

Essex Pension Fund Strategy Board	PSB 04
Date: 15 December 2021	

Update on Pension Fund Activity: Quarterly Update Report

Report by the Compliance Manager

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This Report is for noting

Executive Summary

The Quarterly Update Report is provided at Appendix A.

Business Plan – of 45 priorities, 20 activities have been completed for 2021/22 up to 30 November 2021.

Budget – as at 06 December 2021 the Fund is forecasting an underspend of 8%.

Scorecard – as at 30 September 2021, two improvements have been noted within the Exception Report relating to Administration Scorecard measures.

Risk – Fund Officers have re-evaluated two risks in relation to knowledge and expertise and reliance on Advisers. No new risks have been added.

1. Purpose of the Report

1.1 To provide the Board with the latest Pension Fund Activity Report on:

- progress against 2021/22 Business Plan;
- Budget;
- Scorecard as at 30 September 2021; and
- Risk Management.

2. Recommendations

- 2.1 That the Board note the latest Pension Fund Activity Report.

3. Latest Position

- 3.1 The latest Pension Fund Activity Report at Appendix A outlines progress to date against the Fund's 2021/22 Business Plan and Budget, Scorecard and Risk Management.

4. Key Developments to note

Business Plan

- 4.1 The Business Plan update can be found in Section A to this report. A summary of progress to date is shown in the table below:

Function	Total	Complete	In Progress	Delayed	Not due to start	N/A
Governance	12	6 (5)	4 (5)	0 (0)	2 (2)	0 (0)
Funding	6	3 (1)	2 (4)	0 (0)	0 (0)	1 (1)
Investments	13	5 (2)	6 (7)	0 (0)	2 (4)	0 (0)
Admin	7	3 (2)	4 (4)	0 (0)	0 (1)	0 (0)
Comms	7	3 (3)	4 (4)	0 (0)	0 (0)	0 (0)
Total	45	20 (13)	20 (24)	0 (0)	4 (7)	1 (1)

The numbers in brackets represents the progress reported at the 22 September 2021 meeting.

Budget

- 4.2 The 2021/22 Budget vs Forecast is shown in Section B to this report.

Scorecard

- 4.3 The Scorecard Exception report can be found at Section C to this report.

Risk Management

- 4.4 The Risk Management report has been provided at Section D to this report.

- 4.5 The Fund's Risk Register is monitored and updated on a regular basis as part of business as usual, with some key risks being reviewed more regularly due to the impact of the Covid-19 pandemic.
- 4.6 Two risk scores have changed since the last meeting in regard to the knowledge and expertise of the Fund's Advisers with the possibility of three Advisers reaching retirement within the next few years around the same time. The impact on the Fund would not only be a loss of extent knowledge and expertise but also the inability for Advisers to assist Senior Officers should the need arise.
- 4.7 No new risks have been identified during this period.

5. Link to Essex Pension Fund Objectives

- 5.1 Monitoring Pension Fund activity via the Business Plan, Risks and Scorecard assists the Fund in achieving all of its objectives, and in particular to:
- provide a high-quality service whilst maintaining value for money;
 - understand and monitor risk and compliance; and
 - continually measure and monitor success against our objectives.

6. Risk Implications

- 6.1 Key risks are identified at Section C within the Risk Management section of the report.

7. Communication Implications

- 7.1 Other than ongoing reporting to the Board, there are no communication implications.

8. Finance and Resources Implications

- 8.1 To deliver the activities outlined in the Business Plan for 2021/22 a Budget of £5.65m has been approved which includes an operational internal budget of £3.83m and a budget allocation for third party provider support/advice of £1.82m. This will be periodically kept under review.

9. Background Papers

- 9.1 Update on Pension Fund Activity, PSB 04, 22 September 2021.
- 9.2 Update on Pension Fund Activity, PSB 06, 07 July 2021.
- 9.3 Update on Pension Fund Activity, PSB 03a, 17 March 2021.