

<b>Essex Pension Fund Strategy Board</b>	<b>PSB 10</b>
<b>Date: 04 March 2020</b>	

## **Pension Advisory Board (PAB) Quarterly Report**

Report by the Compliance Manager

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

1.1 To provide an update on PAB activity since the last Board meeting.

### **2. Recommendations**

2.1 That the Board should note the report.

### **3. Background**

- 3.1 The Essex Pension Fund Advisory Board (PAB) was established as the Local Pension Board for Essex in accordance with section 5 of the Public Service Pension Act 2013 and Part 3 of the Local Government Pension Scheme (LGPS) Regulations 2013.
- 3.2 Since the PSB's last meeting the PAB has met once on 15 January 2020.

### **4. Report of the meeting of PAB on 15 January 2020**

- 4.1 The PAB received a report from the Interim Director for Essex Pension Fund outlining the work undertaken by the PSB at their 18 December 2019 meeting. Additional items were provided to the PAB which included:
- the PAB Terms of Reference (TOR) for noting;
  - Essex Pension Fund (EPF) Policies and Publications for noting the progress against each;
  - the Good Governance Survey Phase I Self-Assessment;
  - an update on the 2019 Valuation; and
  - an update on Pension Fund Activity.
- 4.2 The PAB received a report from the Interim Director for Essex Pension Fund detailing the recent PAB review undertaken. Key highlights included:
- PAB TOR approved by Full Council on 8 October 2019 and published within the Essex County Council Constitution;
  - the review of Scheme Member and Other Employer Representatives completed. Two new Scheme Member Representatives were appointed and in addition, the Other Employer Representative was re-elected from 1 August 2019;
  - two-year extension of the Chairman's arrangement, in line with the revised PAB TOR;

- the number of PAB meetings increased from three to four per year and to take place directly after the PSB meetings to enable the PSB to be observed by PAB Members if they had the capacity to do so; and
- the PAB were notified that the Independent Governance & Administration Adviser (IGAA) would review the effectiveness of the PAB in 12 months' time.

- 4.3 The Compliance Manager notified the PAB of the requirements in the Pension Regulators (tPR) Code of Practice 14. Members were informed that the Fund had completed a self-assessment to assess the Fund's level of compliance against the Code. The full report along with its appendices can be found at Appendix A to this report.
- 4.4 The IGAA notified PAB Members that tPR were reviewing their Codes of Practice with the desire to produce one Code of Practice called the Singular Modular Code. Once available it would be subject to consultation.
- 4.5 The PAB were provided with a report detailing the progress made in regard to the review of the Fund's Business Continuity Plan. Members were informed that the IGAA would be asked to perform a quality assurance check of the work carried out by the Fund once completed and that the full Business Continuity Plan and Testing Plan would be provided to the PAB at a future meeting.
- 4.6 A verbal update was provided in regard to the pending Scheme Advisory Board (SAB) Pension Board Survey.
- 4.7 The PAB received a report showing all the papers / documents that had been sent to PAB Members since their last meeting. The PAB were advised that the paper had been expanded to include the main subjects that were discussed in the relevant papers / documents as requested by the Chairman at their last meeting.
- 4.8 The PAB were also provided with a Pooling update via presentation from the Interim Director for Essex Pension Fund.

## **5. Link to Essex Pension Fund Objectives**

- 5.1 Ensure compliance with the LGPS regulations, other relevant legislation and the Pensions Regulator's Codes of Practice.

## **6. Risk Implications**

- 6.1 Non-compliance with regulations caused by lack of knowledge by staff, changes in government policy/LGPS reforms and systems not kept up-to-date leading to reputational damage and financial loss

## **7. Background Papers**

- 7.1 PAB agenda and notes of 15 January 2020 meeting.