead to a significant increase in transfer workloads over the next 12 months.
- 5.3 The second relates to the work of the Independent Public Service Pension Commission chaired by Lord Hutton of Furness. A separate report is being presented to the Board under agenda item 8.

6. Link to Essex Pension Fund Objectives

- 6.1 Having and monitoring progress against a business plan assists the Fund in achieving all of its objectives, and in particular:
- Provide a high quality 'gold standard' service whilst maintaining value for money

7. Risk Implications

- 7.1 Good progress is being made against the business plan so there are no new risks to flag.

8. Communication Implications

- 8.1 Other than ongoing reporting to the PFB, there are no communications implications.

9. Finance and Resources Implications

- 9.1 The business plan for 2010/11 is challenging and labour intensive, particularly around some of the improvements to governance areas. The forthcoming months will require considerable input by officers and advisers to bring some of the actions to conclusion.

10. Background Papers

- 10.1 None.