

<b>Essex Pension Fund Board</b>	<b>EPB/35/14</b>
<b>Date: 10 December 2014</b>	

## **Update on Pension Fund Activity**

Joint Report by the Director for Essex Pension Fund & Head of Essex Pension Fund  
Enquiries to Kevin McDonald on 01245 431301 and Jody Evans on 01245 431700

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

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

- 2014/15 business plan
- three year business plan
- risk management
- scorecard

### **2. Recommendations**

2.1 That the Board notes:

- progress against the 2014/15 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 2014/15 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:

- Pensions Administration software
- Reform of LGPS (Structural and Governance)
- Funding Strategy for Academies
- ISC Quarterly Report

### **5. Business Plan 2014/15**

5.1 Progress is on track with the business plan shown at Annex A(i). Of the 23 actions for 2014/15:

- six have been completed;
- fourteen are in progress and
- the remaining three are scheduled to commence later this year.

5.2 Introductory meetings have been held for Councillor Woodley on 28 October 2014 and Councillor Galley on 21 November 2014.

5.3 The IGAA procurement has completed. At the Appointment Sub Committee held on 13 October 2014, Councillor Bass, Councillor Hume and Councillor Clempner agreed to the appointment of Barry Mack of Hymans Robertson.

5.4 A workshop for Town and Parish Councils was held in October 2014 mainly covering the requirements of the new CARE pension scheme. As highlighted at item 6a a Forum for Academies was scheduled to be held on 5 December 2014.

### **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).

6.2 In line with the 3 year business plan Administering Authority discretions were reviewed at the September 2014 Board meeting. The Chairman requested that information be provided in the form of a quarterly analysis and trends regarding the discretionary decisions on death grants.

6.3 The form and content of this information is being developed within the new UPM (Civica) system and initial information is expected to be available for the Board's meeting in March 2015.

## **7. Risk Register**

7.1 There are currently 81 risks in the Fund's risk register of which 12 have a residual score of six or more and are shown at Annex B.

7.2 The measurement of one of these risks (A1) has changed from 12 (red) to 9 (amber). This is due to a system update being implemented on AXISe, reducing the reliance on manual calculations. The new UPM (Civica) system also includes 2014 CARE updates.

## **8. Scorecard**

8.1 Measure **1.4.3** is now green due to the nomination of Cllr Galley by the Essex Leaders & Chief Executives Group.

8.2 The measures **3.6.1** & **3.6.2** reflect the liquidation of Harlow Welfare Rights and Advice. The Fund received notification that with the completion of the liquidation process there would be no dividend to creditors. As previously reported to the Board this resulted in an unrecoverable debt of £95,000 on a least risk basis.

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

9.1 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

## **10. Risk Implications**

10.1 Key risks are identified at Annex B

## **11. Communication Implications**

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

## **12. Finance and Resources Implications**

- 12.1 The business plan for 2014/15 is challenging and labour intensive and will require significant input by officers and advisers to bring some of the actions to conclusion.

## **13. Background Papers**

- 13.1 None.