

Essex Pension Fund Strategy Board	PSB 06
Date: 12 September 2018	

Update on Pension Fund Activity

Joint Report by the Director for Essex Pension Fund & Head of Essex Pension Fund
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1. Purpose of the Report

1.1 To provide the Board with an update on the following:

- 2018/19 business plan;
- three year business plan;
- risk management; and
- scorecard.

2. Recommendations

2.1 That the Board notes:

- progress against the 2018/19 business plan;
- the three year business plan;
- the current risks with a residual score of six or above; and
- the latest scorecard measures.

3. Background

3.1 The following documents accompany this report:

- an update on the 2018/19 business plan at Annex A(i);
- the 3 year business plan at Annex A(ii);
- risks with a residual score of six or above are detailed at Annex B;
- the full scorecard is attached at Annex C.

4. Related matters subject to separate agenda items

4.1 Matters subject to separate agenda items include:

- quarterly report from Investment Steering Committee.

5. Business Plan 2018/19

5.1 The revised objectives agreed at the March PSB have been incorporated within the business plan shown at Annex A (i). Of the 20 actions for 2018/19:

- 4 (20%) has been completed;
- 13 (65%) are in progress of which 3 (15%) are subject to items elsewhere on this agenda;
- 3 (15%) are scheduled to commence later in the year.

6. 3 year Business Plan

6.1 The 3 year Business Plan, providing a high level summary of key work streams is shown at Annex A (ii).

7. Risk Register

7.1 There are currently 83 risks in the Fund's risk register of which 14 have a residual score of six or more (amber) and are shown at Annex B.

7.2 As highlighted elsewhere on this agenda, a review of risks is currently underway.

8. Scorecard

8.1 The scorecard is shown at Annex C.

- 8.2 Measure 3.6.1 highlights potentially unrecoverable deficit. As advised during the 4 July PSB, Castle Point Citizens' Advice Bureau (CPCAB) formally went into liquidation 26 April 2018. The Actuary's cessation report indicates that the amounts owed to the fund are £39k. Papers in support of the Fund's claim have been sent to the liquidators. The liquidators are still to finish their assessment and therefore this is currently on-going.
- 8.3 Measure 4.2.1 highlights a minor breach during the dispatch of balance of pension notifications. This was caused by a manual error where two notifications were put into one envelope. The incident was reported as a security incident under GDPR, correct letters re-issued and letters advising members of our breach have also been issued.
- 8.4 Measure 4.3.2 provides details whereby 99.3% of Employers submitted timely payments.

9. Award Nominations

- 9.1 The *Local Authority Pension Fund* awards take place next month, and the Essex Pension Fund has been shortlisted in the following categories:
- i. Fund of the Year
 - ii. Scheme Administration
 - iii. Scheme Governance
 - iv. Private Markets
- 9.2 ACCESS has also been shortlisted in the *Pool of the Year* category. Further details at the website:

<https://www.lapfinvestmentsawards.com/2018-shortlist/2018-lgps-finalists/>

10. Link to Essex Pension Fund Objectives

- 10.1 Monitoring Pension Fund activity via the business plan, risks and scorecard assists the Fund in achieving all of its objectives, and in particular:
- Provide a high quality service whilst maintaining value for money;
 - Understand and monitor risk and compliance;
 - Continually measure and monitor success against our objectives.

11. Risk Implications

11.1 Key risks are identified at Annex B.

12. Communication Implications

12.1 Other than ongoing reporting to the Board, there are no communications implications.

13. Finance and Resources Implications

13.1 The business plan for 2018/19 is challenging and will require significant input by officers and advisers to bring some of the actions to conclusion. The revised staffing structure is expected to be implemented with all newly recruited personnel in post by end September 2018.

14. Background Papers

14.1 None.