

Essex Pension Fund Strategy Board	EPB/17/17
Date: 13 September 2017	

Update on Pension Fund Activity

Joint Report by the Director for Essex Pension Fund & Head of Essex Pension Fund
Enquiries to Kevin McDonald on 03330 138488 and Jody Evans on 03330 138489

1. Purpose of the Report

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

- 2017/18 business plan
- risk management
- scorecard

2. Recommendations

2.1 That the Board notes:

- progress against the 2017/18 business plan
- the current risks with a residual score of six or above
- the latest scorecard measures

3. Background

3.1 The following documents accompany this report:

- an update on the 2017/18 business plan at Annex A;
- risks with a changed score or 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:

- annual accounts;
- external auditors report;
- quarterly Investment Steering Cttee report; and
- year-end charging policy

5. LAPF investment awards

5.1 Essex has been shortlisted in the *scheme governance* category at the forthcoming investment awards organised by the (LAPF) Local Authority Pension Funds publication. The Chairman and Vice Chairman will attend the ceremony on Tuesday 19 September.

6. Business Plan 2016/17 & 2017/18

6.1 Progress with the business plan shown at Annex A (i). Of the 21 actions for 2017/18:

- 3 (15%) have been completed;
- 12 (55%) are in progress; and
- 6 (30%) are scheduled to commence later the year.

6.2 One of the key actions to be undertaken by the PSB in 2017/18 will be considering the 31 March 2017 Interim Review. This work is underway and the Actuary will present to the Board's next meeting in December.

7. 3 year Business Plan

7.1 Officers are currently reviewing the 3 year business plan, and an update will be brought to the December meeting.

8. Risk Register

8.1 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.

8.2 One amber risk has changed score since the last meeting.

A.1 new financial system: *Residual Score reduced from 9 to 6*

A financial system migration took place at the end of November 2016. The Pension Fund has now completed year end reporting and statutory deadlines have been met.

The Fund is also currently implementing phase II of UPM which will include "Member Web" stages of User Acceptance Testing are on-going.

9. Scorecard

9.1 The scorecard is shown at Annex C.

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 2017/18 is challenging and will require significant input by officers and advisers to bring some of the actions to conclusion. The staffing structure review is ongoing.

14. Background Papers

14.1 None.