

Essex Pension Fund Strategy Board	PSB 07bii
Date: 18 March 2022	

Essex Pension Fund Advisory Board (PAB) Scheme Member Representation

Report by the Compliance Manager

Enquiries to Amanda Crawford on 03330 321763

This Report requires a decision

Executive Summary

The report notifies the Board that an existing PAB Scheme Member Term of Appointment is due to cease in May 2022 with a recommendation to extend the current term in line with the PAB's Terms of Reference.

1. Purpose of the Report

- 1.1 To notify the Board that an existing PAB Scheme Member Term of Appointment is due to cease 31 May 2022 and to outline a proposal to extend their current term for the Board's consideration.

2. Recommendations

- 2.1 That the Board **agree** to extend the current term for Debs Hurst up to six years in line with the PAB's Terms of Reference.
- 2.2 That the Board note the content of the report.

3. Background

- 3.1 The PAB is appointed by Essex County Council as its Local Pensions Board in accordance with Section 5 of the Public Service Pensions Act 2013 and Part 3 of the Local Government Pension Scheme Regulations 2013.
- 3.2 In line with the PAB's Terms of Reference, it shall consist of nine members and be comprised of:
- i. Four employer representatives made up of one from each of the following groups of employers in the Essex Pension Fund:
 - Essex County Council (an elected member);
 - the District, City and Borough Councils of Essex (an elected member);
 - Southend-on-Sea and Thurrock Unitary Authorities (an elected member);
 - all other employers;
 - ii. four scheme member representatives of which:
 - one will be nominated by the trade unions; and
 - the rest will be drawn from the total Essex Pension Fund active, deferred and pensioner membership;
 - iii. one independent Chairman.

4. Scheme Member Representative Term of Appointment

- 4.1 Debs Hurst was appointed as a Scheme Member Representative on the PAB on 01 June 2018 for a term of four years.
- 4.2 In line with the PAB Terms of Reference it states that this period may be extended up to six years if agreed by the Director for Essex Pension Fund.

- 4.3 The PAB has undergone some turnover during 2021/22 with two new Scheme Employers and one new Scheme Member representative appointed during the year.
- 4.4 In order to maintain continuity Fund Officers have reached out to ascertain her desire to remain a Scheme Member representative. It has subsequently been acknowledged that Debs would like to continue in her current role.

5. Recommendation

- 5.1 It is therefore recommended, that in order to maintain the current level of knowledge and expertise, and provide a good level of continuity, that the Term of Appointment for Debs Hurst be extended up to the maximum term to 31 May 2024.

6. Link to objectives

- 6.1 Act with integrity and be accountable to our stakeholders.
- 6.2 Ensure the Pension Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise.

7. Risk Implications

- 7.1 Without full membership of the PAB, the Fund are in breach of the Public Service Pensions Act 2013 and therefore are at risk of not fulfilling their duties as advisers to the PSB.
- 7.2 Links to Risk Register include:
- Failure of governance arrangements to match up to statutory requirements and recommended best practice leads to financial loss and reputational damage; and

- A lack of expertise, insufficient knowledge and maintenance of the PSB, ISC and PAB arising out of high turnover and/or changes within the LGPS benefit structure, regulations and associated directives/deliverables.

8. Communication Implications

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

9. Finance and Resource Implications

- 9.1 None.

10. Background Papers

- 10.1 Essex County Council Constitution and the Essex Pension Fund Advisory Board Terms of Reference therein.